

**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 PROPOSED PLAN OF COMPROMISE OR  
ARRANGEMENT OF ROTHMANS, BENSON & HEDGES INC.**

Applicant

**MOTION RECORD  
(INSURANCE SETTLEMENT AND BAR ORDER)**

December 17, 2024

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Court File No. CV-19-616779-00CL

**ONTARIO  
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**IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*,  
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# TAB 1

Court File No. CV-19-616779-00CL

**ONTARIO  
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**IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*,  
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ARRANGEMENT OF ROTHMANS, BENSON & HEDGES INC.**

Applicant

**NOTICE OF MOTION  
(RBH Insurance Settlement and Bar Order)**

Rothmans, Benson & Hedges Inc. (the “**Applicant**” or “**RBH**”) will make a motion before the Honourable Chief Justice Morawetz of the Ontario Superior Court of Justice (Commercial List) on December 23, 2024 at 11:00 a.m. at 330 University Avenue, to be heard via judicial videoconference.

**THE MOTION IS FOR:**

- (a) an Order, substantially in the form attached at Tab 3 of the Applicant’s Motion Record, among other things:
  - i. approving the terms of the Insurance Settlement Letter Agreement (defined below), together with the Insurance Settlement Agreements (defined below), to the extent applicable, and certain settlement payments to be made by three participating Insurers (as defined below) thereunder (the “**Settlement Payments**”);
  - ii. authorizing the Applicant to comply with its obligations under the Insurance Settlement Letter Agreement, including to direct the Monitor to hold the Settlement Payments in trust pending the Plan Implementation Date and,

effective on the Plan Implementation Date, to contribute the Settlement Payments to the Global Settlement Trust Account on behalf of the Applicant;

- iii. authorizing and directing the Monitor to comply with the directions of the Applicant relating to holding Settlement Payments in trust pending the Plan Implementation Date, and contributing such funds to the Global Settlement Trust Account on the Plan Implementation Date; and,
- iv. containing a bar of claims against the Insurers and which releases them in relation to the RBH Policies (defined below), effective on the Plan Implementation Date provided that the Settlement Payments are paid in full, and,

(b) such other relief as this Honourable Court may allow.

#### **THE GROUNDS FOR THE MOTION ARE:**

##### **I. BACKGROUND**

4. RBH and its predecessor corporations have been engaged in the business of the production and sale of tobacco products in Canada for over 100 years.

5. In the course of its business, RBH obtained various primary and excess insurance policies. These policies typically provided indemnity for tort-based damages. Each policy was subject to its own terms, conditions and exclusions.

6. It appears that on or around 1986, the policies began implementing a specific Health Hazard Exclusion (“**HHE**”). Generally, this exclusion provided that there was no insurance coverage for claims related to Health Hazards as defined therein.

7. On May 2, 2015, RBH entered into two settlement agreements:

- (a) One (the “**Main Insurance Settlement Agreement**”) with the following primary insurers (the “**Insurers**”): La Nordique Compagnie D’Assurance du Canada (“**Nordique**”), Royal & Sun Alliance Insurance Company of Canada (“**RSA**”) and Northumberland General Insurance Company, in liquidation by PricewaterhouseCoopers Inc. in its capacity as liquidator (“**Northumberland**”) and together with Nordique and RSA, the “**Insurers**”); and
- (b) One (the “**HHE Policies Agreement**”) with Nordique to settle certain policies with HHE terms for the additional consideration of one silver coin.

8. The Main Insurance Settlement Agreement provided a settlement amount of \$28,280,000.00 (the “**Coverage Settlement Amount**”), which is allocated among the three Insurers in the following approximate amounts:

- (a) Nordique – \$19,796,000;
- (b) Northumberland – \$3,030,000;
- (c) RSA – \$5,400,000.

9. The Main Insurance Agreement provides a broad release for the Insurers upon payment of the Coverage Settlement Amount. It also required court approval of the settlement and releases. For various reasons, court approval of the settlement was delayed.

10. In the face of the delay, RSA approached RBH to enter into a separate agreement to address its claims without a requirement for court approval. On June 6, 2018, RBH and RSA entered into a Settlement and Release Agreement (the “**RSA Settlement Agreement**”) and,

together with the Main Insurance Settlement Agreement and the HHE Policies Agreement, the “**Insurance Settlement Agreements**”), which provides for a payment by RSA in the amount of \$5,400,000, together with release provisions.

11. RSA put the agreed settlement funds into an interest-bearing trust account. The current trust balance as at November 18, 2024 is \$6,385,694.23.

12. At the time the CCAA Proceedings were commenced, the Insurance Settlement Agreements had been executed but court approval had not been obtained and no settlement amounts had been paid to RBH pursuant to the Insurance Settlement Agreements.

**A. Settlement Letter and Payment to the Monitor**

13. RBH and the Insurers have entered into an Insurance Settlement Letter Agreement on December 17, 2024 (the “**Insurance Settlement Letter Agreement**”) to streamline the settlement process.

14. The Insurance Settlement Letter Agreement provides among other things for the following, notwithstanding any other provision of the Insurance Settlement Agreements:

- (a) Settlement Payments to be made by the three Insurers in the amounts provided for in the Insurance Settlement Agreements plus interest (in an amount to be agreed upon and approved by the Monitor);
- (b) the Monitor to hold the Settlement Payments in a non-interest-bearing trust account for RBH pending the Plan Implementation Date at the direction of the Applicant;



- (c) effective on the Plan Implementation Date, the Monitor to contribute the Settlement Payments and any accumulated interest to the Global Settlement Trust Account on behalf of the Applicant, at its direction;
- (d) in the event the Plan Implementation Date does not occur by December 31, 2025, the Monitor is authorized to return the Settlement Payments to the applicable Insurer unless the parties agree otherwise; and,
- (e) RBH to seek the order, which, among other things, approves the Insurance Settlement Letter Agreement together with the Insurance Settlement Agreements and, together, contains a bar of claims against the Insurers and releases the Insurers in relation to the RBH Policies effective on the Plan Implementation Date provided that the Settlement Payments are paid in full.

15. The proposed resolution will provide for substantial Settlement Payments totalling \$28,280,000, plus interest, to be held in trust by the Monitor and released to RBH on the Plan Implementation Date. It further provides that RBH is authorized and directed to contribute such amounts to the Global Settlement Trust Account on behalf of RBH, for distribution in accordance with the CCAA Plan.

16. While this will not increase the total “Global Settlement Amount” in aggregate, it will allow for a larger upfront contribution by RBH upon the Plan Implementation Date towards its share of the “Global Settlement Amount.” This in turn will benefit eligible claimants by funding payments to eligible claimants more quickly.

17. In addition, the releases provided in the Insurance Settlement Agreements and the claims bar provisions of the proposed order are sensible. They will not take effect until the Plan

Implementation Date. At that time, claimants in the Pending Litigation will have already provided broad releases in respect of their claims. As such, the proposed relief will not reduce any potential recoveries for claimants. To the contrary, it will result in an earlier contribution by RBH of a portion of its share of the “Global Settlement Amount.”

18. RBH also relies upon the following:

- (a) section 11 and other provisions of the CCAA and the inherent and equitable jurisdiction of this Court;
- (b) rules 1.04, 2.03, 3.02, 16, 37 and 39 of the *Rules of Civil Procedure* (Ontario), as amended; and
- (c) such further and other grounds as counsel may advise and this Honourable Court may permit.

**THE FOLLOWING DOCUMENTARY EVIDENCE** will be used at the hearing of the motion:

- (a) Affidavit of Milena Trentadue dated December 17, 2024; and,
- (b) such further and other materials as counsel may advise and this Court may permit.

December 17, 2024

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Lawyers for the Applicant

**TO: COMMON SERVICE LIST**

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

Proceeding commenced at Toronto

**NOTICE OF MOTION**  
**(INSURANCE SETTLEMENT AND BAR**  
**ORDER)**  
**(Returnable December 23, 2024)**

**McCarthy Tétrault LLP**  
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Lawyers for the Applicant

**TAB 2**

Court File No. CV-19-616779-00CL

**ONTARIO  
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Applicant

**AFFIDAVIT OF MILENA TRENTADUE  
(Sworn December 17, 2024)**

I, Milena Trentadue, of the City of Toronto, in the Province of Ontario, MAKE  
OATH AND SAY:

1. I am the Managing Director of Rothmans, Benson & Hedges Inc. (“**RBH**” or the “**Applicant**”). I have served in this capacity since February 1, 2024. I have been employed with RBH, an affiliate of Philip Morris International Inc., for over five years. Prior to my appointment as Managing Director of RBH, I served as a Director of Commercial Deployment from January 2019 to January 2024. Prior to joining RBH, I spent over 20 years in the consumer packaged goods industry.

2. Through my current role as Managing Director of RBH, I am familiar with RBH’s operations, financial results and strategies and, as such, have personal knowledge of the matters to which I depose in this affidavit. Where I do not possess personal knowledge, the source of my information is my review of the documents described below and I believe it to be true.

3. I swear this affidavit in support of RBH's motion for an Order substantially in the form attached at Tab 3 of the Applicant's Motion Record, among other things:

- (a) approving the terms of the Insurance Settlement Letter Agreement (defined below), together with the Insurance Settlement Agreements (defined below), to the extent applicable, and certain settlement payments to be made by three participating Insurers (as defined below) thereunder (the "**Settlement Payments**");
- (b) authorizing the Applicant to comply with its obligations under the Insurance Settlement Letter Agreement, including to direct the Monitor to hold the Settlement Payments in trust pending the Plan Implementation Date and, effective on the Plan Implementation Date, to contribute the Settlement Payments to the Global Settlement Trust Account on behalf of the Applicant;
- (c) authorizing and directing the Monitor to comply with the directions of the Applicant relating to holding Settlement Payments in trust pending the Plan Implementation Date, and contributing such funds to the Global Settlement Trust Account on the Plan Implementation Date; and,
- (d) containing a bar of claims against the Insurers and which releases them in relation to the RBH Policies (defined below), effective on the Plan Implementation Date provided that the Settlement Payments are paid in full.

4. Capitalized terms used but not otherwise defined herein have the meanings given to them in the Second Amended and Restated Initial Order and the Insurance Settlement Letter Agreement, as applicable.

***Background***

5. RBH and its predecessor corporations have been engaged in the business of the production and sale of tobacco products in Canada for over 100 years.

6. In the course of its business, RBH obtained various primary and excess insurance policies. These policies typically provided indemnity for tort-based damages. Each policy was subject to its own terms, conditions and exclusions.

7. It appears that on or around 1986, the policies began implementing a specific Health Hazard Exclusion (“**HHE**”). Generally, this exclusion provided that there was no insurance coverage for claims related to Health Hazards as defined therein.

8. On May 2, 2015, RBH entered into a settlement agreement (the “**Main Insurance Settlement Agreement**”) with the following primary insurers (the “**Insurers**”): La Nordique Compagnie D’Assurance du Canada (“**Nordique**”), Royal & Sun Alliance Insurance Company of Canada (“**RSA**”) and Northumberland General Insurance Company, in liquidation by PricewaterhouseCoopers Inc. in its capacity as liquidator (“**Northumberland**” and together with Nordique and RSA, the “**Insurers**”). The Main Insurance Settlement Agreement is attached hereto as **Exhibit “A”**.

9. Northumberland is subject to liquidation proceedings. It is represented by its liquidator, PricewaterhouseCoopers Inc.



10. The Main Insurance Settlement Agreement provided a settlement amount of \$28,280,000.00 (the “**Coverage Settlement Amount**”), which is allocated among the three Insurers in the following approximate amounts:

- a) Nordique – \$19,796,000;
- b) Northumberland – \$3,030,000; and
- c) RSA – \$5,400,000.

11. The Main Insurance Agreement also provided a broad release for the Insurers upon payment of the Coverage Settlement Amount.

12. The Main Insurance Settlement Agreement addressed claims relating to various insurance policies that did not include HHE terms. A separate agreement was entered into between RBH and one of the Insurers, Nordique, on May 5, 2015, to settle claims relating to certain policies with HHE terms for the additional consideration of one silver coin (the “**HHE Policies Agreement**”). The HHE Policies Agreement is attached hereto as **Exhibit “B”**.

13. The Main Insurance Settlement Agreement contained certain provisions requiring court approval of the settlement and releases. The seeking of court approval of the settlement had not been sought by the commencement of the CCAA Proceedings.

14. Prior to the CCAA Proceedings, RSA approached RBH to enter into a separate agreement to address its claims without a requirement for court approval. On June 6, 2018, RBH and RSA entered into a Settlement and Release Agreement (the “**RSA Settlement Agreement**” and, together with the Main Insurance Settlement Agreement and the HHE

Policies Agreement, the “**Insurance Settlement Agreements**”). The RSA Settlement Agreement is attached hereto as **Exhibit “C”**.

15. The RSA Settlement Agreement provides for a payment by RSA in the amount of \$5,400,000, together with release provisions. Once executed, the RSA Settlement Agreement became the operative document for the settlement with RSA and RSA put the agreed settlement funds into a trust account.

16. RBH’s counsel has received updates from RSA regarding the trust account. The latest statement shows the Trust Amount having a balance of \$6,385,694.23 as of November 18, 2024. A copy of the trust account statement is attached hereto as **Exhibit “D”**.

17. The policies settled in the Insurance Settlement Agreements are referred to herein as the “**RBH Policies**.”

### ***CCAA Proceedings***

18. These CCAA Proceedings were commenced by RBH on March 22, 2019 with the issuance of an Initial Order, with the goal of arriving at a consensual global settlement of all tobacco-related claims against RBH to be implemented pursuant to a plan of compromise or arrangement (a “**CCAA Plan**”). The Initial Order, among other things, appointed Ernst & Young Inc. as monitor (the “**Monitor**”).

19. At the time of the Initial Order, the Insurance Settlement Agreements had been executed but court approval had not been obtained and no settlement amounts had been paid to RBH pursuant to the Insurance Settlement Agreements.

20. Over the course of these CCAA Proceedings, RBH has engaged in various discussions including in the context of the mediation process supervised by the Court-appointed mediator, the Hon. Warren K. Winkler, K.C. (the “**Court-Appointed Mediator**”).

21. On October 17, 2024, the Court-Appointed Mediator, together with the Monitor, filed a proposed CCAA Plan in respect of the Applicant. On December 5, 2024, the Monitor served an amended and restated proposed CCAA Plan on the Common Service List. Attached hereto as **Exhibit “E”** is a copy of that amended and restated CCAA Plan in respect of RBH, without schedules.

22. A sanction hearing is currently scheduled for January 29, 2025 to seek approval of a CCAA Plan.

23. The CCAA Plan proposed by the Court-Appointed Mediator and Monitor, similar to the plans of arrangement proposed in respect of the other tobacco companies subject to their own proceedings under the CCAA, provides for contributions to be made by the three tobacco companies to a “Global Settlement Trust Account” in the total global settlement amount of \$32,500,000,000, which will be distributed in accordance with the CCAA Plan.

Contributions contemplated include an “upfront contribution” on the “Plan Implementation Date.” The allocation of the responsibility for paying the global settlement amount to each Tobacco Company has not yet been determined, either by agreement between the Tobacco Companies or the Court.

24. The CCAA Plan also provides broad releases that will be effective on the “Plan Implementation Date” and which will settle all Pending Litigation against RBH.

***Settlement Letter and Payment to the Monitor***

25. Counsel for RBH has engaged in discussions with counsel for the Insurers to finalize and conclude the insurance settlements.

26. To streamline the settlement process, RBH and the Insurers have entered into an Insurance Settlement Letter Agreement on December 17, 2024 (the “**Insurance Settlement Letter Agreement**”), which provides, among other things, for the following, notwithstanding any other provision of the Insurance Settlement Agreements:

- a) Settlement Payments to be made by the three Insurers in the amounts provided for in the Insurance Settlement Agreements plus interest (in an amount to be agreed upon and approved by the Monitor);
- b) the Monitor to hold the Settlement Payments in a non-interest-bearing trust account for RBH pending the Plan Implementation Date at the direction of the Applicant;
- c) effective on the Plan Implementation Date, the Monitor to contribute the Settlement Payments to the Global Settlement Trust Account on behalf of the Applicant, at its direction;
- d) in the event the Plan Implementation Date does not occur by December 31, 2025, the Monitor is authorized to return the Settlement Payments to the applicable Insurer unless the parties agree otherwise; and,
- e) RBH to seek the order, which, among other things, approves the Insurance

Settlement Letter Agreement together with the Insurance Settlement Agreements and, together, contains a bar of claims against the Insurers and releases the Insurers in relation to the RBH Policies effective on the Plan Implementation Date provided that the Settlement Payments are paid in full.

27. Attached hereto as **Exhibit “F”** is a copy of the Insurance Settlement Letter Agreement.
28. I believe that the Insurance Settlement Letter Agreement and the settlements provided therein are appropriate and in the best interests of all stakeholders.
29. The proposed resolution will provide for substantial Settlement Payments totalling \$28,280,000, plus interest, to be held in trust by the Monitor and released to RBH on the Plan Implementation Date. It further provides that RBH is authorized and directed to contribute such amounts to the Global Settlement Trust Account on behalf of RBH, for distribution in accordance with the CCAA Plan.
30. While this will not increase the total Global Settlement Trust Account in aggregate, it will allow for a larger upfront contribution by RBH upon the Plan Implementation Date towards its share of the “Global Settlement Amount.” This in turn will benefit eligible claimants by funding payments to eligible claimants more quickly.
31. In addition, the releases provided in the Insurance Settlement Agreements and the claims bar provisions of the proposed order are sensible. They will not take effect until the Plan Implementation Date. At that time, claimants in the Pending Litigation will have already provided broad releases in respect of their claims. As such, the proposed relief will not reduce

any potential recoveries for claimants. To the contrary, it will result in an earlier contribution by RBH of a portion of its share of the “Global Settlement Amount.”

**Conclusion**

32. For the reasons stated above, the relief requested in the Order substantially in the form attached at Tab 3 of the Applicant’s Motion Record is in the best interests of RBH and its stakeholders and is appropriate in the circumstances.

SWORN BEFORE ME over videoconference this 17<sup>th</sup> day of December, 2024 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely. The affiant was located in the City of Toronto, in the Province of Ontario and the commissioner was located in the City of Toronto, in the Province of Ontario.

DocuSigned by:  
*Meena Alnajjar*

A508ACD91F1F428  
A Commissioner for taking Affidavits, etc.  
**Meena Alnajjar | LSO #89626N**

DocuSigned by:  
*Milena Trentadue*  
B561C84AA097434...

**MILENA TRENTADUE**

**TAB A**

This is **Exhibit "A"** referred to in the  
Affidavit of **Milena Trentadue**  
sworn before me December 17, 2024

DocuSigned by:  
*Meena Alnajar*  
A508ACD91F1F426...

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A Commissioner for taking Affidavits (or as may be)  
**Meena Alnajar LSO No: 89626N**



**SETTLEMENT AGREEMENT AND RELEASE**

This Settlement Agreement and Release is entered into by and between:

**ROTHMANS, BENSON & HEDGES INC.**

OF THE FIRST PART

AND

**LA NORDIQUE COMPAGNIE D'ASSURANCE DU CANADA**

OF THE SECOND PART

AND

**ROYAL & SUN ALLIANCE INSURANCE COMPANY OF CANADA**

OF THE THIRD PART

AND

**NORTHUMBERLAND GENERAL INSURANCE COMPANY, IN LIQUIDATION  
BY PRICEWATERHOUSECOOPERS INC., LIQUIDATOR**

OF THE FOURTH PART

**I****PREAMBLE**

All parts of this document, including the Preamble, Definitions, Recitals and Covenants form part of the Settlement Agreement and Release and are binding on the Parties. In the event of any conflict between the Preamble, Definitions, Recitals and Covenants, the Covenants shall govern.

**II****DEFINITIONS**

In this Agreement, the following definitions apply when the first letter of a word is capitalised. Where applicable, the singular includes the plural and vice versa:

“Actions”

Any and all proceedings claiming damages for tobacco related bodily injury or property damage including/or tobacco related health care costs now existing or which may be brought at any time in the future against RBH, including but not limited to, the following proceedings:

- (i) Ontario Court of Justice (General Division), bearing Action No.: 95-CU-82186 filed on or about January 13, 1995, by David Caputo, Luna Roth, Lori Cawardine and Russel Hyduk as a Statement of Claim naming RBH as a defendant;
- (ii) Ontario Court (General Division), bearing Action No.: C17773/97 (the Action No. was changed to 06-CV-309667PD3 as a result of the matter being moved from Milton to Toronto) filed on or about May 1, 1997, by Mirjana Spasic as a Statement of Claim naming RBH as a defendant;

- (iii) Quebec Superior Court, District of Montreal, bearing Action No.: “Project” filed on or about September 30, 1997, by Roland Meunier as a Declaration naming RBH as a defendant;
- (iv) Ontario Superior Court of Justice (General Division), bearing Action No.: 00-CV-183165CP filed on or about January 11, 2000, by Jasmine Ragoonanan and Phillip Ragoonanan, by their estate representative, Davina Ragoonanan, and Ranuka Baboolal, by her estate representative, Vashti Baboolal as a Statement of Claim naming RBH as a defendant;
- (v) The United States District Court for the Southern District of New York, bearing Action No.: 00CIV. 1593, filed on or about March 1, 2000, by Her Majesty the Queen in Right of Ontario, The Minister of Health and Long Term Care as a Statement of Claim naming RBH as a defendant;
- (vi) Supreme Court of British Columbia, bearing Action No.: C985776 filed on or about November 12, 1998, by Her Majesty The Queen in Right of British Columbia as a Statement of Claim naming RBH as a defendant;
- (vii) Supreme Court of British Columbia, bearing Action No.: S010421 filed on or about January 24, 2001, by Her Majesty The Queen in Right of British Columbia as a Statement of Claim naming RBH as a defendant;
- (viii) Quebec Superior Court, District of Montreal, bearing Action No.: 500-06-000070-983. On or about September 3, 1998, Cécilia Létourneau filed a Motion for Permission

to Institute a Class Action and To be Named Representatives against RBH. Permission was granted. On or about September 29, 2005 Létourneau filed a Motion to Institute Class Action Proceedings;

- (ix) Quebec Superior Court, District of Montreal, bearing Action No.: 500-06-000076-980. On or about November 18, 1998, the Conseil Québécois sur le Tabac et la Santé and Jean-Yves Blais filed a Motion for Permission to Institute a Class Action and To be Named Representatives against RBH. Permission was granted. On or about September 29, 2005 the Conseil Québécois sur le Tabac et la Santé and Jean-Yves Blais filed a Motion to Institute Class Action Proceedings;
- (x) Court of Queen's Bench for Saskatchewan, Judicial Centre of Regina, bearing Action No.: 1036 of 2009, filed on or about July 10, 2009 by Thelma Adams as a Notice of Motion for Certification naming RBH as a defendant;
- (xi) Court of Queen's Bench for Saskatchewan, Judicial Centre of Regina, bearing Action No.: 916 of 2009, filed on or about June 12, 2009 by Thelma Adams as a Statement of Claim naming RBH as a defendant;
- (xii) Court of Queen's Bench of Alberta, Judicial District of Calgary, bearing Action No.: 0901-08964, filed on or about June 15, 2009 by Linda Dorion as a Statement of Claim naming RBH as a defendant;
- (xiii) Court of Queen's Bench of Manitoba, Winnipeg Centre, bearing Action No.: CI09-01-61479, filed on or about

June 2009 by Deborah Kunta as a Statement of Claim naming RBH as a defendant;

- (xiv) Court of Queen's Bench of New Brunswick, Trial Division, Judicial District of Fredericton, bearing Action No.: F/C/88/08 filed on or about March 13, 2008, by Her Majesty the Queen in Right of The Province of New Brunswick as a Notice of Action and Statement of Claim;
- (xv) Ontario Superior Court of Justice, bearing Action No.: CV-09-387984 filed on or about September 29, 2009, by her Majesty The Queen in Right of Ontario as a Statement of Claim naming RBH as a defendant;
- (xvi) Supreme Court of Newfoundland and Labrador, Trial Division, bearing Action No.: 0826 filed on or about February 8, 2011, by Attorney General of Newfoundland and Labrador as a Statement of Claim naming RBH as a defendant;
- (xvii) Supreme Court of Nova Scotia, bearing Action No.: 312869 filed on or about June 18, 2009, by Ben Semple as a Notice of Action and Statement of Claim naming RBH as a defendant;
- (xviii) Supreme Court of British Columbia, Vancouver Registry, bearing Action No.: 10-2780. filed on or about June 25, 2010, by Barbara Bourassa on behalf of the Estate of Mitchell David Bourassa, as a Writ of Summons & Statement of Claim naming RBH as a defendant;
- (xix) Supreme Court of British Columbia, Victoria Registry, bearing Action No.: 10-2769, filed on or about June 25,

- 2010, by R. McDermid as a Writ of Summons and Statement of Claim naming RBH as a defendant;
- (xx) Ontario Superior Court of Justice, bearing Action No.: 64462CP filed on November 5, 2009, by The Ontario Flue-Cured Tobacco Growers' Marketing Board as a Statement of Claim naming RBH as a defendant;
- (xxi) Quebec Court, District of Rimouski, bearing Action No.: 100-32-000781-964 filed on or about November 29, 1996 by Suzanne Dumais as a Statement of Claim naming RBH as a defendant;
- (xxii) Court of Queen's Bench of Alberta, bearing Action No.: 1201-07314 filed on or about June 8, 2012 by Her Majesty in Right of Alberta as a Statement of Claim naming RBH as a defendant;
- (xxiii) Quebec Superior Court, District of Montreal, bearing Action No.: 500-17-072363-123 filed on or about June 8, 2012 by the Attorney General of Quebec as a Motion Introductive of Suit naming RBH as a defendant;
- (xxiv) Queen's Bench of Saskatchewan, Judicial Centre of Saskatoon, bearing Action No.: 871/2012 filed on or about June 8, 2012 by the Government of Saskatchewan as a Statement of Claim naming RBH as a defendant;
- (xxv) Queen's Bench of Manitoba, Winnipeg Judicial Centre, bearing File No. C112-01-78127 filed on or about May 31, 2012 by Her Majesty the Queen in Right of the Province of Manitoba as a Statement of Claim naming RBH as a defendant;

(xxvi) Ontario Superior Court of Justice, bearing Action No.: 53794/12 filed on or about June 27, 2012 by Suzanne Jacklin as a Statement of Claim naming RBH as a defendant;

(xxvii) Supreme Court of Prince Edward Island (General Section), bearing Action No.: S1-GS-25019 filed on or about September 10, 2012 by Her Majesty the Queen in Right of the Province of Prince Edward Island as a Statement of Claim naming RBH as defendant;

(xxviii) Supreme Court of Nova Scotia, bearing Action No. HFX No. 434868 filed on or about January 2, 2015 by Her Majesty the Queen in Right of the Province of Nova Scotia as a Notice of Action and Statement of Claim naming RBH as a defendant.

“Agreement”

This Settlement Agreement and Release, inclusive of all schedules hereto.

“BHCI”

Benson & Hedges Canada Inc., being a corporation that was amalgamated into RBH in or about 1986, and its subsidiaries, divisions, branches, related, associated and affiliated companies, trusts, joint ventures, principals, partners, dealers, agents, brokers, officers, executives, directors, employees, and any and all predecessors, successors and/or assigns of each of them. All references to non-natural persons in this definition include only Canadian non-natural persons. All references to natural persons in this definition include natural persons of any nationality.

“Claimants”

Collectively: (i) the plaintiffs and class members in the Actions; and (ii) any Government of a Province or Territory of Canada and the Government of Canada insofar as they assert or may assert a

Claim for, or in relation to, Tobacco Health Care Cost/Damage Recovery.

“Claims”

Any and all Actions, allegations, disputes, demands, claims, causes of action, whether legal, statutory or equitable, damages, fines, penalties, civil, administrative or regulatory proceedings, actions of any kind, rights, injuries, liabilities, obligations, debts, accounts, covenants, contracts, complaints, charges, costs, expenses, fees, judgments, court orders, executions, suits or requests or claims for relief, action, indemnity, liabilities, monies, losses, restitution, disgorgement, penalties, fines, costs, interest, legal fees or disbursements, expenses or forbearance of any kind or for damages whether compensatory, punitive, contractual, extra-contractual, liquidated, unliquidated or otherwise, including without limitation, any and all known or unknown claims of personal, economic and non-economic injuries or loss and the consequences thereof, any and all claims seeking extra-contractual damages, covenants, contracts any and all claims for loss of service or earnings, unfair or deceptive trade practices, improper defence or settlement practices, violations of any insurance code or other statutory provision, bad faith, breach of fiduciary duty, fraud, malice, or oppression, and whether past, present or future, known or unknown, asserted or unasserted, suspected or unsuspected, disclosed or undisclosed, and any expenditure, costs, expenses, fees and/or any other monies howsoever paid or incurred in connection therewith whether relating to counsel, experts or otherwise.

“Confidential Compromise Material”

Draft Documentation setting out the terms of this Agreement and Documentation regarding the negotiation of this Agreement and communications and documents generated for or in connection



therewith or thereafter.

“Court of Competent  
Jurisdiction”

The Superior Court of the Province of Quebec and/or the Ontario Superior Court of Justice and/or any equivalent court of a Province or Territory of Canada, including any appellate court therefrom.

“Coverage Claim”

Any and all demands, requests, claims or entitlement made or asserted by RBH, or that could be made or asserted by RBH, to or against the Insurers under or in respect of the Policies for:

Claims (and investigation of Claims) respecting tobacco related bodily injury or property damage including/or tobacco related health care costs, and/or for payment of defence costs and/or for indemnification for any judgment, including any award of plaintiffs’ costs and/or prejudgment interest and/or post judgment interest, with respect to the Actions and/or for indemnification for any settlement entered into with one or more Claimants and/or for damages whether compensatory, punitive, contractual, extra-contractual, liquidated, unliquidated or otherwise, any and all claims seeking extra-contractual damages, covenants, contracts any and all claims for unfair or deceptive trade practices, improper defence or settlement practices, violations of any insurance code or other statutory provision, bad faith, breach of fiduciary duty, fraud, malice, or oppression, and whether past, present or future, known or unknown, asserted or unasserted, suspected or unsuspected, disclosed or undisclosed, and any expenditure, costs, expenses, fees and/or any other monies howsoever paid or incurred in connection therewith whether relating to counsel, experts or otherwise.

“Coverage Dispute”	The disagreement between RBH and the Insurers with respect to the existence and extent of the Insurers’ Coverage Obligations, if any, to RBH under the Policies with respect to:  the Actions, Tobacco Health Care Cost/Damage Recovery, the Notice, the Potential Tobacco Exposure and/or the Coverage Claim.
“Coverage Obligations”	The extent of the Insurers’ obligations, if any, under the Policies, including the obligation to investigate Claims with respect to tobacco related bodily injury or property damage including/or tobacco related health care costs, to provide indemnification to RBH with respect to the Actions, Tobacco Health Care Cost/Damage Recovery or Potential Tobacco Exposure for defence costs and/or any damage award, including any award of plaintiffs’ costs and/or pre-judgment interest and/or post-judgment interest, incurred by or against RBH resulting from the Actions and/or any settlement entered into with one or more Claimants.
“Coverage Settlement Amount”	The sum of Twenty Eight Million Canadian Dollars (CAN \$28,280,000.00) consisting of the RBH Amount and the Trust Amount.
“Declarations”	The Declarations for Insurers, Declarations for Insurers/RBH, and Declaration for RBH.
“Declarations for Insurers”	The declarations set out in Section IV subsections 6(A)(a)(1), 6(A)(c) and 6(A)(d) herein.
“Declarations for Insurers/RBH”	The declarations set out in Section IV subsection 6(A)(a)(2) and 6(A)(a)(3) herein.

“Declarations for RBH”	The declaration set out in Section IV subsection 6(A)(b) herein.
“Documentation”	Includes, but without limiting the generality of the following, a sound recording, videotape, photograph, film, report, chart, graph, map, plan, survey, book of account, any record of permanent or semi-permanent character, any information recorded or stored by means of any device including a computer and data and information in electronic form.
“Final Order”	An order of a court finally determining all of the matters at issue before it in the proceeding (in an action, including both liability and damages), that is not subject to appeal or that has not been appealed and cannot, by virtue of the expiry of time delays or binding agreement in writing, be appealed.
“Final Declaration Orders”	All of the Final Orders granting the Declarations required under s. 6(A) of this Agreement.
“Final Declaration Orders Date”	The date upon which the last of the orders granting the Declarations required under s. 6(A) of this Agreement becomes a Final Order.
“Guardian”	Guardian Insurance Company of Canada and its reinsurers and their retrocessionaires (both in their capacity as such), subsidiaries, divisions, branches, related, associated and affiliated companies, trusts, joint ventures, principals, partners, dealers, agents, brokers, officers, executives, directors, employees, and any and all predecessors, successors and/or assigns of each of them including but not limited to any receivers, liquidators or trustees, in all capacities. The term “Guardian” does not include any of the Other Carriers irrespective of whether an Other Carrier presently or in the future falls within the meaning of the term

“Guardian”.

“Halifax”

The Halifax Insurance Company and its reinsurers and their retrocessionaires (both in their capacity as such), subsidiaries, divisions, branches, related, associated and affiliated companies, trusts, joint ventures, principals, partners, dealers, agents, brokers, officers, executives, directors, employees, and any and all predecessors, successors and/or assigns of each of them, including but not limited to any receivers, liquidators or trustees, in all capacities. The term “Halifax” does not include any of the Other Carriers irrespective of whether an Other Carrier presently or in the future falls within the meaning of the term “Halifax”.

“HHE Policies Agreement”

The HHE Policies Settlement Agreement and Release entered into between Nordique and RBH in connection with this Agreement, a copy of which is attached hereto as Schedule “B”.

“HHE Policies”

Include collectively the policies of insurance identified in paragraphs “B” and “C” of the Recitals to the HHE Policies Agreement and without limitation any and all other policies of general liability insurance or form of general liability insurance coverage whatsoever containing a HHE (but specifically excluding liability policies not listed in paragraphs “B” and “C” of the Recitals to the HHE Policies Agreement that exclude coverage for, or do not provide coverage for, loss or damages for property damage or bodily injury including but not limited to directors and officers insurance policies) whether primary, umbrella or excess containing a health hazard exclusion issued at any time by or on the authority of Guardian Insurance Company of Canada or The Halifax Insurance Company to BHCI, RPM and/or RBH.

“HHE Policies Coverage Dispute”

The disagreement between RBH and Nordique with respect to the existence and extent of Nordique’s HHE Policies Coverage Obligations, if any, to RBH under the HHE Policies with respect to the Actions, Tobacco Health Care Cost/Damage Recovery, the Notice, the HHE Policies Potential Tobacco Exposure and/or the HHE Policies Coverage Claim.

“HHE Policies Coverage Obligations”

The extent of the Nordique’s obligations, if any, under the HHE Policies, including the obligation to investigate Claims with respect to tobacco related bodily injury or property damage including/or tobacco related health care costs, to provide indemnification to RBH with respect to the Actions, Tobacco Health Care Cost/Damage Recovery or Potential Tobacco Exposure for defence costs and/or any damage award, including any award of plaintiffs’ costs and/or pre-judgment interest and/or post-judgment interest, incurred by or against RBH resulting from the Actions and/or any settlement entered into with one or more Claimants.

“HHE Policies Potential Tobacco Exposure”

Nordique’s exposure under the HHE Policies to or with respect to, or in any way connected with, the Actions, including direct rights of action, the Tobacco Health Care Cost/Damage Recovery, the Notice, the HHE Policies Coverage Claim, the HHE Policies Coverage Dispute, the HHE Policies Coverage Obligations, any and all other alleged past, present or future tobacco related bodily injury or property damage or unfair or deceptive practices including/or tobacco related health care costs/damages whatsoever, and/or any and all alleged future obligations of Nordique to investigate such Claims against RBH, defend RBH or pay or reimburse defence costs incurred by RBH with respect to such Claims or pay the cost of or indemnify RBH for any and all such Claims or any and all other obligations which might be

said to be owing under the HHE Policies with respect to the foregoing.

“Insurers”

Nordique, RSA, and NGIC.

“Nordique”

La Nordique Compagnie D’Assurance Du Canada, and its reinsurers and their retrocessionaires (both in their capacity as such), subsidiaries, divisions, branches, related, associated and affiliated companies, trusts, joint ventures, principals, partners, dealers, agents, brokers, officers, executives, directors, employees, and any and all predecessors, successors and/or assigns of each of them, including but not limited to any receivers, liquidators or trustees, in all capacities. The term “Nordique” does not include any of the Other Carriers irrespective of whether an Other Carrier presently or in the future falls within the meaning of the term “Nordique”.

“NGIC”

Northumberland General Insurance Company, In Liquidation, and PricewaterhouseCoopers Inc. in its capacity as liquidator of Northumberland General Insurance Company and in its former capacity as agent to the liquidator of Northumberland General Insurance Company, and its reinsurers and their retrocessionaires (both in their capacity as such), subsidiaries, divisions, branches, related, associated and affiliated companies, trusts, joint ventures, principals, partners, dealers, agents, brokers, officers, executives, directors, employees, and any and all predecessors, successors and/or assigns of each of them, including but not limited to any receivers, liquidators or trustees, in all capacities and the Superintendent of Financial Institutions in her former capacity as liquidator of Northumberland General Insurance Company, her counsel, representatives, advisors, accountants, consultants, employees, and any and all predecessors, successors and/or assigns of each of them. The term “NGIC” does not include any

of the Other Carriers irrespective of whether an Other Carrier presently or in the future falls within the meaning of the term “NGIC”.

“Notice”

Notice provided by RBH, on behalf of itself and its predecessor corporations BHCI and RPM, to the Insurers of the Actions.

“Other Carriers”

Include collectively the following insurance companies as well as any and all other insurance companies that issued policies of general liability insurance or form of general insurance whatsoever (but specifically excluding liability policies that exclude coverage for, or do not provide coverage for, loss or damages for property damage or bodily injury including but not limited to directors and officers insurance policies) whether primary, umbrella or excess to BHCI, RPM, or RBH (other than the Insurers Guardian and Halifax): American Home Insurance Company Assurance Company, Reliance Insurance Company Scottish & York Insurance Company Limited, Cigna Insurance Company of Canada, Kansa General Insurance Company, Markel Insurance Company of Canada, United States Fire Insurance Company, New Hampshire Insurance Company, INA Insurance Company of Canada, AllState Insurance Company of Canada, General Accident Assurance Company, Hartford Fire Insurance Company, Affiliated FM Insurance Company, American Re-Insurance Company, Home of New York, Continental Insurance Company and Canadian Indemnity and each of their respective reinsurers and their retrocessionaires (both in their capacity as such), subsidiaries, divisions, branches, related, associated and affiliated companies, trusts, joint ventures, principals, partners, dealers, agents, brokers, officers, executives, directors, employees, and any and all predecessors, successors and/or assigns of each of them, including but not limited to any

receivers, liquidators or trustees, in all capacities.

“Other Policies”

Include collectively the policies of insurance identified in paragraph “F” of the Recitals hereto and without limitation any and all other policies of general liability insurance or form of general liability insurance coverage whatsoever (but specifically excluding liability policies not listed in paragraphs “F” of the Recitals to this Agreement that exclude coverage for, or do not provide coverage for, loss or damages for property damage or bodily injury including but not limited to directors and officers insurance policies) whether primary, umbrella or excess issued at any time by or on the authority of any of the Other Carriers to BHCI, RPM and/or RBH.

“Other Action”

The Actions identified in the following subparagraphs of the definition of “Action”: (iii), (iv), (v), (xx) and (xxi).

“Parties”

Collectively RBH, Nordique, RSA and NGIC.

“Party”

One of RBH, Nordique, RSA or NGIC.

“Person”

Any and all persons and entities, including without limitation natural persons, firms, corporations, limited liability companies, joint ventures, joint stock companies, unincorporated associations, agencies, bodies, associations, partnerships, trusts, Governments of Canadian Provinces and Territories and the Government of Canada and their predecessors, successors, administrators, executors, heirs and assigns.

“Policies”

Include collectively the policies of insurance identified in paragraphs “B”, “C”, “D” and “E” of the Recitals hereto and without limitation any and all other policies of general liability insurance or form of general liability insurance coverage



whatsoever (but specifically excluding liability policies not listed in paragraphs “B”, “C”, “D” and “E” of the Recitals to this Agreement that exclude coverage for, or do not provide coverage for, loss or damages for property damage or bodily injury including but not limited to directors and officers insurance policies) whether primary, umbrella or excess issued at any time by or on the authority of Guardian Insurance Company of Canada, The Halifax Insurance Company, Northumberland General Insurance Company, In Liquidation, Royal & Sun Alliance Insurance Company of Canada, Sun Alliance Insurance Company, and Alliance Assurance Company to BHCI, RPM and/or RBH.

“Potential Tobacco Exposure”

The Insurers’ individual and/or collective exposure under the Policies to or with respect to, or in any way connected with, the Actions, including direct rights of action, the Tobacco Health Care Cost/Damage Recovery, the Notice, the Coverage Claim, the Coverage Dispute, the Coverage Obligations, any and all other alleged past, present or future tobacco related bodily injury or property damage or unfair or deceptive practices including/or tobacco related health care costs/damages whatsoever, and/or any and all alleged future obligations of the Insurers to investigate such Claims against RBH, defend RBH or pay or reimburse defence costs incurred by RBH with respect to such Claims or pay the cost of or indemnify RBH for any and all such Claims or any and all other obligations which might be said to be owing under the Policies with respect to the foregoing.

“RBH”

Rothmans, Benson & Hedges Inc., being a corporation formed by the amalgamation of Rothmans Inc. and the former Rothmans, Benson & Hedges Inc. (a corporation formed by the amalgamation of BHCI and RPM in 1986) effective December 1,

2009, and its subsidiaries, divisions, branches, related, associated and affiliated companies, trusts, joint ventures, principals, partners, dealers, agents, brokers, officers, executives, directors, employees, and any and all predecessors, including but not limited to BHCI and RPM, successors and/or assigns of each of them, including but not limited to any receivers, liquidators or trustees, in all capacities. All references to non-natural persons in this definition include only Canadian non-natural persons. All references to natural persons in this definition include natural persons of any nationality.

“RBH Amount”

The sums of:

(i) Ten Million Canadian Dollars (CAN \$10,000,000.00) which shall be paid to RBH by Nordique, RSA and NGIC in the following proportions: Nordique (\$6,877,324.00), RSA (\$2,007,435.00) and NGIC (\$1,115,241.00);

(ii) One Hundred Thousand Canadian Dollars (\$100,000.00 CAN), reflecting a fixed amount as an approximation of interest on the amount of Ten Million Canadian Dollars (CAN \$10,000,000.00) from the date upon which this Agreement is executed to the date upon which the payment of the RBH Amount is made, which shall be paid to RBH by Nordique, RSA and NGIC in the following proportions: Nordique (\$68,773.00), RSA (\$20,074.00) and NGIC (\$11,153.00); and

(iii) One Hundred and Eighty Thousand Canadian Dollars (\$180,000.00 CAN), reflecting a fixed amount as an approximation of interest on the Trust Amount – Part 2 from the date upon which this Agreement is executed to the date upon which the payment of the Trust Amount-Part 2 is made,

which sum shall be paid by Nordique, RSA and NGIC to RBH in the following proportions: Nordique (\$127,227.00), RSA (\$33,926.00) and NGIC (\$18,847.00).

“RBH Releasers”

Collectively RBH and all others insured under the Policies.

“RPM”

Rothmans of Pall Mall Limited, which received all of the assets and liabilities of a company once known as Rothmans of Pall Mall Canada Limited, being a corporation that was amalgamated into RBH in 1986, and each of their respective subsidiaries, divisions, branches, related, associated and affiliated companies, trusts, joint ventures, principals, partners, dealers, agents, brokers, officers, executives, directors, employees, and any and all predecessors, successors and/or assigns of each of them. All references to non-natural persons in this definition include only Canadian non-natural persons. All references to natural persons in this definition include natural persons of any nationality.

“RSA”

Royal & Sun Alliance Insurance Company of Canada, Royal Insurance Company of Canada, The British America Assurance Company, Western Assurance Company, The London and Lancashire Guarantee and Accident Company, Globe Indemnity Company of Canada, Sun Alliance Insurance Company, The Sun Alliance Group, Sun Insurance Office plc, Alliance Assurance Company, The London Assurance, and each of their respective reinsurers and their retrocessionaires (both in their capacity as such), subsidiaries, divisions, branches, related, associated and affiliated companies, trusts, joint ventures, principals, partners, dealers, agents, brokers, officers, executives, directors, employees, and any and all predecessors, successors and/or assigns of each of them, including but not limited to any receivers, liquidators or trustees, in all capacities. The term

“RSA” does not include any of the Other Carriers irrespective of whether an Other Carrier presently or in the future falls within the meaning of the term “RSA”.

“Tobacco Health Care  
Cost/Damage Recovery”

Any Claim for and/or recovery, either by judgment against or settlement with RBH, of tobacco related health care costs made or obtained by the Government of a Canadian Province or Territory or by the Government of Canada.

“Tolling Agreements”

Collectively the following agreements:

- (i) Renunciation of Prescription (Tolling Agreement) between Guardian and RBH dated January 9, 1998;
- (ii) Renunciation of Prescription (Tolling Agreement) between Guardian and RBH dated February 2, 1998;
- (iii) Renunciation of Prescription (Tolling Agreement) between Guardian and RBH dated February 23, 1998;
- (iv) Renunciation of Prescription (Tolling Agreement) between Guardian and RBH dated March 3, 1998;
- (v) Renunciation of Prescription (Tolling Agreement) between Guardian and RBH dated March 13, 1998;
- (vi) Renunciation of Prescription (Tolling Agreement) between Guardian and RBH on March 27, 1998;
- (vii) Tolling Agreement between Nordique and RBH, effective as at January 10, 2008;
- (viii) Tolling Agreement between NGIC and RBH, effective as of January 10, 2008;

(ix) Tolling Agreement between RSA and RBH dated February 21, 2001; and

(x) Tolling Agreement between RSA and RBH, effective as at January 10, 2008.

“Trust”	The trust established by the Trust Agreement.
“Trust Agreement”	The Trust Deed, substantially in the form attached hereto as Schedule A.
“Trust Amount”	Trust Amount – Part 1 and Trust Amount – Part 2.
“Trust Amount – Part 1”	A single silver coin, to be held separate and apart from the assets of RBH and upon the terms of the Trust Agreement, together with all additional assets, rights and benefits of any kind or nature whatsoever arising directly or indirectly from, or in connection with, or accruing to, any and all of the foregoing, and which coin shall be provided by Nordique.
“Trust Amount – Part 2”	The sum of Eighteen Million Canadian Dollars (CAN \$18,000,000.00) to be held separate and apart from the assets of RBH and upon the terms of the Trust Agreement, together with all additional assets, rights and benefits of any kind or nature whatsoever arising directly or indirectly from, or in connection with, or accruing to, any and all of the foregoing, and which sum of CAN \$18,000,000.00 shall be paid by Nordique, RSA and NGIC to the trustees under the Trust Agreement in the following proportions: Nordique (\$12,722,676.00), RSA (\$3,392,565.00) and NGIC (\$1,884,759.00).
“Trust Fund”	Any and all assets of the Trust as defined in the Trust Agreement, initially being the Trust Amount – Part 1.



**D. AND WHEREAS** Royal & Sun Alliance Insurance Company of Canada, Sun Alliance Insurance Company and Alliance Assurance Company issued the following policies that are the subject of this Agreement:

<b>Named Insured</b>	<b>Policy Number</b>	<b>Type</b>	<b>Coverage Period</b>
RPM	15C1300	Commercial General Insurance	June 30, 1960 to June 30, 1963
RPM	15C1300	Commercial General Insurance	June 30, 1963 to June 30, 1966
RPM	15C1300	Commercial General Insurance	June 30, 1966 to June 30, 1969
RPM	15C1300	Commercial General Insurance	June 30, 1969 to June 30, 1972
RPM	15C1300	Commercial General Insurance	June 30, 1972 to June 30, 1973
RPM	15C1300	Commercial General Insurance	June 30, 1973 to June 30, 1974
RPM	15C1300	Commercial General Insurance	June 30, 1974 to June 30, 1975
RPM	41C2833	Commercial General Insurance	June 30, 1975 to June 30, 1976
RPM	41C2833	Commercial General Insurance	June 30, 1976 to June 30, 1977
RPM	41C2833	Commercial General	June 30, 1977 to June 30, 1978

		Insurance	
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**E. AND WHEREAS** Northumberland General Insurance Company issued the following policy that is the subject of this Agreement:

Named Insured	Policy Number	Type	Coverage Period
RPM	IVT10079	Commercial General Liability	June 30, 1978 to June 30, 1981

**F. AND WHEREAS** the Other Carriers issued the following policies that are not the subject of this Agreement:

Named Insured	Policy No.	Other Carrier
RBH	CE6332833	American Home Insurance Company Insurance Company
RBH	TXL0000814	Reliance Insurance Company
RBH	XCP306574	Cigna Insurance Company of Canada
RBH	TXL0000815	Reliance Insurance Company
RBH	XCP306574	Cigna Insurance Company of Canada
RBH	TGL0000100	Reliance Insurance Company
RBH	XCP306574	Cigna Insurance Company of Canada
RBH	7002850	Reliance Insurance Company
RBH	IE16055	Scottish & York Insurance Company Limited
RBH	XCP306574	Cigna Insurance Company of Canada
RBH	7002379	Reliance Insurance Company
RBH	IE15730	Scottish & York Insurance Company Limited
RBH	XCP306574	Cigna Insurance Company of Canada



<b>Named Insured</b>	<b>Policy No.</b>	<b>Other Carrier</b>
RBH	7001976	Reliance Insurance Company
RBH	IE15479	Scottish & York Insurance Company Limited
RBH	XCP306574	Cigna Insurance Company of Canada
RBH	7001346	Reliance Insurance Company
RBH	IE15229	Scottish & York Insurance Company Limited
RBH	IE12874	Scottish & York Insurance Company Limited
RBH	7001086	Reliance Insurance Company
RBH	IE12535	Scottish & York Insurance Company Limited
RBH	IE2814	Scottish & York Insurance Company Limited
RBH	7001086	Reliance Insurance Company
RBH	2002922	Kansa General Insurance Company
RBH	11850	Scottish & York Insurance Company Limited
RBH	XL201977	Markel Insurance Company of Canada
RBH	2002922	Kansa General Insurance Company
RBH	10535	Scottish & York Insurance Company Limited
RBH	XL201977	Markel Insurance Company of Canada
RBH	2002862	Kansa General Insurance Company
RBH	75971	Scottish & York Insurance Company Limited
RBH	XL201977	Markel Insurance Company of Canada
RPM	2000280	Kansa General Insurance Company
RPM	75571	Scottish & York Insurance Company Limited
RPM	5220551745	United States Fire Insurance Company
RPM	9111510	New Hampshire Insurance Company

<b>Named Insured</b>	<b>Policy No.</b>	<b>Other Carrier</b>
RPM	XCP6923	INA Insurance Company of Canada
RPM	2000280	Kansa General Insurance Company
RPM	56621622	AllState Insurance Company of Canada /GA
RPM	XCP6923	INA Insurance Company of Canada
RPM	9111268	New Hampshire Insurance Company
RPM	XL202253	Markel Insurance Company of Canada
RPM	74912	Scottish & York Insurance Company Limited
RPM	2000280	Kansa General Insurance Company
RPM	56621622	AllState Insurance Company of Canada/GA
RPM	XCP6923	INA Insurance Company of Canada
RPM	911073	New Hampshire Insurance Company
RPM	XL202253	Markel Insurance Company of Canada
RPM	74912	Scottish & York Insurance Company Limited
RPM	2000280	Kansa General Insurance Company
RPM	56621622	AllState Insurance Company of Canada/GA
RPM	XCP6923	INA Insurance Company of Canada
RPM	9110975	New Hampshire Insurance Company
RPM	XL202253	Markel Insurance Company of Canada
RPM	74716	Scottish & York Insurance Company Limited
RPM	300437	Kansa General Insurance Company
RPM	56621622	AllState Insurance Company of Canada/GA
RPM	XCP6923	INA Insurance Company of Canada
RPM	9110732	New Hampshire Insurance Company

<b>Named Insured</b>	<b>Policy No.</b>	<b>Other Carrier</b>
RPM	XL202253	Markel Insurance Company of Canada
RPM	74408	Scottish & York Insurance Company Limited
RPM	56611331	AllState Insurance Company of Canada/ General Accident Assurance Company
RPM	9110552	New Hampshire Insurance Company
RPM	560053	Kansa General Insurance Company
RPM	C1934696	General Accident Assurance Company
RPM	9110560	New Hampshire Insurance Company
RPM	CN1700N	Markel Insurance Company of Canada
RPM	56611331	AllState Insurance Company of Canada/ General Accident Assurance Company
RPM	9110402	New Hampshire Insurance Company
RPM	560053	Kansa General Insurance Company
RPM	90XS100437	Hartford Accident and Indemnity Co.
RPM	90XS100476	Hartford Fire Insurance Co.
RPM	C1234696	General Accident Assurance Company
RPM	97637	Affiliated FM Insurance Company
RPM	C185759	General Accident Assurance Company
RPM	9110309	New Hampshire Insurance Company
RPM	56605100	AllState Insurance Company of Canada/ General Accident Assurance Company
RPM	97637	Affiliated FM Insurance Company
RPM	C185759	General Accident Assurance Company
RPM	XL97591	Affiliated FM Insurance Company

Named Insured	Policy No.	Other Carrier
RPM	56605100	AllState Insurance Company of Canada/ General Accident Assurance Company
RPM	73378	Scottish & York Insurance Company Limited
RPM	73578	Scottish & York Insurance Company Limited
RPM	95535	Affiliated FM Insurance Company
RPM	MO704830	American Re-Insurance Company
RPM	XL72764	Affiliated FM Insurance Company
RPM	73378	Scottish & York Insurance Company Limited
RPM	74956	Affiliated FM Insurance Company
RPM	MO704830	American Re-Insurance Company
RPM	XL72764	Affiliated FM Insurance Company
RPM	72653	Affiliated FM Insurance Company
RPM	MO704830	American Re-Insurance Company
RPM	XL72764	Affiliated FM Insurance Company
RPM	9794272	Home of New York
RPM	MO704830	American Re-Insurance Company
RPM	9794272	Home of New York
RPM	86030	American Re-Insurance Company
RPM	9794272	Home of New York
RPM	86030	American Re-Insurance Company
RPM	9664018	Home of New York
RPM	86030	American Re-Insurance Company
RPM	9664018	Home of New York

Named Insured	Policy No.	Other Carrier
RPM	9664018	Home of New York
RPM	unknown	Home of New York
RPM	unknown	Home of New York
RPM	unknown	Can. Indemnity
RPM	unknown	Home of New York
RPM	unknown	Home of New York
RPM	unknown	Home of New York
RPM	unknown	Home of New York
RPM	unknown	Home of New York

- G. **AND WHEREAS** BHCI and RPM were amalgamated into RBH;
- H. **AND WHEREAS** RBH has been named as a defendant in the Actions;
- I. **AND WHEREAS** RBH provided Notice;
- J. **AND WHEREAS** RBH has asserted the Coverage Claim;
- K. **AND WHEREAS** a Coverage Dispute exists;
- L. **AND WHEREAS** the Parties have entered into the Tolling Agreements;
- M. **AND WHEREAS** it is now the desire of the Parties to fully and finally settle the Coverage Dispute;
- N. **AND WHEREAS** neither RBH nor the Insurers are aware of any other policies of general liability insurance or form of general liability insurance coverage whatsoever (but specifically excluding liability policies that exclude coverage for, or do not provide coverage for, loss or damages for property damage or bodily injury including but not

limited to directors and officers insurance policies) whether primary, umbrella or excess issued by the Insurers to RBH other than those listed in paragraphs B, C, D and E of these Recitals and those listed in paragraphs B and C of the Recitals to the HHE Policies Agreement;

**O. AND WHEREAS** the Insurers continue to assert that they have valid coverage defences, and that any and all Policies are not responsive to the Notice or the Coverage Claim but have concluded that they will enter into this Agreement, the HHE Policies Agreement, and the Trust Agreement, among other reasons, in order to avoid the further expense, inconvenience, burden, distractions, uncertainty and risk of litigation and any other present or future litigation arising out of the facts that gave rise to the Actions, the Notice, Tobacco Cost Health Care Recovery, the Coverage Claim, the Coverage Dispute, the Coverage Obligations and/or the Potential Tobacco Exposure;

**P. AND WHEREAS** RBH has asserted and continues to assert that it has a valid Coverage Claim but has concluded that it will enter into this Agreement, the HHE Policies Agreement, and the Trust Agreement, among other reasons, in order to avoid the further expense, inconvenience, burden, distractions, uncertainty and risk of litigation and any other present or future litigation arising out of the facts that gave rise to the Actions, the Notice, Tobacco Cost Health Care Recovery, the Coverage Claim, the Coverage Dispute, the Coverage Obligations and/or the Potential Tobacco Exposure and with the intent that the same or similar tax results are achieved as would have occurred if successful claims were made under the Policies;

**Q. AND WHEREAS** each of the Parties have concluded, after investigation of the facts, that this Agreement, the HHE Policies Agreement, and the Trust Agreement are a fair, reasonable and adequate resolution of the Coverage Dispute.

#### IV COVENANTS

**NOW, THEREFORE, THIS AGREEMENT WITNESSES** that in consideration of the mutual covenants contained herein, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby agree and covenant as follows:

1. **Recitals:** The Recitals are true and correct and constitute an integral and fundamental part of this Agreement.
2. **Binding Resolution:** Subject to all of the terms of this Agreement and, in particular, subject to the approval of the Courts of Competent Jurisdiction, as particularised herein, this Agreement is a permanent, complete and binding accord and resolution of all of the rights, Claims, questions, differences and obligations of the Parties, including the Coverage Dispute, existing and which may exist in the future with respect to any and all matters which are the subject of this Agreement.
3. **Insurers' Payments:**
  - A. Nordique will provide the Trust Amount – Part 1 to the Trustees within twenty (20) business days after the execution of the last of this Agreement, the Trust Agreement and the HHE Policies Agreement.
  - B. The Insurers will pay their respective shares of the Trust Amount – Part 2 (the Insurers' obligations in this regard being several and not joint), into the Trust within one hundred and thirty (130) days after the Final Declaration Orders Date. The payment will be made by wire transfer.
  - C. The Insurers will pay their respective shares of the RBH Amount (the Insurers' obligations in this regard being several and not joint) within one hundred and thirty (130) days after the Final Declaration Orders Date. The payment will be made by wire transfer.
  - D. The payment of the Coverage Settlement Amount will be considered to have been made in full and complete satisfaction of, among other things, each and every

past, present and future obligation, if any, which may have been or might be owed by each of the Insurers to any Person, including in particular RBH, directly or indirectly, in whole or in part, concurrently or in sequence, under or in respect of the Policies, resulting from, arising out of, respecting, relating to or directly or indirectly in connection with the Coverage Dispute.

4. **No Waiver or Estoppel Prior to Agreement:** By negotiating and entering into this Agreement, the HHE Policies Agreement and the Trust Agreement, the Insurers do not waive and have not waived or purported to waive, nor did or will such conduct result in the Insurers being estopped from relying on, any coverage defences arising out of, respecting, relating to or directly or indirectly in connection with the Coverage Dispute.

5. **Releases:**

A. **Release by the RBH Releasers:** Upon the payment of both the RBH Amount and the Trust Amount by the Insurers, in consideration of, among other things, the payment of the Coverage Settlement Amount:

(i) the RBH Releasers irrevocably remise, release, quit, forgive and forever discharge the Insurers of and from any and all Coverage Claims under or in respect of the Policies:

(a) arising out of, resulting from, with respect to, relating to or connected directly or indirectly with the Coverage Dispute or with Potential Tobacco Exposure; and

(b) for any action, inaction, representation or omission that predates this Agreement; and

(ii) the RBH Releasers are estopped from asserting directly or indirectly, in whole or in part, concurrently or in sequence any and all Coverage Claims under or in respect of the Policies:



- (a) arising out of, resulting from, with respect to, relating to or connected directly or indirectly with the Coverage Dispute or with Potential Tobacco Exposure; and
  - (b) for any action, inaction, representation or omission that predates this Agreement.
- B. Release by the Insurers:** Upon the payment of both the RBH Amount and the Trust Amount by the Insurers, in consideration of, among other things, the provision of a release by the RBH Releasers, the Insurers irrevocably remise, release, quit, forgive and forever discharge RBH of and from any and all claims that could result in an obligation to pay or repay the Coverage Settlement Amount, or any part thereof, to the Insurers and for any action, inaction, representation or omission that predates this Agreement.
- C. Future Claims:** In the event that any Coverage Claim or Claim with respect to, as a result of, or in connection with the matters released in this Agreement is brought by any releasor against any releasee contrary to 5(A.) or 5(B.) above, the Parties agree that the release set out in those paragraphs may be pleaded as a complete defence and reply to such Coverage Claim or Claim and may be relied upon in such a proceeding as a complete and irrevocable estoppel of any releasor's right to initiate said proceeding as against such releasee.
- D. Costs:** In the event of a future claim contemplated in s. 5(C.) above, the releasor that initiated the proceeding shall be liable for all reasonable costs, legal fees, disbursements and expenses incurred by the releasee as a result of such proceeding.
- E. Waiver:** The Insurers hereby waive any rights of subrogation, unjust enrichment, contribution, and indemnity, based in law or in equity or otherwise, that they may have, that they may obtain now or in the future, or that may accrue to them now or in the future, as against any other insurer of RBH in respect of the Coverage Settlement Amount. Nothing in this paragraph is intended to limit the Insurers'

rights against their own reinsurers or retrocessionnaires (both in their capacity as such).

**6. Court Approval and Declarations:**

**A.** Unless the Parties agree otherwise, this Agreement is expressly subject to and conditional upon obtaining Final Orders from the Ontario Superior Court of Justice, the Superior Court of Quebec, and, if a Claim for Tobacco Health Care Cost/Damage Recovery is finally resolved in a Province other than Ontario or Quebec prior to the date on which court materials are served in Ontario seeking the Declarations below, the Court of Competent Jurisdiction in the Province in which the Claim for Tobacco Health Care Cost/Damage Recovery was finally resolved and the time for any and all appeals therefrom having expired, declaring that:

(a) the payment of the Coverage Settlement Amount is deemed to operate as:

- (1) a full, complete and final satisfaction of each and every past, present and future obligation, if any, which might have been or might be owed by each of the Insurers under the Policies and the HHE Policies;
- (2) a full, complete and final exhaustion of the Policies and the HHE Policies;
- (3) a full, complete and final exhaustion of the Policies and the HHE Policies in relation to the Other Policies.

(b) for the purposes of any claim by RBH against one or more of the Other Carriers, RBH is deemed to have received any shortfall between the Coverage Settlement Amount and the limits of the Policies and HHE Policies from the Insurers thus exhausting such policies by actual payment of such policies' applicable limits by the Insurer;

- (c) the Trust Fund established pursuant to the Trust Agreement shall stand in substitution, place and stead of the Policies and the HHE Policies;
  - (d) any and all Claims of any and all Claimants, Other Carriers, executors, administrators and personal representatives of deceased Claimants, including and without limiting the generality of the foregoing, pursuant to the direct action provisions of the *Civil Code of Québec* or any other statutory provisions granting direct rights of recovery, against any and all Policies and HHE Policies be and are forever fully, finally and completely barred.
- B.** For a period of one hundred and twenty (120) days after the Final Declaration Orders Date:
- (a) Subsections 6(A)(a)(1), 6(A)(c) and 6(A)(d) above may be waived, in whole or in part, in writing by the Insurers;
  - (b) Subsections 6(A)(a)(2) and 6(A)(a)(3) above may at any time be waived, in whole or in part, in writing by both the Insurers and RBH (but not by either one alone); and
  - (c) Subsection 6(A)(b) above may at any time be waived, in whole or in part, in writing by RBH.
- C.** Notice of the proceeding contemplated in subsection 6(A) above shall be given to each of the Claimants in an Action (other than an Other Action) or their counsel, each of the Other Carriers or their counsel, and as otherwise required by a Court of Competent Jurisdiction.
- 7. No Admissions:** No Party shall be deemed to have made, and no Party has made, any admission of any kind either express or implied in this Agreement. In particular:
- A.** the Insurers have not admitted that any Coverage Obligation is owed to RBH under the Policies;

- B. the Insurers have not admitted that the Policies are not void *ab initio*, or that there exists or existed any liability, error, omission or breach of any contractual, common law, civil law, equitable or statutory duty on the part of the Insurers, or that there is or has been any waiver or purported waiver of or any estoppel from relying on any and all coverage defences available under the Policies, nor shall anything contained herein or in any Confidential Compromise Material be deemed to be an admission, acknowledgement or evidence that any Party hereto has breached any obligation, engaged in any wrongdoing or misconduct, or incurred any liability of any kind;
- C. RBH has not admitted that the Insurers do not owe Coverage Obligations to RBH under the Policies.

8. **Non-Assignment:**

- A. RBH represents and warrants that it has not assigned any of the rights it may have under or in respect of the Policies.
- B. Nordique represents and warrants that it is the lawful assignee of any and all Policies issued by Guardian and Halifax to RBH, BHCI and RPM, as listed in paragraphs B and C of the Recitals.
- C. The Insurers represent and warrant that they have not assigned any of the rights they may have under or in respect of the Policies.

9. **Limitation on RBH Claims:**

- A. If:
  - (i) RBH asserts a Claim against any other Person for insurance coverage directly or indirectly, in whole or in part, concurrently or in sequence, resulting from, under, arising out of, respecting, relating to or directly or indirectly in connection with the Potential Tobacco Exposure;

- (ii) the defendant or respondent in such a Claim asserts that RBH suffered a shortfall under the Policies as a result of this Agreement; and
- (iii) the Court of Competent Jurisdiction adjudicating such Claim finally decides that there was a shortfall;

then RBH shall not claim for such shortfall as against the other Person and shall assume any such shortfall as its own obligation but shall not be limited in any way from claiming for amounts over and above the shortfall.

- B.** If RBH breaches its obligations as set out in 9.(A) above, and as a consequence a Claim is made by any other Person seeking recovery against the Insurers for or because of any obligation or alleged obligations of the Insurers under the Policies, whether by way of equitable contribution or otherwise, RBH shall indemnify the Insurers for their reasonable costs in defending such Claim.

**10. Termination and Repayment:**

- A.** If a Court of Competent Jurisdiction declines to make any of the Declarations and the provisions of this Agreement making the Agreement conditional on obtaining such Declarations are not waived pursuant to s. 6(B.) of this Agreement, then this Agreement shall automatically terminate one hundred and twenty-one (121) days after the Final Declarations Orders Date.
- B.** If any Insurer does not pay its portion of the Coverage Settlement Amount under s. 3 of this Agreement, RBH shall have the right for a period of sixty (60) days thereafter to: (i) terminate this Agreement; (ii) proceed with this Agreement, with necessary modifications, with the paying Insurer(s); or (iii) enforce this Agreement.
- C.** If this Agreement is terminated:
  - (i) no Party to this Agreement shall be bound by any of its terms except the terms of this paragraph and except as otherwise specified in this Agreement;

- (ii) the Trust Amount – Part 1 will be returned to the Nordique upon its demand;
- (iii) the amount of any fees or expenses paid to the Trustees from the Trust Fund shall be split between RBH (1/3) and the Insurers collectively (2/3) upon their demand in the proportions in which they contributed to the Coverage Settlement Amount, unless the termination is under (B.) above in which case the amount of any fees or expenses paid to the Trustees from the Trust Fund shall be borne entirely by the Insurers;
- (iv) the Agreement and all negotiations, statements, Documents, and proceedings relating thereto shall be without prejudice to the rights of all Parties, all of whom shall be restored to their respective positions existing immediately before this Agreement was entered into;
- (v) this Agreement and the fact of its negotiation and execution shall not constitute any admission by any of the Parties or be used against any of them for any purpose in any proceeding and, without limiting the generality of the foregoing, shall not constitute an admission or be used by any Person in an effort to create, prove or interpret the obligations of the Insurers under, or the terms and conditions of, any applicable contract of insurance or otherwise;
- (vi) subject to an Order of a Court of Competent Jurisdiction, only the following sections of this Agreement will survive and continue to have effect: II (Definitions), 7 (No Admissions), 10 (Termination and Repayment), 13 (Confidentiality), 15 (No Admissibility), 16 (No Precedential Value), 17 (Prescription and Tolling Agreements), 18 (Authorship), 19 (Solicitors' Fees), 20 (Independent Legal Advice), 21 (Entire Agreement), 22 (No Third Party Rights), 24 (Warranty of Authority), 25 (Binding Effect), 26 (Tax Consequences), 27 (Amendment), 28 (Counterparts), 29 (Law and Jurisdiction), 31

(Remedies for Breach), 32 (Language), 33 (Transaction), 34 (Headings for Convenience Only), 35 (Invalidity/Severability), 36 (Notices).

11. **Consent and Timing for Declarations:**

- A.** Each Party will consent to and will cooperate with the other Parties in pursuing an order containing the Declarations.
- B.** The Insurers will not commence any motion, application or other proceeding to a Court or Courts of Competent Jurisdiction seeking the Declarations, or for approval of the Agreement or the Trust Agreement or the HHE Policies Agreement, or for an order or declaration that it is released from all further obligations with respect to RBH or for an order regarding any of their respective Coverage Obligations or HHE Policies Coverage Obligations; and NGIC will not apply to the winding up court for an order in respect of same before the earliest of:
- (i) the date of judgment of the trial court in Action Number 500-06-000070-983 or Action Number 500-06-000076-980; or
  - (ii) a final resolution of the claims asserted in Action Number 500-06-000070-983 or Action Number 500-06-000076-980;
  - (iii) subject to section 11(C.) below, October 1, 2015;
  - (iv) such earlier date as the Parties may agree upon, there being no obligation whatsoever for any Party to agree upon an earlier date.
- C.** Before the Insurers can exercise their rights under section 11(B.)(iii) above, they must first notify RBH of their intention to do so at least sixty (60) days prior to doing so. After the delivery of such notice:
- (i) RBH and the Insurers shall discuss in good faith whether it is practicable to amend this Agreement to replace the trigger date of October 1, 2015 with a later date; and

- (ii) RBH shall have the right to terminate this Agreement until 5:00 p.m. on September 30, 2015.

**D.** In the event a final resolution is reached of any Claim for Tobacco Health Care Cost/Damage Recovery, prior to or as part of such final resolution RBH will, on notice to the Insurers, forthwith seek orders containing the Declarations pursuant to paragraph 6(A) hereof. RBH will consent to Insurers' request for status to make submissions on such motion. Any of the Parties may provide notice of such motion to Other Carriers.

12. **Documents:**

**A.** RBH and the Insurers each warrant that in respect of each Action, they shall retain:

- (a) all Documentation within its power, possession or control which may be relevant to the allegations in the Action or in relation to Potential Tobacco Exposure; and
- (b) all Documentation within its power, possession or control which may be relevant to the determination of the Coverage Obligations for the Action;

until a date that is the later of: (i) two years after the Action is finally disposed of by a Court of Competent Jurisdiction; and (ii) the Final Orders Declaration Date.

**B.** The Insurers may review any non-privileged Documentation referred to in subsection A. hereof at the offices of Gowling Lafleur Henderson LLP in Toronto in accordance with any conditions agreed to in the relevant Tolling Agreement between the respective Parties until the Final Declaration Orders Date.

13. **Confidentiality:**

**A.** The Confidential Compromise Material will be treated as confidential, private and proprietary and shall not be disclosed to any Person or invoked by any of the



Parties except as provided in this Agreement or as required by Order of a Court of Competent Jurisdiction or otherwise by compulsion of law.

**B.** Subject to ss. 13(D.) and 13(E.), only until the time when the Application or other proceedings seeking the Declarations are filed with a Court of Competent Jurisdiction, this Agreement and its terms will be:

- (a) treated as confidential, private and proprietary and shall not be disclosed to any Person or invoked by any of the Parties; and
- (b) kept in a secure place and not viewed or copied or its contents disseminated or disclosed in any way to any Person, entity or media representative other than to a Party to this Agreement and the Trust Agreement and the HHE Policies Agreement;

except as provided in this Agreement or as required by Order of a Court of Competent Jurisdiction or otherwise by compulsion of law.

**C.** If the Parties or their agents are contacted by any media representative about this Agreement, and only if they are contacted, they will advise the media that they cannot provide any comments, and will not comment “off the record”, on a without attributes basis, or on any other basis.

**D.** Subject to the provisions of (F.) below, the Parties may disclose this Agreement, the Trust Agreement and the HHE Policies Agreement:

- (a) in an action, application or other proceeding for breach of, or otherwise to enforce the terms of, this Agreement and/or the Trust Agreement and/or the HHE Policies Agreement;
- (b) in response to an Order of a Court of Competent Jurisdiction compelling disclosure or a request from the Canada Revenue Agency, or other appropriate taxing authority;
- (c) to the Insurers’ reinsurers (both in their capacity as such);

- (d) to parent companies, subsidiaries, and affiliates of the Parties;
  - (e) to the regulators, auditors or accountants of, or counsel to, the Parties upon their request;
  - (f) to the Trustees and counsel to the Trustees; and
  - (g) to a Court of Competent Jurisdiction with respect to the matters described in sections 5 (Releases), 6 (Court Approval and Declarations), 10 (Termination and Repayment), 11 (Consent and Timing for Declarations) and 31 (Remedies for Breach) herein.
- E.** Subject to the provisions of (F.) below and in addition to the provisions of (D.) above, RBH may disclose this Agreement:
- (a) to counsel for and to the plaintiffs in the Actions, to counsel for and to the Governments of Canadian Provinces and Territories and the Government of Canada, and to the court in any such Action;
  - (b) to any other insurer of RBH and its counsel;
  - (c) to its creditors;
  - (d) to any court;
  - (e) as required by law; and
  - (f) in connection with any proceedings by or relating to RBH under the Bankruptcy and Insolvency Act (Canada), the Companies Creditor Arrangement Act, or any other statute of similar kind or nature.
- F.** If practicable in the circumstances, notice of any intended disclosure to be made under sections (D.) and (E.) above shall be provided by the disclosing Party to the other Parties at least seven (7) days before any such disclosure is made.

**G.** Any breach of this covenant of confidentiality shall be a material breach of this Agreement entitling any Party not in breach, at its option, to recover its reasonable legal fees and costs incurred in any attempt to enforce this covenant of confidentiality or recover damages.

- 14. Effective Date:** Although this Agreement will be binding on the Parties once it has been fully executed, the effective date of the releases set out in s. 5 of this Agreement shall be the date upon which the Trust Amount and the RBH Amount have been paid.
- 15. No Admissibility:** In addition to the confidentiality provisions contained in section 13 herein and not by way of limitation thereof, this Agreement and any and all statements or covenants herein shall be deemed subject to any and all legal and/or statutory protections afforded to compromises and offers to compromise.
- 16. No Precedential Value:** Except as otherwise provided in this Agreement, this Agreement is without value as precedent and shall not be used or referred to either expressly or by implication in any proceeding or Claim between RBH, Insurers or any other Person not a Party to this Agreement to create, prove, or interpret the obligations of the Insurers under, or the terms and conditions of any applicable contract of insurance or otherwise. Moreover, this Agreement is not a contract of insurance, and the Parties do not intend that this Agreement will be interpreted as such and do not, therefore, in any way vary the Terms, Conditions or Exclusions of any potentially applicable policy of insurance.
- 17. Prescription and Tolling Agreements:** The Parties agree that:
- A.** the Tolling Agreements remain in full force and effect until the payment of the Coverage Settlement Amount;
  - B.** this Agreement does not pertain to or affect any statute of limitations, laches or other doctrine related to the passage of time, which has already expired. By entering into this Agreement, no Party has waived or limited any policy provision, rights, Claims, causes of action or defences, except as expressly stated herein;

- C. this Agreement shall not, in any manner, revive any rights, Claims or causes of action that were barred as of, or limit in any way the assertion of any defence available as of the day immediately preceding the Effective Date of this Agreement by any applicable provision of law or policy term.
18. **Authorship:** The Parties acknowledge that this Agreement reflects the joint drafting efforts of legal counsel for all Parties. In the event that any dispute, disagreement or controversy arises regarding this Agreement the Parties shall be considered joint authors and no provision shall be interpreted against any Party because of authorship. There shall be no presumption or construction against any Party. Each Party expressly waives reliance on the doctrine of *contra proferentem* with respect to this Agreement.
19. **Solicitors' Fees:** Each Party shall bear its own solicitors' fees and costs incurred in connection with the Notice, the Coverage Claim, the Coverage Dispute, the Coverage Obligations, the Potential Tobacco Exposure and the negotiation and drafting of this Agreement.
20. **Independent Legal Advice:** Each of the Parties hereto warrants and represents that it has fully and carefully read and understood this Agreement, knows the contents thereof and has received the advice of independent legal counsel of its own choosing in connection with the Agreement or has had the opportunity to obtain such advice. The Parties acknowledge and assume all risk, chance or hazard that the Claims, injuries or damages to which this Agreement pertain may be or become different in nature, scope or character from those that are now known, anticipated, alleged or expected and that they may be mistaken as to the character and extent of those Claims, injuries or damages. The Parties are not executing this Agreement as a result of financial disadvantage.
21. **Entire Agreement:** This Agreement, the Trust Agreement, the HHE Policies Agreement together embody the entire agreement between the Parties in respect of the Policies, the HHE Policies, the Potential Tobacco Exposure, the HHE Policies Potential Tobacco Exposure and the resolution of the Coverage Dispute and the HHE Policies Coverage Dispute, and no representations, promises or inducements of any kind have been made by any Party or officer, employee or agent of any Party, other than those

appearing in writing in those agreements. Each Party acknowledges that it has not executed this Agreement in reliance upon any promise, representation or warranty, if any, not contained in the agreements set out in this section. Any and all prior negotiations, representations and promises made by one Party to another, whether orally or in writing, are merged in the agreements set out in this section.

22. **No Third Party Rights:** Except for the releasees who are conferred a benefit under ss. 5(A.) and 5(B.) of this Agreement, this Agreement does not and is not intended to confer any rights or benefits on any Person not a Party hereto. No Person, other than the Parties and those releasees, shall have any legally enforceable rights hereunder.
23. **Implementation:** From time to time, at the request of any Party and without further consideration, at such Party's expense and within reasonable time after a request hereunder is made, the Parties hereby agree to execute and deliver any and all further documents and instruments and do any acts, as any Party may reasonably request, which may be necessary or appropriate to implement fully the provisions of this Agreement.
24. **Warranty of Authority:** Each corporation and individual executing this Agreement warrants and represents that he, she or it has full authority to execute the same on behalf of the Party on whose behalf he, she or it so signs and that all actions taken are within the scope of such authority, that such authority has not been revoked, rescinded, or withheld by law and that he, she or it have not sold, assigned, granted or transferred to any person or entity any Claim, demand, action or cause of action, or any part thereof, or right, duty, obligation or other interest which could affect their right to execute this Agreement and grant each other the considerations set forth herein or which are the subject matter of this Agreement that all necessary corporate and legal actions duly to approve in making an enforcement of this Agreement has been taken and no further action is required, and that the making of this Agreement does not violate any provision of law or their respective articles of incorporation or by-laws.
25. **Binding Effect:** This Agreement shall be binding upon and inure to the benefit of the Parties and their respective officers, directors, agents, employees, heirs, successors, transferees, assigns and legal representatives.

26. **Tax Consequences:** RBH acknowledges that the Insurers do not warrant or represent any tax consequences of this Agreement and that they are relying on their own legal and/or tax advisors and not on the Insurers in that regard. RBH expressly acknowledges and understands that it shall be solely liable for, and shall pay, any and all taxes, costs, interest, assessments, penalties or other losses related to any tax obligations or liabilities to which it may be subject by reason of the payment of the Coverage Settlement Amount or any benefit received by it pursuant to this Agreement.
27. **Amendment:** This Agreement and any and all documents and instruments executed in connection herewith or in furtherance hereof may not be amended, modified or supplemented except by an instrument in writing signed by all Parties hereto. No breach hereof can be waived unless done in writing. Waiver of one breach shall not be deemed to be waiver of any other breach of the same or any other provision hereof.
28. **Counterparts:** This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. This Agreement may be executed and delivered by facsimile or e-mail (PDF). Such execution and delivery shall be legal and binding as if the facsimile copy or the e-mail contained the original signature of the Parties.
29. **Law and Jurisdiction:** The interpretation and enforcement of this Agreement shall be governed by the laws of Ontario and any applicable Federal legislation and, except as otherwise specified in this Agreement, any proceedings arising out of or relating in any manner whatsoever to this Agreement shall be conducted in the Courts of the Province of Ontario in the City of Toronto. The Parties hereby consent and submit to the exclusive jurisdiction of said Court.
30. **Direction:** RBH hereby authorizes and directs the Insurers to pay the Trust Amount to the Trustees to be held and administered by the Trustees in accordance with the terms of the Trust Agreement.
31. **Remedies for Breach:** Each of the Parties hereto accepts responsibility for the performance of this Agreement by itself, its representatives, agents, servants or

employees. In keeping with the fiduciary nature of the Trust Agreement and the obligations imposed hereunder, each Party hereto agrees that damages may not be an adequate remedy for breach of this Agreement and therefore the other Parties shall be entitled to equitable relief to obtain specific performance of this Agreement in addition to whatever claim for damages may properly be asserted. No remedy shall be exclusive and claims may be asserted individually and cumulatively. Subject to the expiry of any applicable limitation period, no failure to exercise and no delay in exercising any right, power or remedy under this Agreement shall impair any right, power or remedy which any Party may have, nor shall any such delay be construed to be a waiver of any such rights, powers or remedies or an acquiescence in any breach or default under the Agreement, nor shall any waiver of any breach or default of any Party be deemed a waiver of any default or breach subsequently appearing.

32. **Language:** The Parties hereto have requested that this Agreement (as well as all notices to be sent pursuant thereto) be drafted in the English Language. **Les Parties, par les présentes, déclarent qu'elles ont demandé et convenu que cette entente soit rédigée en anglais seulement.**
33. **Transaction:** This Agreement is a transaction pursuant to section 2631 and following of the *Civil Code of Québec*.
34. **Headings for Convenience only:** The headings in this Agreement are for the convenience of the reader only and shall not affect the meaning or interpretation of this Agreement.
35. **Invalidity/Severability:** If any provision of this Agreement is later held to be unlawful, invalid, or unenforceable under present or future laws, such provision shall be fully severable only if the Parties agree that it shall be severed. If the Parties do not agree to severance, this Agreement shall be declared null and void in which case only those sections set out in section 10(C)(vi) hereto will survive. If a provision is severed, the Parties may, upon the agreement of them all, add in the place of the severed provision a substitute provision.

- 36. Notices:** Any and all statements, communications, or notices to be provided pursuant to this Agreement shall be in writing and sent by certified mail, return receipt requested, or by facsimile or by delivery to the attention of the persons indicated below, until such time as notice of any change of the persons to be notified or change of address is given in writing, in accordance with this paragraph, to all other Parties. Such statements, communications, or notices shall be deemed received if delivered on delivery of the same to the addresses set out below. If sent by certified mail, delivery shall be deemed to be received three business days after mailing of the same unless there is a strike or other slowdown of work of the entity providing the service for mail, in which event the same shall be deemed to be received when received at the addresses set out below and, if given by facsimile, shall be deemed to be received on receipt of same at the addresses set out below:

**(i) RBH**

Gowling Lafleur Henderson LLP  
1 First Canadian Place  
100 King Street West  
Suite 1600  
Toronto, Ontario M5X 1G5

**Attention: Mr. Steven Sofer and Mr. Scott Kugler**

Telephone: 416.369.7240 and 416.369.7107  
Facsimile: 416.369.7250

**(ii) Nordique**

Blaney McMurtry LLP  
2 Queen Street East  
Suite 1500  
Toronto, Ontario M5C 3G5

**Attention: Mr. Mark Lichty and Mr. Dominic Clarke**

Telephone: 416.593.3961 and 416.593.3968  
Facsimile: 416.593.5437



**(iii) RSA**

O'Donnell, Robertson & Sanfilippo  
20 Richmond Street East  
Suite 600  
Toronto ON M5C 2R9

**Attention: Mr. Mark M. O'Donnell and Mr. Mark Barrett**

Telephone: 416.214.0606  
Facsimile: 416.214.0605

**(iv) NGIC**

PricewaterhouseCoopers Inc.  
Liquidator of Northumberland General Insurance Company  
18 York Street  
Suite 2600  
Toronto, ON M5J 0B2

**Attention: Ms. Joanne Brown**

Telephone: 416.585.2592  
Facsimile: 416.585.9931

and to

Goodmans LLP  
Bay Adelaide Centre  
333 Bay Street  
Suite 3400  
Toronto, ON M5H 2M7

**Attention: Ms. Gale Rubenstein**

Telephone: 416.597.4148  
Facsimile: 416.979.1234

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement on the dates indicated below.

**ROTHMANS, BENSON & HEDGES INC.**

Per: William A. Hoff

I have the authority to bind the corporation  
Dated this 5 day of May, 2015.

**LA NORDIQUE COMPAGNIE  
D'ASSURANCE DU CANADA**

Per: \_\_\_\_\_

I have the authority to bind the corporation  
Dated this \_\_\_\_\_ day of \_\_\_\_\_, 2015.

**ROYAL & SUN ALLIANCE INSURANCE  
COMPANY OF CANADA**

Per: \_\_\_\_\_

I have the authority to bind the corporation  
Dated this \_\_\_\_\_ day of \_\_\_\_\_, 2015.

**NORTHUMBERLAND GENERAL  
INSURANCE COMPANY, IN LIQUIDATION  
BY PRICEWATERHOUSECOOPERS INC.,  
LIQUIDATOR**

Per: \_\_\_\_\_

I have the authority to bind the corporation  
Dated this \_\_\_\_\_ day of \_\_\_\_\_, 2015.

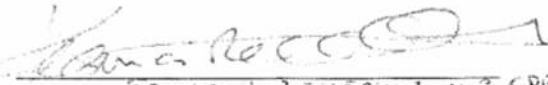
IN WITNESS WHEREOF, the Parties hereto have executed this Agreement on the dates indicated below.

**ROTHMANS, BENSON & HEDGES INC.**

Per: \_\_\_\_\_

I have the authority to bind the corporation  
Dated this 5<sup>th</sup> day of May, 2015.

**LA NORDIQUE COMPAGNIE  
D'ASSURANCE DU CANADA**

Per:   
FRANCOIS RENAUD VP CORP CLAIMS

I have the authority to bind the corporation  
Dated this 5<sup>th</sup> day of May, 2015.

**ROYAL & SUN ALLIANCE INSURANCE  
COMPANY OF CANADA**

Per: \_\_\_\_\_

I have the authority to bind the corporation  
Dated this 5<sup>th</sup> day of May, 2015.

**NORTHUMBERLAND GENERAL  
INSURANCE COMPANY, IN LIQUIDATION  
BY PRICEWATERHOUSECOOPERS INC.,  
LIQUIDATOR**

Per: \_\_\_\_\_

I have the authority to bind the corporation  
Dated this 5<sup>th</sup> day of May, 2015.

**IN WITNESS WHEREOF**, the Parties hereto have executed this Agreement on the dates indicated below.

**ROTHMANS, BENSON & HEDGES INC.**

Per: \_\_\_\_\_

I have the authority to bind the corporation  
Dated this 5<sup>th</sup> day of May, 2015.

**LA NORDIQUE COMPAGNIE  
D'ASSURANCE DU CANADA**

Per: \_\_\_\_\_

I have the authority to bind the corporation  
Dated this 5<sup>th</sup> day of May, 2015.

**ROYAL & SUN ALLIANCE INSURANCE  
COMPANY OF CANADA**

Per: \_\_\_\_\_ 

I have the authority to bind the corporation  
Dated this 5<sup>th</sup> day of May, 2015.

**NORTHUMBERLAND GENERAL  
INSURANCE COMPANY, IN LIQUIDATION  
BY PRICEWATERHOUSECOOPERS INC.,  
LIQUIDATOR**

Per: \_\_\_\_\_

I have the authority to bind the corporation  
Dated this 5<sup>th</sup> day of May, 2015.

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement on the dates indicated below.

**ROTHMANS, BENSON & HEDGES INC.**

Per: \_\_\_\_\_

I have the authority to bind the corporation  
Dated this 5<sup>th</sup> day of May, 2015.

**LA NORDIQUE COMPAGNIE  
D'ASSURANCE DU CANADA**

Per: \_\_\_\_\_


I have the authority to bind the corporation  
Dated this 5<sup>th</sup> day of May, 2015.

**ROYAL & SUN ALLIANCE INSURANCE  
COMPANY OF CANADA**

Per: \_\_\_\_\_

I have the authority to bind the corporation  
Dated this 5<sup>th</sup> day of May, 2015.

**NORTHUMBERLAND GENERAL  
INSURANCE COMPANY, IN LIQUIDATION  
BY PRICEWATERHOUSECOOPERS INC.,  
LIQUIDATOR**

Per:   
R. T. CHAPMAN, SENIOR VICE-PRESIDENT

I have the authority to bind the corporation  
Dated this 5<sup>th</sup> day of May, 2015.

**SCHEDULE "A"**

[Trust Deed]

**SCHEDULE "B"**

[HHE Agreement]

**TAB B**



This is **Exhibit "B"** referred to in the  
Affidavit of **Milena Trentadue**  
sworn before me December 17, 2024

DocuSigned by:

*Meena Alnajjar*

A508ACD91F1F426...

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A Commissioner for taking Affidavits (or as may be)  
**Meena Alnajjar LSO No: 89626N**

**HHE POLICIES SETTLEMENT AGREEMENT AND RELEASE**

This HHE Policies Settlement Agreement and Release is entered into by and between:

**ROTHMANS, BENSON & HEDGES INC.**

OF THE FIRST PART

AND

**LA NORDIQUE COMPAGNIE D'ASSURANCE DU CANADA**

OF THE SECOND PART

**I**

**PREAMBLE**

All parts of this document, including the Preamble, Definitions, Recitals and Covenants form part of this HHE Policies Agreement and are binding on the Parties. In the event of any conflict between the Preamble, Definitions, Recitals and Covenants, the Covenants shall govern.

**II**

**DEFINITIONS**

In this HHE Policies Agreement, the following definitions apply when the first letter of a word is capitalised. Where applicable, the singular includes the plural and vice versa:

“Actions” Any and all proceedings claiming damages for tobacco related  
bodily injury or property damage including/or tobacco related

health care costs now existing or which may be brought at any time in the future against RBH, including but not limited to, the following proceedings:

- (i) Ontario Court of Justice (General Division), bearing Action No.: 95-CU-82186 filed on or about January 13, 1995, by David Caputo, Luna Roth, Lori Cawardine and Russel Hyduk as a Statement of Claim naming RBH as a defendant;
- (ii) Ontario Court (General Division), bearing Action No.: C17773/97 (the Action No. was changed to 06-CV-309667PD3 as a result of the matter being moved from Milton to Toronto) filed on or about May 1, 1997, by Mirjana Spasic as a Statement of Claim naming RBH as a defendant;
- (iii) Quebec Superior Court, District of Montreal, bearing Action No.: "Project" filed on or about September 30, 1997, by Roland Meunier as a Declaration naming RBH as a defendant;
- (iv) Ontario Superior Court of Justice (General Division), bearing Action No.: 00-CV-183165CP filed on or about January 11, 2000, by Jasmine Ragoonanan and Phillip Ragoonanan, by their estate representative, Davina Ragoonanan, and Ranuka Baboolal, by her estate representative, Vashti Baboolal as a Statement of Claim naming RBH as a defendant;
- (v) The United States District Court for the Southern District of New York, bearing Action No.: 00CIV. 1593, filed on or about March 1, 2000, by Her Majesty the Queen in

Right of Ontario, The Minister of Health and Long Term Care as a Statement of Claim naming RBH as a defendant;

- (vi) Supreme Court of British Columbia, bearing Action No.: C985776 filed on or about November 12, 1998, by Her Majesty The Queen in Right of British Columbia as a Statement of Claim naming RBH as a defendant;
- (vii) Supreme Court of British Columbia, bearing Action No.: S010421 filed on or about January 24, 2001, by Her Majesty The Queen in Right of British Columbia as a Statement of Claim naming RBH as a defendant;
- (viii) Quebec Superior Court, District of Montreal, bearing Action No.: 500-06-000070-983. On or about September 3, 1998, Cécilia Létourneau filed a Motion for Permission to Institute a Class Action and To be Named Representatives against RBH. Permission was granted. On or about September 29, 2005 Létourneau filed a Motion to Institute Class Action Proceedings;
- (ix) Quebec Superior Court, District of Montreal, bearing Action No.: 500-06-000076-980. On or about November 18, 1998, the Conseil Québécois sur le Tabac et la Santé and Jean-Yves Blais filed a Motion for Permission to Institute a Class Action and To be Named Representatives against RBH. Permission was granted. On or about September 29, 2005 the Conseil Québécois sur le Tabac et la Santé and Jean-Yves Blais filed a Motion to Institute Class Action Proceedings;
- (x) Court of Queen's Bench for Saskatchewan, Judicial

Centre of Regina, bearing Action No.: 1036 of 2009, filed on or about July 10, 2009 by Thelma Adams as a Notice of Motion for Certification naming RBH as a defendant;

- (xi) Court of Queen's Bench for Saskatchewan, Judicial Centre of Regina, bearing Action No.: 916 of 2009, filed on or about June 12, 2009 by Thelma Adams as a Statement of Claim naming RBH as a defendant;
- (xii) Court of Queen's Bench of Alberta, Judicial District of Calgary, bearing Action No.: 0901-08964, filed on or about June 15, 2009 by Linda Dorion as a Statement of Claim naming RBH as a defendant;
- (xiii) Court of Queen's Bench of Manitoba, Winnipeg Centre, bearing Action No.: CI09-01-61479, filed on or about June 2009 by Deborah Kunta as a Statement of Claim naming RBH as a defendant;
- (xiv) Court of Queen's Bench of New Brunswick, Trial Division, Judicial District of Fredericton, bearing Action No.: F/C/88/08 filed on or about March 13, 2008, by Her Majesty the Queen in Right of The Province of New Brunswick as a Notice of Action and Statement of Claim;
- (xv) Ontario Superior Court of Justice, bearing Action No.: CV-09-387984 filed on or about September 29, 2009, by her Majesty The Queen in Right of Ontario as a Statement of Claim naming RBH as a defendant;
- (xvi) Supreme Court of Newfoundland and Labrador, Trial Division, bearing Action No.: 0826 filed on or about February 8, 2011, by Attorney General of Newfoundland

and Labrador as a Statement of Claim naming RBH as a defendant;

- (xvii) Supreme Court of Nova Scotia, bearing Action No.: 312869 filed on or about June 18, 2009, by Ben Semple as a Notice of Action and Statement of Claim naming RBH as a defendant;
- (xviii) Supreme Court of British Columbia, Vancouver Registry, bearing Action No.: 10-2780. filed on or about June 25, 2010, by Barbara Bourassa on behalf of the Estate of Mitchell David Bourassa, as a Writ of Summons & Statement of Claim naming RBH as a defendant;
- (xix) Supreme Court of British Columbia, Victoria Registry, bearing Action No.: 10-2769, filed on or about June 25, 2010, by R. McDermid as a Writ of Summons and Statement of Claim naming RBH as a defendant;
- (xx) Ontario Superior Court of Justice, bearing Action No.: 64462CP filed on November 5, 2009, by The Ontario Flue-Cured Tobacco Growers' Marketing Board as a Statement of Claim naming RBH as a defendant;
- (xxi) Quebec Court, District of Rimouski, bearing Action No.: 100-32-000781-964 filed on or about November 29, 1996 by Suzanne Dumais as a Statement of Claim naming RBH as a defendant;
- (xxii) Court of Queen's Bench of Alberta, bearing Action No.: 1201-07314 filed on or about June 8, 2012 by Her Majesty in Right of Alberta as a Statement of Claim naming RBH as a defendant;

- (xxiii) Quebec Superior Court, District of Montreal, bearing Action No.: 500-17-072363-123 filed on or about June 8, 2012 by the Attorney General of Quebec as a Motion Introductive of Suit naming RBH as a defendant;
- (xxiv) Queen's Bench of Saskatchewan, Judicial Centre of Saskatoon, bearing Action No.: 871/2012 filed on or about June 8, 2012 by the Government of Saskatchewan as a Statement of Claim naming RBH as a defendant;
- (xxv) Queen's Bench of Manitoba, Winnipeg Judicial Centre, bearing File No. C112-01-78127 filed on or about May 31, 2012 by Her Majesty the Queen in Right of the Province of Manitoba as a Statement of Claim naming RBH as a defendant;
- (xxvi) Ontario Superior Court of Justice, bearing Action No.: 53794/12 filed on or about June 27, 2012 by Suzanne Jacklin as a Statement of Claim naming RBH as a defendant;
- (xxvii) Supreme Court of Prince Edward Island (General Section), bearing Action No.: S1-GS-25019 filed on or about September 10, 2012 by Her Majesty the Queen in Right of the Province of Prince Edward Island as a Statement of Claim naming RBH as defendant;
- (xxviii) Supreme Court of Nova Scotia, bearing Action No. HFX No. 434868 filed on or about January 2, 2015 by Her Majesty the Queen in Right of the Province of Nova Scotia as a Notice of Action and Statement of Claim naming RBH as a defendant.

- “BHCI” Benson & Hedges Canada Inc., being a corporation that was amalgamated into RBH in or about 1986, and its subsidiaries, divisions, branches, related, associated and affiliated companies, trusts, joint ventures, principals, partners, dealers, agents, brokers, officers, executives, directors, employees, and any and all predecessors, successors and/or assigns of each of them. All references to non-natural persons in this definition include only Canadian non-natural persons. All references to natural persons in this definition include natural persons of any nationality.
- “Claimants” Collectively: (i) the plaintiffs and class members in the Actions; and (ii) any Government of a Province or Territory of Canada and the Government of Canada insofar as they assert or may assert a Claim for, or in relation to, Tobacco Health Care Cost/Damage Recovery.
- “Claims” Any and all Actions, allegations, disputes, demands, claims, causes of action, whether legal, statutory or equitable, damages, fines, penalties, civil, administrative or regulatory proceedings, actions of any kind, rights, injuries, liabilities, obligations, debts, accounts, covenants, contracts, complaints, charges, costs, expenses, fees, judgments, court orders, executions, suits or requests or claims for relief, action, indemnity, liabilities, monies, losses, restitution, disgorgement, penalties, fines, costs, interest, legal fees or disbursements, expenses or forbearance of any kind or for damages whether compensatory, punitive, contractual, extra-contractual, liquidated, unliquidated or otherwise, including without limitation, any and all known or unknown claims of personal, economic and non-economic injuries or loss and the consequences thereof, any and all claims seeking extra-contractual damages, covenants, contracts any and all claims for loss of service or earnings, unfair or deceptive trade practices,



improper defence or settlement practices, violations of any insurance code or other statutory provision, bad faith, breach of fiduciary duty, fraud, malice, or oppression, and whether past, present or future, known or unknown, asserted or unasserted, suspected or unsuspected, disclosed or undisclosed, and any expenditure, costs, expenses, fees and/or any other monies howsoever paid or incurred in connection therewith whether relating to counsel, experts or otherwise.

“Court of Competent Jurisdiction”	The Superior Court of the Province of Quebec and/or the Ontario Superior Court of Justice and/or any equivalent court of a Province or Territory of Canada, including any appellate court therefrom.
“Coverage Settlement Amount”	The sum of Twenty Eight Million Canadian Dollars (CAN \$28,280,000.00) consisting of the RBH Amount and the Trust Amount.
“Declarations”	The Declarations for Insurers, Declarations for Insurers/RBH, and Declaration for RBH.
“Declarations for Insurers”	The declarations set out in Section IV subsections 6(A)(a)(1), 6(A)(c) and 6(A)(d) of the Main Agreement.
“Declarations for Insurers/RBH”	The declarations set out in Section IV subsection 6(A)(a)(2) and 6(A)(a)(3) of the Main Agreement.
“Declarations for RBH”	The declaration set out in Section IV subsection 6(A)(b) of the Main Agreement.
“Documentation”	Includes, but without limiting the generality of the following, a sound recording, videotape, photograph, film, report, chart, graph, map, plan, survey, book of account, any record of permanent or semi-permanent character, any information recorded or stored by

means of any device including a computer and data and information in electronic form.

“Final Order”

An order of a court finally determining all of the matters at issue before it (in an action, including both liability and damages), that is not subject to appeal or that has not been appealed and cannot, by virtue of the expiry of time delays or binding agreement in writing, be appealed.

“Final Declaration Orders”

All of the Final Orders granting the Declarations required under s. 6(A) of the Main Agreement.

“Final Declaration Orders Date”

The date upon which the last of the orders granting the Declarations required under s. 6(A) of the Main Agreement becomes a Final Order.

“Guardian”

Guardian Insurance Company of Canada and its reinsurers and their retrocessionaires (in their capacity as such), subsidiaries, divisions, branches, related, associated and affiliated companies, trusts, joint ventures, principals, partners, dealers, agents, brokers, officers, executives, directors, employees, and any and all predecessors, successors and/or assigns of each of them including but not limited to any receivers, liquidators or trustees, in all capacities. The term “Guardian” does not include any of the Other Carriers irrespective of whether an Other Carrier presently or in the future falls within the meaning of the term “Guardian”.

“Halifax”

The Halifax Insurance Company and its reinsurers and their retrocessionaires (in their capacity as such), subsidiaries, divisions, branches, related, associated and affiliated companies, trusts, joint ventures, principals, partners, dealers, agents, brokers, officers, executives, directors, employees, and any and all predecessors, successors and/or assigns of each of them, including

but not limited to any receivers, liquidators or trustees, in all capacities. The term “Halifax” does not include any of the Other Carriers irrespective of whether an Other Carrier presently or in the future falls within the meaning of the term “Halifax”.

“HHE”	The health hazard exclusion or exclusions contained in the HHE Policies.
“HHE Payment”	The payment of a single silver coin by Nordique.
“HHE Policies”	Include collectively the policies of insurance identified in paragraphs “B” and “C” of the Recitals to the HHE Policies Agreement and without limitation any and all other policies of general liability insurance or form of general liability insurance coverage whatsoever containing a HHE (but specifically excluding liability policies not listed in paragraphs “B” and “C” of the Recitals to the HHE Policies Agreement that exclude coverage for, or do not provide coverage for, loss or damages for property damage or bodily injury including but not limited to directors and officers insurance policies) whether primary, umbrella or excess containing a health hazard exclusion issued at any time by or on the authority of Guardian Insurance Company of Canada or The Halifax Insurance Company to BHCI, RPM and/or RBH.
“HHE Policies Agreement”	This HHE Policies Settlement Agreement and Release entered into between Nordique and RBH in connection with the Main Agreement.
“HHE Policies Confidential Compromise Material”	Draft Documentation setting out the terms of this HHE Policies Agreement and Documentation regarding the negotiation of this HHE Policies Agreement and communications and documents generated for or in connection therewith or thereafter.

“HHE Policies Coverage Claim”

Any and all demands, requests, claims or entitlement made or asserted by RBH, or that could be made or asserted by RBH, to or against Nordique under or in respect of the HHE Policies for:

Claims (and investigation of Claims) respecting tobacco related bodily injury or property damage including/or tobacco related health care costs, and/or for payment of defence costs and/or for indemnification for any judgment, including any award of plaintiffs’ costs and/or prejudgment interest and/or post judgment interest, with respect to the Actions and/or for indemnification for any settlement entered into with one or more Claimants and/or for damages whether compensatory, punitive, contractual, extra-contractual, liquidated, unliquidated or otherwise, any and all claims seeking extra-contractual damages, covenants, contracts any and all claims for unfair or deceptive trade practices, improper defence or settlement practices, violations of any insurance code or other statutory provision, bad faith, breach of fiduciary duty, fraud, malice, or oppression, and whether past, present or future, known or unknown, asserted or unasserted, suspected or unsuspected, disclosed or undisclosed, and any expenditure, costs, expenses, fees and/or any other monies howsoever paid or incurred in connection therewith whether relating to counsel, experts or otherwise.

“HHE Policies Coverage Dispute”

The disagreement between RBH and Nordique with respect to the existence and extent of Nordique’s HHE Policies Coverage Obligations, if any, to RBH under the HHE Policies with respect to:

the Actions, Tobacco Health Care Cost/Damage Recovery, the Notice, the HHE Policies Potential Tobacco Exposure

and/or the HHE Policies Coverage Claim.

“HHE Policies Coverage Obligations”

The extent of Nordique’s obligations, if any, under the HHE Policies, including the obligation to investigate Claims with respect to tobacco related bodily injury or property damage including/or tobacco related health care costs, to provide indemnification to RBH with respect to the Actions, Tobacco Health Care Cost/Damage Recovery or HHE Policies Potential Tobacco Exposure for defence costs and/or any damage award, including any award of plaintiffs’ costs and/or pre-judgment interest and/or post-judgment interest, incurred by or against RBH resulting from the Actions and/or any settlement entered into with one or more Claimants.

“HHE Policies Potential Tobacco Exposure”

Nordique’s exposure under the HHE Policies to or with respect to, or in any way connected with, the Actions, including direct rights of action, the Tobacco Health Care Cost/Damage Recovery, the Notice, the HHE Policies Coverage Claim, the HHE Policies Coverage Dispute, the HHE Policies Coverage Obligations, any and all other alleged past, present or future tobacco related bodily injury or property damage or unfair or deceptive practices including/or tobacco related health care costs/damages whatsoever, and/or any and all alleged future obligations of Nordique to investigate such Claims against RBH, defend RBH or pay or reimburse defence costs incurred by RBH with respect to such Claims or pay the cost of or indemnify RBH for any and all such Claims or any and all other obligations which might be said to be owing under the HHE Policies with respect to the foregoing.

“Insurers”

Nordique, RSA, and NGIC.

“Main Agreement”

The Settlement Agreement and Release entered into between

RBH, Nordique, RSA and NGIC, a copy of which is attached hereto as Schedule “A”.

“NGIC”

Northumberland General Insurance Company, In Liquidation, and PricewaterhouseCoopers Inc. in its capacity as liquidator of Northumberland General Insurance Company and in its former capacity as agent to the liquidator of Northumberland General Insurance Company, and its reinsurers and their retrocessionaires (in their capacity as such), subsidiaries, divisions, branches, related, associated and affiliated companies, trusts, joint ventures, principals, partners, dealers, agents, brokers, officers, executives, directors, employees, and any and all predecessors, successors and/or assigns of each of them, including but not limited to any receivers, liquidators or trustees, in all capacities and the Superintendent of Financial Institutions in her former capacity as liquidator of Northumberland General Insurance Company, her counsel, representatives, advisors, accountants, consultants, employees, and any and all predecessors, successors and/or assigns of each of them. The term “NGIC” does not include any of the Other Carriers irrespective of whether an Other Carrier presently or in the future falls within the meaning of the term “NGIC”.

“Nordique”

La Nordique Compagnie D’Assurance Du Canada, and its reinsurers and their retrocessionaires (in their capacity as such), subsidiaries, divisions, branches, related, associated and affiliated companies, trusts, joint ventures, principals, partners, dealers, agents, brokers, officers, executives, directors, employees, and any and all predecessors, successors and/or assigns of each of them, including but not limited to any receivers, liquidators or trustees, in all capacities. The term “Nordique” does not include any of the Other Carriers irrespective of whether an Other Carrier

presently or in the future falls within the meaning of the term “Nordique”.

“Nordique Tolling Agreements”

Collectively the following agreements:

- (i) Renunciation of Prescription (Tolling Agreement) between Guardian and RBH dated January 9, 1998;
- (ii) Renunciation of Prescription (Tolling Agreement) between Guardian and RBH dated February 2, 1998;
- (iii) Renunciation of Prescription (Tolling Agreement) between Guardian and RBH dated February 23, 1998;
- (iv) Renunciation of Prescription (Tolling Agreement) between Guardian and RBH dated March 3, 1998;
- (v) Renunciation of Prescription (Tolling Agreement) between Guardian and RBH dated March 13, 1998;
- (vi) Renunciation of Prescription (Tolling Agreement) between Guardian and RBH on March 27, 1998;
- (vii) Tolling Agreement between Nordique and RBH, effective as at January 10, 2008;

“Notice”

Notice provided by RBH, on behalf of itself and its predecessor corporations BHCI and RPM, to Nordique of the Actions.

“Other Carriers”

Include collectively the following insurance companies as well as any and all other insurance companies that issued policies of general liability insurance or form of general insurance whatsoever (but specifically excluding liability policies that exclude coverage for, or do not provide coverage for, loss or damages for property damage or bodily injury including but not

limited to directors and officers insurance policies) whether primary, umbrella or excess to BHCI, RPM, or RBH (other than the Insurers Guardian and Halifax): American Home Insurance Company Assurance Company, Reliance Insurance Company Scottish & York Insurance Company Limited, Cigna Insurance Company of Canada, Kansa General Insurance Company, Markel Insurance Company of Canada, United States Fire Insurance Company, New Hampshire Insurance Company, INA Insurance Company of Canada, AllState Insurance Company of Canada, General Accident Assurance Company, Hartford Fire Insurance Company, Affiliated FM Insurance Company, American Re-Insurance Company, Home of New York, Continental Insurance Company and Canadian Indemnity and each of their respective reinsurers and their retrocessionaires (in their capacity as such), subsidiaries, divisions, branches, related, associated and affiliated companies, trusts, joint ventures, principals, partners, dealers, agents, brokers, officers, executives, directors, employees, and any and all predecessors, successors and/or assigns of each of them, including but not limited to any receivers, liquidators or trustees, in all capacities.

- “Other Action” The Actions identified in the following subparagraphs of the definition of “Action”: (iii), (iv), (v), (xx) and (xxi).
- “Parties” Collectively RBH and Nordique.
- “Party” One of RBH or Nordique.
- “Person” Any and all persons and entities, including without limitation natural persons, firms, corporations, limited liability companies, joint ventures, joint stock companies, unincorporated associations, agencies, bodies, associations, partnerships, trusts, Governments of Canadian Provinces and Territories and the



Government of Canada and their predecessors, successors, administrators, executors, heirs and assigns.

“Policies”

Include collectively the policies of insurance identified in paragraphs “B”, “C”, “D” and “E” of the Recitals to the Main Agreement and without limitation any and all other policies of general liability insurance or form of general liability insurance coverage whatsoever (but specifically excluding liability policies not listed in paragraphs “B”, “C”, “D” and “E” of the Recitals to the Main Agreement that exclude coverage for, or do not provide coverage for, loss or damages for property damage or bodily injury including but not limited to directors and officers insurance policies) whether primary, umbrella or excess issued at any time by or on the authority of Guardian Insurance Company of Canada, The Halifax Insurance Company, Northumberland General Insurance Company, In Liquidation, Royal & Sun Alliance Insurance Company of Canada, Sun Alliance Insurance Company, and Alliance Assurance Company to BHCI, RPM and/or RBH.

“RBH”

Rothmans, Benson & Hedges Inc., being a corporation formed by the amalgamation of Rothmans Inc. and the former Rothmans, Benson & Hedges Inc. (a corporation formed by the amalgamation of BHCI and RPM in 1986) effective December 1, 2009, and its subsidiaries, divisions, branches, related, associated and affiliated companies, trusts, joint ventures, principals, partners, dealers, agents, brokers, officers, executives, directors, employees, and any and all predecessors, including but not limited to BHCI and RPM, successors and/or assigns of each of them, including but not limited to any receivers, liquidators or trustees, in all capacities. All references to non-natural persons in this definition include only Canadian non-natural persons. All

references to natural persons in this definition include natural persons of any nationality.

“RBH Amount”

The sums of:

(i) Ten Million Canadian Dollars (CAN \$10,000,000.00) which shall be paid to RBH by Nordique, RSA and NGIC in the following proportions: Nordique (\$6,877,324.00), RSA (\$2,007,435.00) and NGIC (\$1,115,241.00);

(ii) One Hundred Thousand Canadian Dollars (\$100,000.00 CAN), reflecting a fixed amount as an approximation of interest on the amount of Ten Million Canadian Dollars (CAN \$10,000,000.00) from the date upon which this Agreement is executed to the date upon which the payment of the RBH Amount is made, which shall be paid to RBH by Nordique, RSA and NGIC in the following proportions: Nordique (\$68,773.00), RSA (\$20,074.00) and NGIC (\$11,153.00); and

(iii) One Hundred and Eighty Thousand Canadian Dollars (\$180,000.00 CAN), reflecting a fixed amount as an approximation of interest on the Trust Amount – Part 2 from the date upon which this Agreement is executed to the date upon which the payment of the Trust Amount-Part 2 is made, which sum shall be paid by Nordique, RSA and NGIC to RBH in the following proportions: Nordique (\$127,227.00), RSA (\$33,926.00) and NGIC (\$18,847.00).

“RBH HHE Policies Releasers”

Collectively RBH and all others insured under the HHE Policies.

“RPM”

Rothmans of Pall Mall Limited, which received all of the assets and liabilities of a company once known as Rothmans of Pall Mall Canada Limited, being a corporation that was amalgamated

into RBH in 1986, and each of their respective subsidiaries, divisions, branches, related, associated and affiliated companies, trusts, joint ventures, principals, partners, dealers, agents, brokers, officers, executives, directors, employees, and any and all predecessors, successors and/or assigns of each of them. All references to non-natural persons in this definition include only Canadian non-natural persons. All references to natural persons in this definition include natural persons of any nationality.

“RSA”

Royal & Sun Alliance Insurance Company of Canada, Royal Insurance Company of Canada, The British America Assurance Company, Western Assurance Company, The London and Lancashire Guarantee and Accident Company, Globe Indemnity Company of Canada, Sun Alliance Insurance Company, The Sun Alliance Group, Sun Insurance Office plc, Alliance Assurance Company, The London Assurance, and each of their respective reinsurers and their retrocessionaires (in their capacity as such), subsidiaries, divisions, branches, related, associated and affiliated companies, trusts, joint ventures, principals, partners, dealers, agents, brokers, officers, executives, directors, employees, and any and all predecessors, successors and/or assigns of each of them, including but not limited to any receivers, liquidators or trustees, in all capacities. The term “RSA” does not include any of the Other Carriers irrespective of whether an Other Carrier presently or in the future falls within the meaning of the term “RSA”.

“Tobacco Health Care Cost Recovery”

Any Claim for and/or recovery, either by judgment against or settlement with RBH, of tobacco related health care costs made or obtained by the Government of a Canadian Province or Territory or by the Government of Canada.

“Trust”	The trust established by the Trust Agreement.
“Trust Agreement”	The Trust Deed, substantially in the form attached hereto as Schedule “B”.
“Trust Amount”	Trust Amount – Part 1 and Trust Amount – Part 2.
“Trust Amount – Part 1”	A single silver coin, to be held separate and apart from the assets of RBH and upon the terms of the Trust Agreement, together with all additional assets, rights and benefits of any kind or nature whatsoever arising directly or indirectly from, or in connection with, or accruing to, any and all of the foregoing, and which coin shall be provided by Nordique.
“Trust Amount – Part 2”	The sum of Eighteen Million Canadian Dollars (CAN \$18,000,000.00) to be held separate and apart from the assets of RBH and upon the terms of the Trust Agreement, together with all additional assets, rights and benefits of any kind or nature whatsoever arising directly or indirectly from, or in connection with, or accruing to, any and all of the foregoing, and which sum of CAN \$18,000,000.00 shall be paid by Nordique, RSA and NGIC to the trustees under the Trust Agreement in the following proportions: Nordique (\$12,722,676.00), RSA (\$3,392,565.00) and NGIC (\$1,884,759.00).
“Trust Fund”	Any and all assets of the Trust as defined in the Trust Agreement, initially being the Trust Amount – Part 1.
“Trustees”	The trustees of the trust established under the Trust Agreement.

**III**  
**RECITALS**

**A. WHEREAS** the definitions set out in Section II above hereof apply when the first letter of a word is capitalised;

**B. AND WHEREAS** Guardian Insurance Company of Canada issued the following policies that are the subject of this HHE Policies Agreement:

<b>Named Insured</b>	<b>Policy Number</b>	<b>Type</b>	<b>Coverage Period</b>
BHCI	1800962	Comprehensive General Liability	December 31, 1985 to December 19, 1986
RPM/RBH	1868232	Comprehensive General Liability	March 31, 1986 to June 30, 1998
RPM/RBH	4178176	Excess	March 31, 1986 to March 31, 1988
RBH	4148121	Excess	March 31, 1986 to June 30, 1998
RPM	4158646	Excess	March 31, 1985 to March 31, 1986

**C. AND WHEREAS** The Halifax Insurance Company issued the following policy that is the subject of this HHE Policies Agreement:

<b>Named Insured</b>	<b>Policy Number</b>	<b>Type</b>	<b>Coverage Period</b>
RPM	GO-12250	Excess	March 31, 1985 to March 31, 1986

**D. AND WHEREAS** BHCI and RPM were amalgamated into RBH;

**E. AND WHEREAS** RBH has been named as a defendant in the Actions;

**F. AND WHEREAS** RBH provided Notice;

- G. AND WHEREAS** RBH has asserted the HHE Policies Coverage Claim;
- H. AND WHEREAS** a HHE Policies Coverage Dispute exists;
- I. AND WHEREAS** the Parties have entered into the Nordique Tolling Agreements;
- J. AND WHEREAS** it is now the desire of the Parties to fully and finally settle the HHE Policies Coverage Dispute;
- K. AND WHEREAS** neither RBH nor Nordique are aware of any other policies of general liability insurance or form of general liability insurance coverage whatsoever containing a HHE (but specifically excluding liability policies that exclude coverage for, or do not provide coverage for, loss or damages for property damage or bodily injury including but not limited to directors and officers insurance policies) whether primary, umbrella or excess issued by Nordique to RBH other than those listed in paragraphs “B” and “C” of the Recitals to the Main Agreement and those listed in paragraphs “B” and “C” of the Recitals to this HHE Policies Agreement;
- L. AND WHEREAS** Nordique continues to assert that it has valid coverage defences, and that any and all HHE Policies are not responsive to the Notice or the HHE Policies Coverage Claim but has concluded that it will enter into this HHE Policies Agreement, the Main Agreement and the Trust Agreement, among other reasons, in order to avoid the further expense, inconvenience, burden, distractions, uncertainty and risk of litigation and any other present or future litigation arising out of the facts that gave rise to the Actions, the Notice, Tobacco Cost Health Care Recovery, the HHE Policies Coverage Claim, the HHE Policies Coverage Dispute, the HHE Policies Coverage Obligations and/or the HHE Policies Potential Tobacco Exposure;
- M. AND WHEREAS** RBH has asserted and continues to assert that it has a valid HHE Policies Coverage Claim but has concluded that it will enter into this HHE Policies Agreement, the Main Agreement and the Trust Agreement, among other reasons, in order to avoid the further expense, inconvenience, burden, distractions, uncertainty and risk of litigation and any other present or future litigation arising out of the facts that gave rise to

the Actions, the Notice, Tobacco Cost Health Care Recovery, the HHE Policies Coverage Claim, the HHE Policies Coverage Dispute, the HHE Policies Coverage Obligations and/or the HHE Policies Potential Tobacco Exposure;

**N. AND WHEREAS** each of the Parties have concluded, after investigation of the facts, that this HHE Policies Agreement, the Main Agreement and the Trust Agreement are a fair, reasonable and adequate resolution of the HHE Policies Coverage Dispute.

#### **IV COVENANTS**

**NOW, THEREFORE, THIS AGREEMENT WITNESSES** that in consideration of the mutual covenants contained herein, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby agree and covenant as follows:

1. **Recitals:** The Recitals are true and correct and constitute an integral and fundamental part of this HHE Policies Agreement.
2. **Binding Resolution:** Subject to all of the terms of this HHE Policies Agreement and, in particular, subject to the approval of the Courts of Competent Jurisdiction and the payment of the Coverage Settlement Amount as particularised in the Main Agreement, this HHE Policies Agreement is a permanent, complete and binding accord and resolution of all of the rights, Claims, questions, differences and obligations of the Parties, including the HHE Policies Coverage Dispute, existing and which may exist in the future with respect to any and all matters which are the subject of this HHE Policies Agreement.
3. **Nordique's HHE Payment:**
  - A. Nordique will provide the HHE Payment within twenty (20) business days after the execution of the last of this HHE Policies Agreement, the Trust Agreement and the Main Agreement.

- B.** The payment of the HHE Payment will be considered to have been made in full and complete satisfaction of, among other things, each and every past, present and future obligation, if any, which may have been or might be owed by Nordique to any Person, including in particular RBH, directly or indirectly, in whole or in part, concurrently or in sequence, under or in respect of the HHE Policies, resulting from, arising out of, respecting, relating to or directly or indirectly in connection with the HHE Policies Coverage Dispute.
4. **No Waiver or Estoppel Prior to HHE Policies Agreement:** By negotiating and entering into this HHE Policies Agreement, the Main Agreement and the Trust Agreement, Nordique does not waive and has not waived or purported to waive, nor did or will such conduct result in Nordique being estopped from relying on, any coverage defences arising out of, respecting, relating to or directly or indirectly in connection with the HHE Policies Coverage Dispute.
5. **Releases:**
- A. **Release by the RBH HHE Policies Releasers:** Upon the payment of the HHE Payment, the RBH Amount and the Trust Amount, in consideration of, among other things, the HHE Payment:
- (i) the RBH HHE Policies Releasers irrevocably remise, release, quit, forgive and forever discharge Nordique of and from any and all HHE Policies Coverage Claims under or in respect of the HHE Policies:
- (a) arising out of, resulting from, with respect to, relating to or connected directly or indirectly with the HHE Policies Coverage Dispute or with HHE Policies Potential Tobacco Exposure; and
- (b) for any action, inaction, representation or omission that predates this HHE Policies Agreement; and



- (ii) the RBH HHE Policies Releasers are estopped from asserting directly or indirectly, in whole or in part, concurrently or in sequence any and all HHE Policies Coverage Claims under or in respect of the HHE Policies:
- (a) arising out of, resulting from, with respect to, relating to or connected directly or indirectly with the HHE Policies Coverage Dispute or with HHE Policies Potential Tobacco Exposure; and
  - (b) for any action, inaction, representation or omission that predates this HHE Policies Agreement.
- B. Release by Nordique:** Upon the payment of the HHE Payment, the RBH Amount and the Trust Amount, in consideration of, among other things, the provision of a release by the RBH HHE Policies Releasers, Nordique irrevocably remises, releases, quits, forgives and forever discharges RBH of and from any and all claims that could result in an obligation to pay or repay the HHE Payment, or any part thereof, to Nordique and for any action, inaction, representation or omission that predates this HHE Policies Agreement.
- C. Future Claims:** In the event that any HHE Policies Coverage Claim or Claim with respect to, as a result of, or in connection with the matters released in this HHE Policies Agreement is brought by any releasor against any releasee contrary to 5(A.) or (B.) above, the Parties agree that the release set out in those paragraphs may be pleaded as a complete defence and reply to such HHE Policies Coverage Claim or Claim and may be relied upon in such a proceeding as a complete and irrevocable estoppel of any releasor's right to initiate said proceeding as against such releasee.
- D. Costs:** In the event of a future claim contemplated in s. 5(C.) above, the releasor that initiated the proceeding shall be liable for all reasonable costs, legal fees, disbursements and expenses incurred by the releasee as a result of such proceeding.

- E. Waiver:** Nordique hereby waives any rights of subrogation, unjust enrichment, contribution, and indemnity, based in law or in equity or otherwise, that it may have, that it may obtain now or in the future, or that may accrue to it now or in the future, as against any other insurer of RBH in respect of the HHE Payment. Nothing in this paragraph is intended to limit Nordique's rights against its own reinsurers or retrocessionnaires (in their capacity as such).

**6. Court Approval and Declarations:**

- A.** Unless the Parties agree otherwise, this HHE Policies Agreement is expressly subject to and conditional upon obtaining Final Orders from the Ontario Superior Court of Justice, the Superior Court of Quebec, and, if a Claim for Tobacco Health Care Cost/Damage Recovery is finally resolved in a Province other than Ontario or Quebec prior to the date on which court materials are served in Ontario seeking the Declarations, the Court of Competent Jurisdiction in the Province in which the Claim for Tobacco Health Care Cost/Damage Recovery was finally resolved and the time for any and all appeals therefrom having expired, granting the Declarations.
- B.** With respect to the operation of this HHE Policies Agreement, for a period of one hundred and twenty (120) days after the Final Declaration Orders Date:
- (a) Subsections 6(A)(a)(1), 6(A)(c) and 6(A)(d) of the Main Agreement, as they relate to the HHE Agreement, may be waived, in whole or in part, in writing by Nordique;
  - (b) Subsections 6(A)(a)(2) and 6(A)(a)(3) of the Main Agreement, as they relate to the HHE Agreement, may at any time be waived, in whole or in part, in writing by both Nordique and RBH (but not by either one alone); and
  - (c) Subsection 6(A)(b) of the Main Agreement, as it relates to the HHE Agreement, may at any time be waived, in whole or in part, in writing by RBH.

Each of the foregoing waivers shall be automatically deemed to be made upon the making of the waivers set out in section 6(B) of the Main Agreement.

7. **No Admissions:** No Party shall be deemed to have made, and no Party has made, any admission of any kind either express or implied in this HHE Policies Agreement. In particular:

- (a) Nordique has not admitted that any HHE Policies Coverage Obligation is owed to RBH under the HHE Policies;
- (b) Nordique has not admitted that the HHE Policies are not void *ab initio*, or that there exists or existed any liability, error, omission or breach of any contractual, common law, civil law, equitable or statutory duty on the part of Nordique, or that there is or has been any waiver or purported waiver of or any estoppel from relying on any and all coverage defences available under the HHE Policies, nor shall anything contained herein or in any HHE Policies Confidential Compromise Material be deemed to be an admission, acknowledgement or evidence that any Party hereto has breached any obligation, engaged in any wrongdoing or misconduct, or incurred any liability of any kind;
- (c) RBH has not admitted that Nordique does not owe HHE Policies Coverage Obligations to RBH under the HHE Policies.

8. **Non-Assignment:**

- (a) RBH represents and warrants that it has not assigned any of the rights it may have under or in respect of the HHE Policies.
- (b) Nordique represents and warrants that it is the lawful assignee of any and all HHE Policies issued by Guardian and Halifax to RBH, BHCI and RPM, as listed in paragraphs B and C of the Recitals.
- (c) Nordique represents and warrants that it has not assigned any of the rights it may have under or in respect of the HHE Policies.

9. **Limitation on RBH Claims:**

- (a) If:
- (i) RBH asserts a Claim against any other Person for insurance coverage directly or indirectly, in whole or in part, concurrently or in sequence, resulting from, under, arising out of, respecting, relating to or directly or indirectly in connection with the HHE Policies Potential Tobacco Exposure;
  - (ii) the defendant or respondent in such a Claim asserts that RBH suffered a shortfall under the HHE Policies as a result of this HHE Policies Agreement; and
  - (iii) the Court of Competent Jurisdiction adjudicating such Claim finally decides that there was a shortfall;

then RBH shall not claim for such shortfall as against the other Person and shall assume any such shortfall as its own obligation but shall not be limited in any way from claiming for amounts over and above the shortfall.

- (b) If RBH breaches its obligations as set out in (a) above, and as a consequence a Claim is made by any other Person seeking recovery against Nordique for or because of any obligation or alleged obligations of Nordique under the HHE Policies, whether by way of equitable contribution or otherwise, RBH shall indemnify Nordique for its reasonable costs in defending such Claim.

10. **Termination and Repayment:**

If the Main Agreement is terminated, this HHE Policies Agreement shall simultaneously automatically terminate and:

- (i) no Party to this HHE Policies Agreement shall be bound by any of its terms except the terms of this paragraph and except as otherwise specified in this HHE Policies Agreement;

- (ii) the HHE Payment will be returned to Nordique upon its demand;
- (iii) this HHE Policies Agreement and all negotiations, statements, Documents, and proceedings relating thereto shall be without prejudice to the rights of all Parties, all of whom shall be restored to their respective positions existing immediately before this HHE Policies Agreement was entered into;
- (iv) this HHE Policies Agreement and the fact of its negotiation and execution shall not constitute any admission by any of the Parties or be used against any of them for any purpose in any proceeding and, without limiting the generality of the foregoing, shall not constitute an admission or be used by any Person in an effort to create, prove or interpret the obligations of Nordique under, or the terms and conditions of, any applicable contract of insurance or otherwise;
- (v) subject to an Order of a Court of Competent Jurisdiction, only the following sections of this HHE Policies Agreement will survive and continue to have effect: II (Definitions), 7 (No Admissions), 10 (Termination and Repayment), 12 (Confidentiality), 14 (No Admissibility), 15 (No Precedential Value), 16 (Prescription and Tolling Agreements), 17 (Authorship), 18 (Solicitors' Fees), 19 (Independent Legal Advice), 20 (Entire Agreement), 21 (No Third Party Rights), 23 (Warranty of Authority), 24 (Binding Effect), 26 (Amendment), 27 (Counterparts), 28 (Law and Jurisdiction), 29 (Remedies for Breach), 30 (Language), 31 (Transaction), 32 (Headings for Convenience Only), 33 (Invalidity/Severability), 34 (Notices).

11. **Documents:**

- A. RBH and Nordique each warrant that in respect of each Action, they shall retain:

- (a) all Documentation within its power, possession or control which may be relevant to the allegations in the Action or in relation to HHE Policies Potential Tobacco Exposure; and
- (b) all Documentation within its power, possession or control which may be relevant to the determination of the HHE Policies Coverage Obligations for the Action;

until a date that is the later of: (i) two years after the Action is finally disposed of by a Court of Competent Jurisdiction; and (ii) the Final Orders Declaration Date.

- B. Nordique may review any non-privileged Documentation referred to in subsection A. hereof at the offices of Gowling Lafleur Henderson LLP in Toronto in accordance with any conditions agreed to in the relevant Nordique Tolling Agreement between the respective Parties until the Final Declaration Orders Date.

12. **Confidentiality:**

- A. The HHE Policies Confidential Compromise Material will be treated as confidential, private and proprietary and shall not be disclosed to any Person or invoked by any of the Parties except as provided in this HHE Policies Agreement or as required by Order of a Court of Competent Jurisdiction or otherwise by compulsion of law.
- B. Subject to ss. 12(D.) and 12(E.), only until the time when the Application or other proceedings seeking the Declarations are filed with a Court of Competent Jurisdiction, this HHE Policies Agreement and its terms will be:
  - (a) treated as confidential, private and proprietary and shall not be disclosed to any Person or invoked by any of the Parties; and
  - (b) kept in a secure place and not viewed or copied or its contents disseminated or disclosed in any way to any Person, entity or media representative other than to a Party to this HHE Policies Agreement and the Trust Agreement and the Main Agreement;

except as provided in this HHE Policies Agreement or as required by Order of a Court of Competent Jurisdiction or otherwise by compulsion of law.

- C.** If the Parties or their agents are contacted by any media representative about this HHE Policies Agreement, and only if they are contacted, they will advise the media that they cannot provide any comments, and will not comment “off the record”, on a without attributes basis, or on any other basis.
- D.** Subject to the provisions of (F.) below, the Parties may disclose this HHE Policies Agreement, the Trust Agreement and the Main Agreement:
- (a) in an action, application or other proceeding for breach of, or otherwise to enforce the terms of, this HHE Policies Agreement and/or the Trust Agreement and/or the Main Agreement;
  - (b) in response to an Order of a Court of Competent Jurisdiction compelling disclosure or a request from the Canada Revenue Agency, or other appropriate taxing authority;
  - (c) to Nordique’s reinsurers (in their capacity as such);
  - (d) to parent companies, subsidiaries, and affiliates of the Parties;
  - (e) to the regulators, auditors or accountants of, or counsel to, the Parties upon their request;
  - (f) to the Trustees and counsel to the Trustees;
  - (g) to a Court of Competent Jurisdiction with respect to the matters described in sections 5 (Releases), 6 (Court Approval and Declarations), 10 (Termination and Repayment) or 29 (Remedies for Breach) herein; and
  - (h) to RSA, NGIC and their counsel.
- E.** Subject to the provisions of (F.) below and in addition to the provisions of (D.) above, RBH may disclose this Agreement:

- (a) to counsel for and to the plaintiffs in the Actions and to counsel for and to the Governments of Canadian Provinces and Territories and the Government of Canada;
- (b) to any other insurer of RBH and its counsel;
- (c) to its creditors;
- (d) to any court;
- (e) as required by law; and
- (f) in connection with any proceedings by or relating to RBH under the Bankruptcy and Insolvency Act (Canada), the Companies Creditor Arrangement Act, or any other statute of similar kind or nature.

**F.** If practicable in the circumstances, notice of any intended disclosure to be made under sections (D.) and (E.) above shall be provided by the disclosing Party to the other Parties at least seven (7) days before any such disclosure is made.

**G.** Any breach of this covenant of confidentiality shall be a material breach of this Agreement entitling any Party not in breach, at its option, to recover its reasonable legal fees and costs incurred in any attempt to enforce this covenant of confidentiality or recover damages.

13. **Effective Date:** Although this HHE Policies Agreement will be binding on the Parties once it has been fully executed, the effective date of the releases set out in s. 5 of this HHE Policies Agreement shall be the date upon which the Trust Amount and the RBH Amount have been paid.

14. **No Admissibility:** In addition to the confidentiality provisions contained in section 12 herein and not by way of limitation thereof, this HHE Policies Agreement and any and all statements or covenants herein shall be deemed subject to any and all legal and/or statutory protections afforded to compromises and offers to compromise.



15. **No Precedential Value:** Except as otherwise provided in this HHE Policies Agreement, this HHE Policies Agreement is without value as precedent and shall not be used or referred to either expressly or by implication in any proceeding or Claim between RBH, Nordique, or any other Person not a Party to this HHE Policies Agreement to create, prove, or interpret the obligations of Nordique under, or the terms and conditions of any applicable contract of insurance or otherwise. Moreover, this HHE Policies Agreement is not a contract of insurance, and the Parties do not intend that this HHE Policies Agreement will be interpreted as such and does not, therefore, in any way vary the Terms, Conditions or Exclusions of any potentially applicable policy of insurance.
16. **Prescription and Tolling Agreements:** The Parties agree that:
- A. the Nordique Tolling Agreements remain in full force and effect until the payment of the Coverage Settlement Amount;
  - B. this HHE Policies Agreement does not pertain to or affect any statute of limitations, laches or other doctrine related to the passage of time, which has already expired. By entering into this HHE Policies Agreement, no Party has waived or limited any policy provision, rights, Claims, causes of action or defences, except as expressly stated herein;
  - C. this HHE Policies Agreement shall not, in any manner, revive any rights, Claims or causes of action that were barred as of, or limit in any way the assertion of any defence available as of the day immediately preceding the Effective Date of this HHE Policies Agreement by any applicable provision of law or policy term.
17. **Authorship:** The Parties acknowledge that this HHE Policies Agreement reflects the joint drafting efforts of legal counsel for both Parties. In the event that any dispute, disagreement or controversy arises regarding this HHE Policies Agreement the Parties shall be considered joint authors and no provision shall be interpreted against any Party because of authorship. There shall be no presumption or construction against any Party. Each Party expressly waives reliance on the doctrine of *contra proferentem* with respect to this HHE Policies Agreement.

18. **Solicitors' Fees:** Each Party shall bear its own solicitors' fees and costs incurred in connection with the Notice, the HHE Policies Coverage Claim, the HHE Policies Coverage Dispute, the HHE Policies Coverage Obligations, the HHE Policies Potential Tobacco Exposure and the negotiation and drafting of this HHE Policies Agreement.
19. **Independent Legal Advice:** Each of the Parties hereto warrants and represents that it has fully and carefully read and understood this HHE Policies Agreement, knows the contents thereof and has received the advice of independent legal counsel of its own choosing in connection with the HHE Policies Agreement or has had the opportunity to obtain such advice. The Parties acknowledge and assume all risk, chance or hazard that the Claims, injuries or damages to which this HHE Policies Agreement pertain may be or become different in nature, scope or character from those that are now known, anticipated, alleged or expected and that they may be mistaken as to the character and extent of those Claims, injuries or damages. The Parties are not executing this HHE Policies Agreement as a result of financial disadvantage.
20. **Entire Agreement:** This HHE Policies Agreement and the Trust Agreement and the Main Agreement together embody the entire agreement between the Parties in respect of the Policies, the HHE Policies, the Potential Tobacco Exposure (as defined in the Main Agreement), the HHE Policies Potential Tobacco Exposure and the resolution of the Coverage Dispute (as defined in the Main Agreement) and the HHE Policies Coverage Dispute, and no representations, promises or inducements of any kind have been made by any Party or officer, employee or agent of any Party, other than those appearing in writing in those agreements. Each Party acknowledges that it has not executed this HHE Policies Agreement in reliance upon any promise, representation or warranty, if any, not contained in the agreements set out in this section. Any and all prior negotiations, representations and promises made by one Party to another, whether orally or in writing, are merged in the agreements set out in this section.
21. **No Third Party Rights:** Except for the releasees who are conferred a benefit under ss. 5(A.) and 5(B.) of this HHE Policies Agreement, this HHE Policies Agreement does not and is not intended to confer any rights or benefits on any Person not a Party hereto. No

Person, other than the Parties and those releasees, shall have any legally enforceable rights hereunder.

22. **Implementation**: From time to time, at the request of any Party and without further consideration, at such Party's expense and within reasonable time after a request hereunder is made, the Parties hereby agree to execute and deliver any and all further documents and instruments and do any acts, as any Party may reasonably request, which may be necessary or appropriate to implement fully the provisions of this HHE Policies Agreement.
23. **Warranty of Authority**: Each corporation and individual executing this HHE Policies Agreement warrants and represents that he, she or it has full authority to execute the same on behalf of the Party on whose behalf he, she or it so signs and that all actions taken are within the scope of such authority, that such authority has not been revoked, rescinded, or withheld by law and that he, she or it have not sold, assigned, granted or transferred to any person or entity any Claim, demand, action or cause of action, or any part thereof, or right, duty, obligation or other interest which could affect their right to execute this HHE Policies Agreement and grant each other the considerations set forth herein or which are the subject matter of this Agreement that all necessary corporate and legal actions duly to approve in making an enforcement of this HHE Policies Agreement has been taken and no further action is required, and that the making of this HHE Policies Agreement does not violate any provision of law or their respective articles of incorporation or by-laws.
24. **Binding Effect**: This HHE Policies Agreement shall be binding upon and inure to the benefit of the Parties and their respective officers, directors, agents, employees, heirs, successors, transferees, assigns and legal representatives.
25. **Tax Consequences**: RBH acknowledges that Nordique does not warrant or represent any tax consequences of this HHE Policies Agreement and that it is relying on its own legal and/or tax advisors and not on Nordique in that regard. RBH expressly acknowledges and understands that it shall be solely liable for, and shall pay, any and all taxes, costs, interest, assessments, penalties or other losses related to any tax obligations

or liabilities to which it may be subject by reason of the HHE Payment or any benefit received by it pursuant to this HHE Policies Agreement.

26. **Amendment:** This HHE Policies Agreement and any and all documents and instruments executed in connection herewith or in furtherance hereof may not be amended, modified or supplemented except by an instrument in writing signed by all Parties hereto. No breach hereof can be waived unless done in writing. Waiver of one breach shall not be deemed to be waiver of any other breach of the same or any other provision hereof.
27. **Counterparts:** This HHE Policies Agreement may be executed in any number of counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. This HHE Policies Agreement may be executed and delivered by facsimile or e-mail (PDF). Such execution and delivery shall be legal and binding as if the facsimile copy or the e-mail contained the original signature of the Parties.
28. **Law and Jurisdiction:** The interpretation and enforcement of this HHE Policies Agreement shall be governed by the laws of Ontario and any applicable Federal legislation and, except as otherwise specified in this HHE Policies Agreement, any proceedings arising out of or relating in any manner whatsoever to this HHE Policies Agreement shall be conducted in the Courts of the Province of Ontario in the City of Toronto. The Parties hereby consent and submit to the exclusive jurisdiction of said Court.
29. **Remedies for Breach:** Each of the Parties hereto accepts responsibility for the performance of this HHE Policies Agreement by itself, its representatives, agents, servants or employees. In keeping with the fiduciary nature of the Trust Agreement and the obligations imposed hereunder, each Party hereto agrees that damages may not be an adequate remedy for breach of this HHE Policies Agreement and therefore the other Parties shall be entitled to equitable relief to obtain specific performance of this HHE Policies Agreement in addition to whatever claim for damages may properly be asserted. No remedy shall be exclusive and claims may be asserted individually and cumulatively. Subject to the expiry of any applicable limitation period, no failure to exercise and no

delay in exercising any right, power or remedy under this HHE Policies Agreement shall impair any right, power or remedy which any Party may have, nor shall any such delay be construed to be a waiver of any such rights, powers or remedies or an acquiescence in any breach or default under this HHE Policies Agreement, nor shall any waiver of any breach or default of any Party be deemed a waiver of any default or breach subsequently appearing.

30. **Language:** The Parties hereto have requested that this HHE Policies Agreement (as well as all notices to be sent pursuant thereto) be drafted in the English Language. **Les Parties, par les présentes, déclarent qu'elles ont demandé et convenu que cette entente soit rédigée en anglais seulement.**
31. **Transaction:** This HHE Policies Agreement is a transaction pursuant to section 2631 and following of the *Civil Code of Québec*.
32. **Headings for Convenience only:** The headings in this HHE Policies Agreement are for the convenience of the reader only and shall not affect the meaning or interpretation of this HHE Policies Agreement.
33. **Invalidity/Severability:** If any provision of this HHE Policies Agreement is later held to be unlawful, invalid, or unenforceable under present or future laws, such provision shall be fully severable only if the Parties agree that it shall be severed. If the Parties do not agree to severance, this HHE Policies Agreement shall be declared null and void in which case only those sections set out in section 10(v) hereto will survive. If a provision is severed, the Parties may, upon the agreement of them all, add in the place of the severed provision a substitute provision.
34. **Notices:** Any and all statements, communications, or notices to be provided pursuant to this Agreement shall be in writing and sent by certified mail, return receipt requested, or by facsimile or by delivery to the attention of the persons indicated below, until such time as notice of any change of the persons to be notified or change of address is given in writing, in accordance with this paragraph, to all other Parties. Such statements, communications, or notices shall be deemed received if delivered on delivery of the same to the addresses set out below. If sent by certified mail, delivery shall be deemed to be

received three business days after mailing of the same unless there is a strike or other slowdown of work of the entity providing the service for mail, in which event the same shall be deemed to be received when received at the addresses set out below and, if given by facsimile, shall be deemed to be received on receipt of same at the addresses set out below:

**(i) RBH**

Gowling Lafleur Henderson LLP  
1 First Canadian Place  
100 King Street West  
Suite 1600  
Toronto, Ontario M5X 1G5

**Attention: Mr. Steven Sofer and Mr. Scott Kugler**

Telephone: 416.369.7240 and 416.369.7107  
Facsimile: 416.369.7250

**(ii) Nordique**

Blaney McMurtry LLP  
2 Queen Street East  
Suite 1500  
Toronto, Ontario M5C 3G5

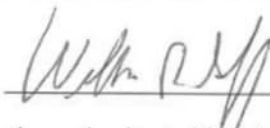
**Attention: Mr. Mark Lichty and Mr. Dominic Clarke**

Telephone: 416.593.3961 and 416.593.3968  
Facsimile: 416.593.5437

35. **Direction:** RBH hereby authorizes and directs Nordique to provide the HHE Payment to the Trustees to be held and administered by the Trustees in accordance with the terms of the Trust Agreement.

**IN WITNESS WHEREOF**, the Parties hereto have executed this HHE Policies Agreement on the dates indicated below.

**ROTHMANS BENSON & HEDGES INC.**

Per:  \_\_\_\_\_

I have the authority to bind the corporation  
Dated this 5<sup>th</sup> day of May, 2015.

**LA NORDIQUE COMPAGNIE  
D'ASSURANCE DU CANADA**

Per: \_\_\_\_\_

I have the authority to bind the corporation  
Dated this 5<sup>th</sup> day of May, 2015.

IN WITNESS WHEREOF, the Parties hereto have executed this HHE Policies Agreement on the dates indicated below.

**ROTHMANS BENSON & HEDGES INC.**

Per: \_\_\_\_\_

I have the authority to bind the corporation  
Dated this 5<sup>th</sup> day of May, 2015.

**LA NORDIQUE COMPAGNIE  
D'ASSURANCE DU CANADA**

Per:   
FRANCOIS REVEAU VP CORP CLAIMS

I have the authority to bind the corporation  
Dated this 5<sup>th</sup> day of May, 2015.



**SCHEDULE “A”**

**[Main Agreement]**

**SCHEDULE “B”**

**[Trust Agreement]**

**TAB C**

This is **Exhibit "C"** referred to in the  
Affidavit of **Milena Trentadue**  
sworn before me December 17, 2024

DocuSigned by:  
*Meena Alnajar*  
A508ACD91F1F426...

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A Commissioner for taking Affidavits (or as may be)  
**Meena Alnajar LSO No: 89626N**

**SETTLEMENT AND RELEASE AGREEMENT**

This Settlement and Release Agreement is entered into by and between:

**ROTHMANS, BENSON & HEDGES INC.**

AND

**ROYAL & SUN ALLIANCE INSURANCE COMPANY OF CANADA**

**I**

**PREAMBLE**

All parts of this document, including the Preamble, Definitions, Recitals and Covenants form part of the Settlement Agreement and Release and are binding on the Parties. In the event of any conflict between the Preamble, Definitions, Recitals and Covenants, the Covenants shall govern.

**II**

**DEFINITIONS**

In this Agreement, the following definitions apply when the first letter of a word is capitalised. Where applicable, the singular includes the plural and vice versa:

“Actions” Any and all proceedings in which the Claimant seeks compensation, including but not limited to damages, for tobacco related health care costs or for tobacco-related injury (including bodily injury) or property damage arising out of, resulting from, with respect to, relating to or connected directly or indirectly with, the use of tobacco products, and/or the manufacture, sale or distribution of tobacco products by RBH, now existing or which may be brought at any time in the future against RBH.

“Agreement”	This Settlement and Release Agreement.
“BHCI”	Benson & Hedges Canada Inc., being a corporation that was amalgamated into RBH in or about 1986, and its subsidiaries, divisions, branches, related, associated and affiliated companies, trusts, joint ventures, principals, partners, dealers, agents, brokers, officers, executives, directors, employees, and any and all predecessors, successors and/or assigns of each of them. All references to non-natural persons in this definition include only Canadian non-natural persons. All references to natural persons in this definition include natural persons of any nationality.
“Claimants”	Collectively: (i) the plaintiffs in the Actions; and (ii) any Government of a Province or Territory of Canada and the Government of Canada insofar as they assert or may assert a Claim for, or in relation to, Tobacco Health Care Cost Recovery.
“Claims”	Any and all Actions, allegations, disputes, demands, claims, causes of action, whether legal, statutory or equitable, damages, fines, penalties, civil, administrative or regulatory proceedings, actions of any kind, rights, injuries, liabilities, obligations, debts, accounts, covenants, contracts, complaints, charges, costs, expenses, fees, judgments, court orders, executions, suits or requests or claims for relief, action, indemnity, liabilities, monies, losses, restitution, disgorgement, penalties, fines, costs, interest, legal fees or disbursements, expenses or forbearance of any kind or for damages whether compensatory, punitive, contractual, extra-contractual, liquidated, unliquidated, or otherwise, including without limitation, any and all known or unknown claims of personal, economic and non-economic injuries or loss and the consequences thereof, any and all claims seeking extra-contractual damages, covenants, contracts any and all claims for

loss of service or earnings, unfair or deceptive trade practices, improper defence or settlement practices, violations of any insurance code or other statutory provision, bad faith, breach of fiduciary duty, fraud, malice, or oppression, and whether past, present or future, known or unknown, asserted or unasserted, suspected or unsuspected, disclosed or undisclosed, and any expenditure, costs, expenses, fees and/or any other monies howsoever paid or incurred in connection therewith whether relating to counsel, experts or otherwise.

“Confidential Compromise Material”

Draft Documentation setting out the terms of this Agreement and Documentation regarding the negotiation, execution and implementation of this Agreement and communications and documents generated for or in connection therewith or thereafter.

“Coverage Claim”

Any and all demands, requests, claims or entitlement made or asserted by RBH, or that could be made or asserted by RBH, to or against RSA under or in respect of the Policies for investigation of Claims respecting tobacco related bodily injury or property damage including/or tobacco related health care costs, and/or for payment of defence costs and/or for indemnification for any judgment, including any award of plaintiffs’ costs and/or prejudgment interest and/or post judgment interest, with respect to the Actions and/or for indemnification for any settlement entered into with one or more Claimants and/or for damages whether compensatory, punitive, contractual, extra-contractual, liquidated, unliquidated or otherwise, any and all claims seeking extra-contractual damages, covenants, contracts any and all claims for unfair or deceptive trade practices, improper defence or settlement practices, violations of any insurance code or other statutory provision, bad faith, breach of fiduciary duty, fraud, malice, or oppression, and whether past, present or future, known

or unknown, asserted or unasserted, suspected or unsuspected, disclosed or undisclosed, and any expenditure, costs, expenses, fees and/or any other monies howsoever paid or incurred in connection therewith whether relating to counsel, experts or otherwise.

“Coverage Dispute”

The disagreement between RBH and RSA with respect to the existence and extent of RSA’s Coverage Obligations, if any, to RBH under the Policies with respect to the Actions, Tobacco Health Care Cost Recovery, the Notice, the Potential Tobacco Exposure and/or the Coverage Claim.

“Coverage Obligations”

The extent of RSA’s obligations, if any, under the Policies, including the obligation to investigate Claims with respect to tobacco related bodily injury or property damage including/or tobacco related health care costs, to provide indemnification to RBH with respect to the Actions, Tobacco Health Care Cost Recovery or Potential Tobacco Exposure for defence costs and/or any damage award, including any award of plaintiffs’ costs and/or pre-judgment interest and/or post-judgment interest, incurred by or against RBH resulting from the Actions and/or any settlement entered into with one or more Claimants.

“Documentation”

Includes, but without limiting the generality of the following, a sound recording, videotape, photograph, film, report, chart, graph, map, plan, survey, book of account, any record of permanent or semi-permanent character, any information recorded or stored by means of any device including a computer and data and information in electronic form.

“Notice”

Notice provided by RBH, on behalf of itself and its predecessor corporations BHCI and RPM, to RSA of the Actions.



“Parties”	Collectively, RBH and RSA.
“Party”	One of RBH or RSA.
“Person”	Any and all persons and entities, including without limitation natural persons, firms, corporations, limited liability companies, joint ventures, joint stock companies, unincorporated associations, agencies, bodies, associations, partnerships, trusts, Governments of Canadian Provinces and Territories and the Government of Canada and their predecessors, successors, administrators, executors, heirs and assigns.
“Policies”	Include collectively the policies of insurance identified in paragraph “B” of the Recitals hereto and without limitation any and all other policies of liability insurance or form of liability insurance coverage whatsoever whether primary, umbrella or excess coverage issued at any time by or on the authority of Royal & Sun Alliance Insurance Company of Canada, Sun Alliance Insurance Company, and Alliance Assurance Company to BHCI, RPM and/or RBH.
“Potential Tobacco Exposure”	RSA’s exposure under the Policies to or with respect to, or in any way connected with, the Actions, the Tobacco Health Care Cost Recovery, the Notice, the Coverage Claim, the Coverage Dispute, the Coverage Obligations, any and all other alleged past, present or future tobacco related bodily injury or property damage including/or tobacco related health care costs whatsoever and/or any and all alleged future obligations of the Insurers to investigate such Claims against RBH, defend RBH or pay or reimburse defence costs incurred by RBH with respect to such Claims or pay the cost of or indemnify RBH for any and all such Claims or any and all other obligations which might be said to be owing

under the Policies with respect to the foregoing.

“RBH”

Rothmans, Benson & Hedges Inc., being a corporation formed by the amalgamation of Rothmans Inc. and the former Rothmans, Benson & Hedges Inc. (a corporation formed by the amalgamation of BHCI and RPM in 1986) effective December 1, 2009, and its subsidiaries, divisions, branches, related, associated and affiliated companies, trusts, joint ventures, principals, partners, dealers, agents, brokers, officers, executives, directors, employees, and any and all predecessors, including but not limited to BHCI and RPM, successors and/or assigns of each of them, including but not limited to any receivers, liquidators or trustees, in all capacities. All references to non-natural persons in this definition include only Canadian non-natural persons. All references to natural persons in this definition include natural persons of any nationality.

“RBH Releasers”

Collectively RBH and all others insured under the Policies.

“RPM”

Rothmans of Pall Mall Limited, which received all of the assets and liabilities of a company once known as Rothmans of Pall Mall Canada Limited, being a corporation that was amalgamated into RBH in 1986, and each of their respective subsidiaries, divisions, branches, related, associated and affiliated companies, trusts, joint ventures, principals, partners, dealers, agents, brokers, officers, executives, directors, employees, and any and all predecessors, successors and/or assigns of each of them. All references to non-natural persons in this definition include only Canadian non-natural persons. All references to natural persons in this definition include natural persons of any nationality.

“RSA”

Royal & Sun Alliance Insurance Company of Canada, Royal

Insurance Company of Canada, The British America Assurance Company, Western Assurance Company, The London and Lancashire Guarantee and Accident Company, Globe Indemnity Company of Canada, Sun Alliance Insurance Company, The Sun Alliance Group, Sun Insurance Office plc, Alliance Assurance Company, The London Assurance, and each of their respective reinsurers and their retrocessionaires, subsidiaries, divisions, branches, related, associated and affiliated companies, trusts, joint ventures, principals, partners, dealers, agents, brokers, officers, executives, directors, employees, and any and all predecessors, successors and/or assigns of each of them, including but not limited to any receivers, liquidators or trustees, in all capacities.

“Settlement Amount”	The sum of Five Million and Four Hundred Thousand Canadian Dollars (CAN \$5,400,000.00), representing RSA’s stated policy limits under the Policies.
“Tobacco Health Care Cost Recovery”	Any Claim for and/or recovery of, either by judgment against or settlement with RBH, tobacco related health care costs made or obtained by the Government of a Canadian Province or Territory or by the Government of Canada.
“Tolling Agreements”	Collectively the following agreements:  (i) Tolling Agreement between RSA and RBH dated February 21, 2001; and  (ii) Tolling Agreement between RSA and RBH, effective as at January 10, 2008.

### III RECITALS

**A. WHEREAS** the definitions set out in Section II above hereof apply when the first letter of a word is capitalised;

**B. AND WHEREAS** Royal & Sun Alliance Insurance Company of Canada, Sun Alliance Insurance Company and Alliance Assurance Company issued the following policies that are the subject of this Agreement:

Named Insured	Policy Number	Type	Coverage Period
RPM	ACL994551 and ACL9945389	Commercial General Insurance	1960 to June 1963
RPM	15C1300	Commercial General Insurance	June 30, 1963 to June 30, 1966
RPM	15C1300	Commercial General Insurance	June 30, 1966 to June 30, 1969
RPM	15C1300	Commercial General Insurance	June 30, 1969 to June 30, 1972
RPM	15C1300	Commercial General Insurance	June 30, 1972 to June 30, 1973
RPM	15C1300	Commercial General Insurance	June 30, 1973 to June 30, 1974
RPM	15C1300	Commercial General Insurance	June 30, 1974 to June 30, 1975
RPM	41C2833	Commercial General	June 30, 1975 to June 30, 1976

		Insurance	
RPM	41C2833	Commercial General Insurance	June 30, 1976 to June 30, 1977
RPM	41C2833	Commercial General Insurance	June 30, 1977 to June 30, 1978

- C. **AND WHEREAS** BHCI and RPM were amalgamated into RBH;
- D. **AND WHEREAS** RBH has been named as a defendant in certain Actions;
- E. **AND WHEREAS** RBH provided Notice;
- F. **AND WHEREAS** RBH has asserted the Coverage Claim;
- G. **AND WHEREAS** a Coverage Dispute exists;
- H. **AND WHEREAS** the Parties have entered into the Tolling Agreements;
- I. **AND WHEREAS** it is now the desire of the Parties to fully and finally settle the Coverage Dispute;
- J. **AND WHEREAS** neither RBH nor RSA is aware of any other liability policies of insurance issued by RSA to RBH other than those Policies listed in paragraph B of these Recitals;
- K. **AND WHEREAS** RSA continues to assert that it has valid coverage defences, and that any and all Policies are not responsive to the Notice or the Coverage Claim, but has concluded that it will enter into this Agreement, among other reasons, in order to avoid the further expense, inconvenience, burden, distractions, uncertainty and risk of litigation and any other present or future litigation arising out of the facts that gave rise to the Actions, the Notice, Tobacco Cost Health Care Recovery, the Coverage Claim, the Coverage Dispute, the Coverage Obligations and/or the Potential Tobacco Exposure;

L. **AND WHEREAS** RBH has asserted and continues to assert that it has a valid Coverage Claim but has concluded that it will enter into this Agreement, among other reasons, in order to avoid the further expense, inconvenience, burden, distractions, uncertainty and risk of litigation and any other present or future litigation arising out of the facts that gave rise to the Actions, the Notice, Tobacco Cost Health Care Recovery, the Coverage Claim, the Coverage Dispute, the Coverage Obligations and/or the Potential Tobacco Exposure;

M. **AND WHEREAS** each of the Parties has concluded, after investigation of the facts, that this Agreement is a fair, reasonable and adequate resolution of the Coverage Dispute.

N. **AND WHEREAS** this Agreement is intended to and does replace and entirely supercede any and all prior discussions, offers, negotiations, understandings and/or agreements of any nature whatsoever between the Parties relating to the subject matter of this Agreement.

#### IV COVENANTS

**NOW, THEREFORE, THIS AGREEMENT WITNESSES** that in consideration of the mutual covenants contained herein, the receipt and sufficiency of which are hereby acknowledged and shall not be challenged, the Parties hereby agree and covenant as follows:

1. **Recitals:** The Recitals are true and correct and constitute an integral and fundamental part of this Agreement.
2. **Binding Resolution:** Subject to all of the terms of this Agreement, this Agreement is a permanent, complete and binding accord and resolution of all of the rights, Claims, questions, differences and obligations of the Parties, including the Coverage Dispute, existing and which may exist in the future with respect to any and all matters which are the subject of this Agreement.
3. **RSA's Deposit of the Settlement Amount in Trust:**
  - (a) Within twenty (20) business days after the execution of this Agreement RSA shall irrevocably deposit the Settlement Amount into an RSA entirely separate and segregated interest-bearing BMO Trust account (the "**Trust Account**") to be held in trust pursuant to

the terms of this Agreement.

(b) The Settlement Amount so irrevocably deposited shall exclusively be used for, and paid from the Trust Account by RSA as, contribution toward the satisfaction (in whole or in part) of Claims of any Claimants who have secured, and who have presented reasonable proof of, a final Judgment as against RBH, or a settlement entered into by RBH, of an Action that: (i) was commenced in Canada; (ii) was commenced as of the date of this Agreement; (iii) relates in whole or in part to the policy periods of the insurance policies identified in Recital B of this Agreement; and (iv) is not, or is no longer, subject of, or subject to, appeal; with any and all such contributions to be made until exhaustion of the funds in the Trust Account and priority shall be given to such Judgment(s) or settlements based upon the date of the Issuance of such Judgment(s) or the date of the settlement agreement.

(c) RSA will provide RBH with a statement at the end of every calendar quarter advising of the balance in the Trust Account. RSA will also provide RBH with a statement within 30 days after each calendar end advising of the interest earned in the Trust Account during the most recently completed calendar year.

(d) It is understood and agreed that should any other liability insurer of RBH (other than Northumberland General Insurance Company, In Liquidation) advance a proceeding seeking Court approval of a settlement of a coverage dispute relating to the Actions and/or of similar potential tobacco exposures, including a request for declaratory relief and the establishment of a third-party administered trust account, then RSA and RBH will fully co-operate with one another with respect to seeking to have similar declarations made in favour of RSA and RBH (as appropriate in the circumstances) and with respect to seeking to have any remaining moneys in the Trust Account transferred to the trust account established by the Court.

(e) It is understood and agreed should a point in time come when there are no outstanding Actions that: (a) were commenced in Canada; (b) were commenced as of the date of this Agreement; (c) relate in whole or in part to the policy periods of the insurance policies identified in Recital B of this Agreement; and (d) are subject of, or subject to,

appeal; that could give rise to a payment from the Trust Account, any funds remaining in the Trust Account will be paid to RBH.

(f) The provisions of s. 3(a) and 3(b) are designed to replicate, to the extent possible, the results under the Policies if the Claimants referred to in s. 3(b) had Claims that could trigger coverage under the Policies and lead to the same tax result for RBH as if payments were made under the Policies.

(g) A Claimant requesting payment from the Trust Account under s. 3(b) must:

- (i) notify RSA and RBH in writing of the amount claimed from the Trust Account;
- (ii) provide RSA and RBH with a true copy of the final Judgment as against RBH, or the settlement entered into by RBH, of an Action that: (i) was commenced in Canada; (ii) was commenced as of the date of this Agreement; (iii) relates in whole or in part to the policy periods of the insurance policies identified in Recital B of this Agreement; and (iv) is not, or is no longer, subject of, or subject to, appeal;
- (iii) execute in notarized form and provide RSA and RBH with an irrevocable release, substantially in the form attached hereto as Schedule "A", forever discharging RBH and RSA from any obligation in relation to the Claim Amount to the extent of any payment received by the Claimant out of the Trust Account, but without limiting all other rights of the Claimant to execute against RBH for the balance of any judgment or settlement; and
- (iv) execute in notarized form and provide RSA with proof of identity and any other information needed by RSA to comply with its legal and regulatory requirements; and
- (v) execute in notarized form and provide RSA and RBH with an irrevocable satisfaction piece, substantially in the form attached hereto as Schedule "B", confirming that the payment from the Trust Account satisfies the



obligations of RBH to the extent of the payment from the Trust Fund with respect to the judgment or settlement in respect of which payment is made.

4. **No Waiver or Estoppel Prior to Agreement:** In carrying out its investigation of the Coverage Claim, in discussing the Coverage Dispute with RBH, and negotiating and entering into this Agreement, RSA did not waive and has not waived or purported to waive, nor will RSA be estopped from relying on, any coverage defences arising out of, respecting, relating to or directly or indirectly in connection with the Coverage Dispute.
  
5. **Releases:**
  - (a) **Release by the RBH Releasers:** Upon RSA irrevocably depositing the Settlement Amount pursuant to paragraph 3(a) of this Agreement, the RBH Releasers irrevocably remise, release, quit, forgive and forever discharge RSA of and from, and the RBH Releasers are estopped from asserting directly or indirectly, in whole or in part, concurrently or in sequence, any and all Coverage Claims under or in respect of the Policies arising out of, resulting from, with respect to, relating to or connected directly or indirectly with the Coverage Dispute or the Actions or with Potential Tobacco Exposure, and for any action or representation that predates this Agreement.
  
  - (b) **Release by RSA:** Upon RSA irrevocably depositing the Settlement Amount pursuant to paragraph 3(a) of this Agreement, in consideration of, among other things, the provision of a release by the RBH Releasers, RSA irrevocably remises, releases, quits, forgives and forever discharges RBH of and from any and all obligation to repay the Settlement Amount, or any part thereof, to RSA and for any action or representation that predates this Agreement.
  
  - (c) **Future Claims:** In the event that any Coverage Claim or Claim with respect to, as a result of, or in connection with the matters released in this Agreement is brought by any Releaser against any Releasee contrary to paragraphs 5(a) or 5(b) above, the Parties agree that the release set out in this Agreement may be pleaded as a complete defence and reply to such Coverage Claim or Claim and may be relied upon in such a proceeding as a complete and irrevocable estoppel of any Releaser's right to initiate said proceeding as against such Releasee.

(d) **Costs:** In the event of paragraph 5(c) above, the Releasor that initiated the proceeding shall be liable for all reasonable costs, legal fees, disbursements and expenses incurred by the Releasee as a result of such proceeding.

6. **No Admissions:** No Party shall be deemed to have made, and no Party has made, any admission of any kind either express or implied in this Agreement. In particular:

(a) RSA has not admitted that any Coverage Obligation is owed to RBH under the Policies;

(b) RSA has not admitted that the Policies are not void *ab initio*, or that there exists or existed any liability, error, omission or breach of any contractual, common law, civil law, equitable or statutory duty on the part of RSA, or that there is or has been any waiver or purported waiver of or any estoppel from relying on any and all coverage defences available under the Policies, nor shall anything contained herein or in any Confidential Compromise Material be deemed to be an admission, acknowledgement or evidence that any Party hereto has breached any obligation, engaged in any wrongdoing or misconduct, or incurred any liability of any kind;

(c) RBH has not admitted that RSA does not owe Coverage Obligations to RBH under the Policies.

7. **Non-Assignment:**

(a) RBH represents and warrants that it has not assigned any of the rights it may have under or in respect of the Policies.

(b) RSA represents and warrants that it has not assigned any of the rights it may have under or in respect of the Policies.

8. **Limitation on RBH Claims:**

(a) RBH covenants that it will never institute or prosecute, or voluntarily participate or aid in the institution or prosecution of, any Claims against RSA under the Policies relating to Claims released under paragraph 5(a).

(b) RBH further covenants that it shall not Claim any amounts from any Person relating to Claims released under paragraph 5(a) that could or would be jointly payable, or deemed to be jointly payable, by RSA under the Policies, but will only Claim against such Person for such Person's several and independent liability relating to Claims released under paragraph 5(a).

(c) If:

- (i) RBH asserts a Claim against any other Person for insurance coverage directly or indirectly, in whole or in part, concurrently or in sequence, resulting from, under, arising out of, respecting, relating to or directly or indirectly in connection with the Potential Tobacco Exposure;
- (ii) the defendant or respondent in such a Claim asserts that RBH suffered a shortfall under the Policies as a result of this Agreement; and
- (iii) the Court of competent jurisdiction adjudicating such Claim finally decides that there was a shortfall;

then RBH shall not claim for such shortfall as against the other Person and shall assume any such shortfall as its own obligation, but shall not be limited in any way from claiming for amounts over and above the shortfall.

(d) If RBH breaches its obligations as set out in (c) above, and as a consequence a Claim is made by any other Person seeking recovery against RSA for or because of any obligation or alleged obligations of RSA under the Policies, whether by way of equitable contribution or otherwise, RBH shall indemnify RSA for its reasonable costs in defending such Claim.

(e) RBH further covenants that in any Claim against any other Person, RBH will never assert that RSA did not meet its full obligations to RBH or that RBH accepted less than such from RSA.

9. **Confidentiality:**

(a) The Confidential Compromise Material, this Agreement, and its terms are confidential, private and proprietary and shall not be disclosed to any Person or invoked by any of the Parties except as provided in this Agreement or by Order of a Court of Competent Jurisdiction or by compulsion of law. This Agreement is to be kept in a secure place and not viewed or copied or their contents disseminated or disclosed in any way to any Person, entity or media representative other than to a Party to this Agreement, except as provided in this Agreement or by Order of a Court of Competent Jurisdiction or by compulsion of law.

(b) If the Parties or their agents are contacted by any media representative about this Agreement, and only if they are contacted, they will advise the media that they cannot provide any comments, and will not comment "off the record", on a without attributes basis, or on any other basis.

(c) Subject to the provisions of (e) below, the Parties may disclose this Agreement and the Confidential Compromise Material:

- (i) in an action, application or other proceeding for breach of, or otherwise to enforce the terms of, this Agreement;
- (ii) in response to an Order of a Court of Competent Jurisdiction compelling disclosure or a request from the Canada Revenue Agency, or other appropriate taxing authority;
- (iii) to RSA's reinsurers;
- (iv) to parent companies, subsidiaries, and affiliates of the Parties;
- (v) to the regulators, auditors or accountants of, or counsel to, the Parties upon their request;
- (vi) as required to defend or assert a judicial proceeding by or against either Party in relation to Potential Tobacco Exposure; and

- (vii) to a Court of Competent Jurisdiction with respect to the matters described in paragraphs 5 (Releases) and 26 (Remedies for Breach) herein.
  - (d) Subject to the provisions of (e) below and in addition to the provisions of (c) above:
    - (i) RBH may disclose this Agreement and any Confidential Compromise Material that RBH created:
      - A. to counsel for and to the plaintiffs in the Actions and to counsel for and to the Governments of Canadian Provinces and Territories and the Government of Canada; and
      - B. to any other insurer of RBH and its counsel.
    - (ii) If a Claim is asserted against RSA in respect of the Policies, RSA may disclose this Agreement in defence of that Claim.
  - (e) Notice of any intended disclosure to be made under (c) and (d) above shall be provided by the disclosing Party to the other Parties at least seven (7) days before any such disclosure is made. Any Person to whom any Confidential Compromise Material is disclosed shall be made aware of this confidentiality clause and shall agree to be bound by its terms prior to any such disclosure being made.
  - (f) Any breach of this covenant of confidentiality shall be a material breach of this Agreement entitling any Party not in breach, at its option, to recover its reasonable legal fees and costs incurred in any attempt to enforce this covenant of confidentiality or recover damages.
10. **Effective Date:** Although this Agreement will be binding on the Parties once it has been fully executed, the effective date of this Agreement shall be the date upon which the Settlement Amount is deposited in accordance with the provisions of paragraph 3(a) herein.

11. **No Admissibility:** In addition to the confidentiality provisions contained in paragraph 9 herein and not by way of limitation thereof, this Agreement and any and all statements or covenants herein shall be deemed subject to any and all legal and/or statutory protections afforded to compromises and offers to compromise.
12. **No Precedential Value:** Except as otherwise provided in this Agreement, this Agreement is without value as precedent and shall not be used or referred to either expressly or by implication in any proceeding or Claim between RBH, RSA or any other Person not a Party to this Agreement to create, prove, or interpret the obligations of RSA under, or the terms and conditions of any applicable contract of insurance or otherwise. Moreover, this Agreement is not a contract of insurance, and the Parties do not intend that this Agreement will be interpreted as such and do not, therefore, in any way vary the Terms, Conditions or Exclusions of any potentially applicable policy of insurance.
13. **No Renunciation of Prescription (Tolling Agreement):** The Parties agree that:
  - (a) this Agreement does not pertain to or affect any statute of limitations, laches or other doctrine related to the passage of time, which has already expired. By entering into this Agreement, no Party has waived or limited any policy provision, rights, Claims, causes of action or defences, except as expressly stated herein;
  - (b) this Agreement shall not, in any manner, revive any rights, Claims or causes of action that were barred as of, or limit in any way the assertion of any defence available as of the day immediately preceding the effective date of this Agreement by any applicable provision of law or policy term.
14. **Authorship:** The Parties acknowledge that this Agreement reflects the joint drafting efforts of legal counsel for all Parties. In the event that any dispute, disagreement or controversy arises regarding this Agreement the Parties shall be considered joint authors and no provision shall be interpreted against any Party because of authorship. There shall be no presumption or construction against any Party. Each Party expressly waives reliance on the doctrine of *contra proferentem*.

15. **Solicitors' Fees:** Each Party shall bear its own solicitors' fees and costs incurred in connection with the Notice, the Coverage Claim, the Coverage Dispute, the Coverage Obligations, the Potential Tobacco Exposure and the negotiation and drafting of this Agreement.
16. **Independent Legal Advice:** Each of the Parties hereto warrants and represents that it has fully and carefully read and understood this Agreement, knows the contents thereof and has received the advice of independent legal counsel of its own choosing in connection with the Agreement or has had the opportunity to obtain such advice. The Parties acknowledge and assume all risk, chance or hazard that the Claims, injuries or damages to which this Agreement pertain may be or become different in nature, scope or character from those that are now known, anticipated, alleged or expected and that they may be mistaken as to the character and extent of those Claims, injuries or damages. The Parties are not executing this Agreement as a result of financial disadvantage.
17. **Entire Agreement:** This Agreement embodies the entire agreement between the Parties in respect of the Policies, the Potential Tobacco Exposure and the resolution of the Coverage Dispute and that no representations, promises or inducements of any kind have been made by any Party or officer, employee or agent of any Party, other than those appearing in writing in this Agreement and that each term and condition mentioned in this Agreement is material consideration for each Party to enter into this Agreement. Each Party acknowledges that it has not executed this Agreement in reliance upon any promise, representation or warranty, if any, not contained herein. Any and all prior negotiations, representations and promises made by one Party to another, whether orally or in writing, are merged in this Agreement.
18. **No Third Party Rights:** This Agreement does not and is not intended to confer any rights on any Person not a Party hereto. No Person, other than the Parties, shall have any legally enforceable rights hereunder.
19. **Implementation:** From time to time, at the request of any Party and without further consideration, at such Party's expense and within reasonable time after a request hereunder is made, the Parties hereby agree to execute and deliver any and all further

documents and instruments and do any acts, as any Party may reasonably request, which may be necessary or appropriate to implement fully the provisions of this Agreement.

20. **Warranty of Authority:** Each corporation and individual executing this Agreement warrants and represents that he, she or it has full authority to execute the same on behalf of the Party on whose behalf he, she or it so signs and that all actions taken are within the scope of such authority, that such authority has not been revoked, rescinded, or withheld by law and that he, she or it have not sold, assigned, granted or transferred to any person or entity any Claim, demand, action or cause of action, or any part thereof, or right, duty, obligation or other interest which could affect their right to execute this Agreement and grant each other the considerations set forth herein or which are the subject matter of this Agreement that all necessary corporate and legal actions duly to approve in making an enforcement of this Agreement has been taken and no further action is required, and that the making of this Agreement does not violate any provision of law or their respective articles of incorporation or by-laws.
21. **Binding Effect:** This Agreement shall be binding upon and inure to the benefit of the Parties and their respective officers, directors, agents, employees, heirs, successors, transferees, assigns and legal representatives.
22. **Tax Consequences:** RBH and RSA acknowledge that neither Party warrants or represents any tax consequences of this Agreement and that each is relying on its own legal and/or tax advisors and not on one another in that regard. Each Party acknowledges and understands that it shall be solely liable for, and shall pay, any and all taxes, costs, interest, assessments, penalties or other losses related to any tax obligations or liabilities to which it may be subject by reason of the payment and/or disposition of the Settlement Amount or any benefit received pursuant to this Agreement. The interest earned on the Settlement Amount within the Trust Account shall be re-invested in the Trust Account and shall be taxable to RSA under subsection 75(2) of the Income Tax Act (Canada). RSA shall determine the net income earned by the Trust Account and shall report such income and remit tax out of the Trust Account to the Canada Revenue Agency by the filing due date on behalf of RSA.



23. **Amendment:** This Agreement and any and all documents and instruments executed in connection herewith or in furtherance hereof may not be amended, modified or supplemented except by an instrument in writing signed by all Parties hereto. No breach hereof can be waived unless done in writing. Waiver of one breach shall not be deemed to be waiver of any other breach of the same or any other provision hereof.
24. **Counterparts:** This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. This Agreement may be executed and delivered by facsimile or e-mail (PDF). Such execution and delivery shall be legal and binding as if the facsimile copy or the e-mail contained the original signature of the Parties.
25. **Law and Jurisdiction:** The interpretation and enforcement of this Agreement shall be governed by the laws of Ontario and any applicable Federal legislation and, except as otherwise specified in this Agreement, any proceedings arising out of or relating in any manner whatsoever to this Agreement shall be conducted in the Courts of the Province of Ontario in the City of Toronto. The Parties hereby consent and submit to the exclusive jurisdiction of said Court.
26. **Remedies for Breach:** Each of the Parties hereto accepts responsibility for the performance of this Agreement by itself, its representatives, agents, servants or employees. In the obligations imposed hereunder, each Party hereto agrees that damages may not be an adequate remedy for breach of this Agreement and therefore the other Party shall be entitled to equitable relief to obtain specific performance of this Agreement in addition to whatever claim for damages may properly be asserted. No remedy shall be exclusive and claims may be asserted individually and cumulatively. Subject to the expiry of any applicable limitation period, no failure to exercise and no delay in exercising any right, power or remedy under this Agreement shall impair any right, power or remedy which either Party may have, nor shall any such delay be construed to be a waiver of any such rights, powers or remedies or an acquiescence in any breach or default under the Agreement, nor shall any waiver of any breach or default of either Party be deemed a waiver of any default or breach subsequently appearing.

27. **Headings for Convenience only:** The headings in this Agreement are for the convenience of the reader only and shall not affect the meaning or interpretation of this Agreement.

28. **Invalidity/Severability:**

(a) It is the Parties' intention that this agreement will provide finality to the Parties as it relates to the Policies. In that regard, the Parties agree not to: (i) seek to invalidate, alter, or terminate this Agreement, (ii) support any other person(s) who seek to invalidate, alter, or terminate this Agreement, or (iii) seek to have the moneys in the Trust Account returned to RSA and the Policies reinstated, or obligated to respond in any fashion.

(b) If any provision of this Agreement is held to be unlawful, invalid, or unenforceable under present or future laws, such provision shall be fully severable only if the Parties acting reasonably agree that it shall be severed. If the Parties do not agree to severance, this Agreement shall be automatically terminated ("the Automatic Termination") and either:

(1) if, at the time of the Automatic Termination, there are either:

i. Claimants who have secured, and who have presented reasonable proof of, (A) a final Judgment as against RBH, or (B) a settlement entered into by RBH, of an Action that: (a) was commenced in Canada; (b) was commenced as of the date of this Agreement; (c) relates in whole or in part to the policy periods of the insurance policies identified in Recital B of this Agreement; and (d) is not, or is no longer, subject of, or subject to, appeal; or

ii. outstanding Actions that: (a) were commenced in Canada; (b) were commenced as of the date of this Agreement; (c) relate in whole or in part to the policy periods of the insurance policies identified in Recital B of this Agreement; and (d) are subject of, or subject to, appeal; that could give rise to a payment from the Trust Account;

then any moneys remaining in the Trust Account will be paid for the benefit of any Claimants who secure and present reasonable proof of, (A) a final Judgment as against RBH, or (B) a settlement entered into by RBH, of an Action that: (a) was commenced in Canada; (b) was commenced as of the date of this Agreement; (c) relates in whole or in part to the policy periods of the insurance policies identified in Recital B of this Agreement; and (d) is not, or is no longer, subject of, or subject to, appeal; with priority given to such Judgment(s) or settlement(s) based upon the date of the Issuance of such Judgment(s) or the date(s) of the settlement agreement, until any moneys in the Trust Account are exhausted, or otherwise no such Claimants or Actions remain, in which case any moneys remaining in the Trust Account will be paid to RBH; or,

(2) if, at the time of the Automatic Termination, there are not any:

i. Claimants who have secured, and who have presented reasonable proof of, (A) a final Judgment as against RBH, or (B) a settlement entered into by RBH, of an Action that: (a) was commenced in Canada; (b) was commenced as of the date of this Agreement; (c) relates in whole or in part to the policy periods of the insurance policies identified in Recital B of this Agreement; and (d) is not, or is no longer, subject of, or subject to, appeal; and

ii. outstanding Actions that: (a) were commenced in Canada; (b) were commenced as of the date of this Agreement; (c) relate in whole or in part to the policy periods of the insurance policies identified in Recital B of this Agreement; and (d) are subject of, or subject to, appeal; that could give rise to a payment from the Trust Account;

then any moneys remaining in the Trust Account will be paid to RBH;

and in either of the situations above in b(1) or b(2), any and all releases and limitations, including but not limited to those in paragraphs 5 and 8 of this Agreement, will be fully enforceable on a substitute basis as though the Agreement had not been terminated.

(c) Only if this Agreement is terminated and a Court forbids the parties' contractual agreement in 29(a)-(b) and orders that the remaining moneys in the Trust Account must be returned to RSA, then, notwithstanding any other provision of this Agreement, any remaining moneys in the Trust Account will be paid by RSA to RBH. Any and all releases and limitations, including but not limited to those in paragraphs 5 and 8 of this Agreement, will be fully enforceable on a substitute basis as though the Agreement had not been terminated.

(d) If the entire Agreement is declared void, or a Court forbids the parties' contractual agreement in 29(a)-(c), or for whatever other reason the money in the Trust Account goes back to RSA, then RBH shall be restored to the position it was in when the Agreement was entered into (including under tolling agreements that were in place when the Agreement was entered into), except that RSA shall receive full credit for any moneys previously paid out of the Trust Account to Claimants.

29. **Notices:** Any and all statements, communications, or notices to be provided pursuant to this Agreement shall be in writing and sent by certified mail, return receipt requested, or by facsimile or by delivery to the attention of the persons indicated below, until such time as notice of any change of the persons to be notified or change of address is given in writing, in accordance with this paragraph, to the other Party. Such statements, communications, or notices shall be deemed received if delivered on delivery of the same to the addresses set out below. If sent by certified mail, delivery shall be deemed to be received three (3) business days after mailing of the same unless there is a strike or other slowdown of work of the entity providing the service for mail, in which event the same shall be deemed to be received when received at the addresses set out below and, if given by facsimile, shall be deemed to be received on receipt of same at the addresses set out below:

(i) **RBH**

Gowling WLG (Canada) LLP  
1 First Canadian Place  
100 King Street West, Suite 1600  
Toronto, Ontario M5X 1G5

**Attention: Mr. Steven Sofer**

Telephone: 416.369.7240  
Facsimile: 416.369.7250

(ii) **RSA**

O'Donnell, Robertson & Partners  
36 King Street East, Suite 800  
Toronto ON M5C 1E5

**Attention: Mr. Mark M. O'Donnell**

Telephone: 416.214.0606  
Facsimile: 416.214.0605

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement on the dates indicated below.

**ROTHMANS, BENSON & HEDGES INC.**

Per: \_\_\_\_\_

I have the authority to bind the corporation

Dated this \_\_\_\_ day of May, 2018.

**ROYAL & SUN ALLIANCE INSURANCE  
COMPANY OF CANADA**

Per:  S. Wang

I have the authority to bind the corporation

Dated this 31 day of May, 2018.

**SCHEDULE "A"****RELEASE**

**WHEREAS** an agreement (the "**Agreement**") was made on May , 2018 between:

- (a) Royal & Sun Alliance Insurance Company of Canada ("**RSA**"); and
- (b) Rothmans, Benson & Hedges Inc. ("**RBH**");

establishing a trust account (the "**Trust Account**");

**AND WHEREAS** under certain circumstances, specified persons are entitled to payments from the Trust Account;

**AND WHEREAS** RSA has determined that [Name of Claimant] is entitled to a payment from the Trust Account;

**AND WHEREAS** [Name of Claimant, as herein represented by \_\_\_\_\_,] is a Claimant entitled to a payment from the Trust Account, in accordance with the terms of the Agreement (the "**Payment**");

**AND WHEREAS** it is the intention, expectation, agreement and understanding of [Name of Claimant] that the Payment will reduce any amount owing to [Name of Claimant] by RBH by the amount of the Payment;

**NOW THEREFORE**, for valuable consideration, the receipt and sufficiency of which are hereby acknowledged:

[Name of Claimant], on [his/her/its] behalf and that of [his/her/its] direct and indirect shareholders, subsidiaries, divisions, branches, related, associated and affiliated companies, trusts, joint ventures, principals, partners, dealers, agents, brokers, officers, executives, directors, employees, and any and all predecessors successors and/or assigns of each of them, as well as their respective heirs, executors, successors, assigns, representatives, agents, and insurers (collectively, the "**Claimant**"), hereby forever and irrevocably remise, release, quit, forgive and forever discharge:

**The "Rothmans Releasees"** being: RBH and its direct and indirect shareholders, subsidiaries, divisions, branches, related, associated and affiliated companies, trusts, joint ventures, and each of their respective principals, partners, dealers, lawyers, agents, brokers, officers, executives, directors, employees, and any and all predecessors successors and/or assigns of each of them, including but not limited to:

Benson & Hedges Canada Inc., being a corporation that was amalgamated into RBH in or about 1986, and direct and indirect shareholders, subsidiaries, divisions, branches, related, associated and affiliated companies, trusts, joint ventures, and each of their respective principals, partners, dealers, lawyers, agents, brokers, officers, executives, directors, employees, and any and all predecessors, successors and/or assigns of each of them including but not limited to any receivers, liquidators or trustees, in all capacities;

Rothmans of Pall Mall Limited, which received all of the assets and liabilities of a company once known as Rothmans of Pall Mall Canada Limited, being a corporation that was amalgamated into RBH in 1986, and each of their respective direct and indirect shareholders, subsidiaries, divisions, branches, related, associated and affiliated companies, trusts, joint ventures, and each of their respective principals, partners, dealers, lawyers, agents, brokers, officers, executives, directors, employees, and any and all predecessors, successors and/or assigns of each of them including but not limited to any receivers, liquidators or trustees, in all capacities; and

any receivers, liquidators or trustees, in all capacities; and

**The “RSA Releasees”** being: Royal & Sun Alliance Insurance Company of Canada, Royal Insurance Company of Canada, The British America Assurance Company, Western Assurance Company, The London and Lancashire Guarantee and Accident Company, Globe Indemnity Company of Canada, Sun Alliance Insurance Company, The Sun Alliance Group, Sun Insurance Office plc, Alliance Assurance Company, The London Assurance, and each of their respective reinsurers and their retrocessionaires, subsidiaries, divisions, branches, related, associated and affiliated companies, trusts, joint ventures, principals, partners, dealers, agents, brokers, officers, executives, directors, employees, and any and all predecessors, successors and/or assigns of each of them, including but not limited to any receivers, liquidators or trustees, in all capacities;

from any and all actions, causes of action, claims, liabilities, obligations, covenants, demands, judgments, awards, agreements and debts of every nature and kind, subrogated or non-subrogated, known or unknown, (each, a “**Claim**”) that the Claimant now has, ever had or may hereafter have, known or unknown, against the Rothmans Releasees and the RSA Releasees in respect of the Claim of the Claimant for which the Claimant is receiving payment from the Trust Account but only and strictly limited to the extent of any payment to the Claimant out of the Trust Account. For greater certainty, the Claimant shall be entitled to exercise all of its rights and recourses to execute any judgment debt against RBH for all amounts in excess of the payment received by it from the Trust Account. RSA shall not receive any subrogation, assignment or any other rights arising out of the payment to a Claimant from the Trust Account.



The Claimant hereby represents and warrants that the terms of this Release are fully understood and that this Release is made and the releases herein are given voluntarily, after receiving independent legal advice.

The Claimant hereby represents and warrants that [he/she/it] has not assigned or otherwise disposed of any of the claims or demands that are the subject of this Release.

**IT IS UNDERSTOOD AND AGREED THAT** this Release shall be governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

**NOTHING HEREIN** shall be deemed to be an admission of liability on the part of any of the Rothmans Releasees or RSA.

**IN WITNESS WHEREOF** the undersigned has executed this Release at \_\_\_\_\_, this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_.

**CLAIMANT**

**NOTARY**

Print Name:

Print Name:

\_\_\_\_\_

\_\_\_\_\_

**SCHEDULE "B"**

**Notice Of Satisfaction**

**TO:** Royal & Sun Alliance Insurance Company of Canada ("**RSA**") and Rothmans, Benson & Hedges, Inc. ("**RBH**")

**FROM:** [Claimant] ("**Claimant**")

**RE:** Payment to the Successful Claimant from the Trust Account administered by RSA in Respect of an Amount owing by RBH to the Claimant

---

The Claimant hereby confirms to RSA and to RBH that the payment to the Claimant from the Trust Account administered by RSA in the amount of \$ \_\_\_\_\_ satisfies an equivalent amount of the amount owing by RBH to the Claimant.

DATED \_\_\_\_\_

[Claimant]

Per: \_\_\_\_\_  
Name:  
Title:

**NOTARY**

---

Print Name:

DRAFT

**TAB D**

This is **Exhibit "D"** referred to in the  
Affidavit of **Milena Trentadue**  
sworn before me December 17, 2024

DocuSigned by:

*Meena Alnajar*

A508ACD91E1E426

---

A Commissioner for taking Affidavits (or as may be)  
**Meena Alnajar LSO No: 89626N**

M.M. O'Donnell  
 S.G. Canto  
 D.C. Richardson  
 B.J. Hughes  
 C.L. Foster  
 S.C. Patel  
 T. Lan



180 Dundas Street West  
 Suite 1500  
 Toronto, Ontario  
 M5G 1Z8  
 Telephone: (416) 214-0606  
 www.orplawyers.com

**Mark M. O'Donnell**  
 (416) 216-0251  
 modonnell@orplawyers.com

**Shernaz C. Patel**  
 (416) 216-0247  
 spatel@orplawyers.com

December 4, 2024

**BY EMAIL** <hmeredith@mccarthy.ca>

Ms. Heather Meredith  
 McCarthy's Tétrault LLP  
 Suite 5300, Toronto Dominion Bank Tower  
 Toronto, ON M5K 1E6

Your Client: Rothmans, Benson & Hedges Inc.

Dear Ms. Meredith:

**RE: Rothmans, Benson & Hedges Inc.**  
**ORP File No.: 712-157**

I write further to our letter of October 7, 2024, and our recent phone call.

Below please find an excerpt from the interest-bearing BMO Account No. 00021783657 Bank Statement showing the total balance as of November 18, 2024:

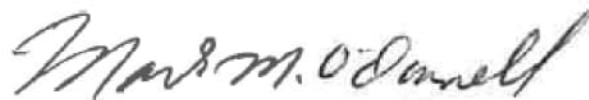
**RSA ROTHMANS TRUST ACCOUNT - 00021783657 CAD (BMO - DDA)**

Date	Transaction Description	Cust Ref	Bank Ref	Debit	Credit	Balance
Nov 15, 2024	Opening Ledger Balance					\$6,360,886.69
Nov 15, 2024	Adjusted Opening Balance					\$6,360,886.69
Nov 15, 2024	Direct Deposit CASH MGMT INT BOM/B/M	349184CADOCT24 CIFS			\$24,851.54	
Nov 15, 2024	Preauthorized Debit / Correction CASH MGMT FEE BOM/B/M	349184CADOCT24 CIFS		\$44.00		
Nov 15, 2024	Closing Ledger Balance					\$6,385,694.23
Nov 15, 2024	Adjusted Closing Balance					\$6,385,694.23

End of transactions for the selected date range  
 Last Balance received: Nov 18, 2024 03:10:24 EST

Accordingly, since the Settlement Funds were Deposited, Interest in the amount of \$985,694.23 CAD has accumulated.

Yours very truly,  
**ORP LAW**

A handwritten signature in black ink that reads "Mark M. O'Donnell". The signature is written in a cursive, flowing style.

Mark M. O'Donnell

MMO'D/SCP

# T A B L E

This is **Exhibit "E"** referred to in the  
Affidavit of **Milena Trentadue**  
sworn before me December 17, 2024

DocuSigned by:

*Meena Alnajar*

A508ACD91F1F426...

---

A Commissioner for taking Affidavits (or as may be)  
**Meena Alnajar LSO No: 89626N**



**Court File No.: CV-19-616779-00CL**

**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  
OR ARRANGEMENT OF **ROTHMANS, BENSON & HEDGES INC.**

APPLICANT

---

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

---

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

**concerning, affecting and involving  
ROTHMANS, BENSON & HEDGES INC.**

**DECEMBER 5, 2024**

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Schedule “F”:	Deed of Immoveable Hypothec (official French version)

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**FIRST AMENDED AND RESTATED  
COURT-APPOINTED MEDIATOR'S AND MONITOR'S  
CCAA PLAN OF COMPROMISE AND ARRANGEMENT  
CONCERNING, AFFECTING AND INVOLVING  
ROTHMANS, BENSON & HEDGES INC.**

**WHEREAS** Rothmans, Benson & Hedges Inc. ("**RBH**") is insolvent;

**AND WHEREAS** RBH was granted protection from its creditors under the CCAA pursuant to the initial Order of the Honourable Justice Pattillo of the CCAA Court dated March 22, 2019 ("**Initial Order**");

**AND WHEREAS** by the Initial Order the CCAA Court appointed Ernst & Young Inc. ("**EY**") as an officer of the CCAA Court and the monitor of RBH ("**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 CCAA 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 RBH;

**NOW THEREFORE**, set out herein is the first amended and restated plan of compromise and arrangement of RBH 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 RBH, 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 RBH. 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 RBH 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 RBH's Tobacco Company Group or its Representatives in Canada or, in the case of RBH, 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 to RBH, where:

- (a) An Order of a court of competent jurisdiction is entered adjudging RBH bankrupt or insolvent, or subject to the CCAA or the BIA, or any other bankruptcy, insolvency or analogous laws;
- (b) RBH admits its inability to pay its debts generally as they become due or otherwise acknowledges its insolvency;
- (c) RBH 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 RBH's property pursuant to the BIA, or a creditor brings an application seeking, or the court or a creditor appoints, or RBH 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 RBH's assets, or a creditor otherwise exercises any of its rights or remedies under any of the PPSAs over all or any substantial portion of RBH's assets;

- (e) RBH files a petition, application 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) RBH files a petition, application 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 X 365 X 12 = 87,600) or

30 cigarettes a day for 8 years (30 X 365 X 8 = 87,600) or

10 cigarettes a day for 24 years (10 X 365 X 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 9, 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 RBH.

“**Cash Management Bank Claim**” means the Claim of any Cash Management Bank in connection with the provision of cash management services to RBH.

“**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 RBH, including all Schedules thereto.

“**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 Account 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 EY (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 EY 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 EY in respect of RBH.

“**CCAA Plan Administrators’ Order**” means the order of the CCAA Court appointing EY to serve, as an officer of the CCAA Court, in the capacity of CCAA Plan Administrator of the CCAA Plan in respect of RBH and, among other things, setting out the rights, powers and obligations of the CCAA Plan Administrator in connection with such appointment.

“**CCAA Plans**” means, collectively, the Court-Appointed Mediator’s and Monitor’s plans 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 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 “W” 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 RBH, 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 and Annual Contributions, excluding any applicable Reserved Amounts retained in the Supplemental Trust Account. A Contribution shall also include any Reserved Amount (including any income therefrom) following release of such Reserved Amount (or income therefrom) 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 or to a Tobacco Company.

“**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 “AA” 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 Sales and Excise 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.

“**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 Immoveable Hypothec and the Deed of Moveable Hypothec.

“**Definitive Documents**” means the CCAA Plan, the Sanction Order, the Contribution Security Agreement, the Deeds of 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 “AA” to the CCAA Plan.

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

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

“**Deloitte**” means Deloitte Restructuring Inc.

“**Demand Debenture**” means the demand debenture granting a mortgage on RBH’s property situated at 1500 Don Mills Road in Toronto, which is attached to the CCAA Plan as Schedule “I” together with the Acknowledgment and Direction relating to the mortgage.

“**Director**” means any Person who, as at the Effective Time, is a former or present director or officer of RBH 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 RBH or who currently manages or supervises the management of the business and affairs of RBH 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 RBH 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 22, 2019.

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

“**Financially Viable**”, or “**Financial Viability**”, means the ability of RBH 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.

“**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.

“**FTI**” means FTI Consulting Canada Inc.

“**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 RBH 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 Canada), 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 “J”.

“**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*