



Corporate Finance

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To: All known creditors

Re: Imperial Tobacco Canada Limited and Imperial Tobacco Company Limited (together, “**Imperial Tobacco**” or the “**Company**”).

CCAA Proceedings

On March 12, 2019, Imperial Tobacco sought and obtained an initial order (the “**Initial Order**”) from the Ontario Superior Court of Justice (Commercial List) (the “**Court**”) under the Companies’ Creditors Arrangement Act, R.S.C. 1985, c. C-36, as amended (the “**CCAA**”). The Initial Order provides, among other things, an initial stay of proceedings until April 11, 2019 (the “**Stay Period**”). The proceedings commenced under the CCAA are herein referred to as the CCAA Proceedings. FTI Consulting Canada Inc. (“**FTI**”) is the Court appointed monitor (the “**Monitor**”) of Imperial Tobacco. Please refer to the Initial Order for all capitalized terms used but not otherwise defined herein.

Pursuant to the Initial Order, Hon. Warren K. Winkler Q.C. has been appointed, on an interim basis until April 30, 2019, as the Interim Tobacco Claimant Coordinator to assist and to coordinate the interests of all Persons (other than any defendant or respondent, any of their respective affiliates, and the federal, provincial and territorial governments of Canada) in these CCAA Proceedings in connection with the Pending Litigation and any Tobacco Claim.

A hearing to consider certain additional relief in respect of the CCAA Proceedings is scheduled for April 4, 2019 (the “**Comeback Motion**”). At the Comeback Motion, any interested party who wishes to amend or vary the Initial Order may be entitled to appear or bring a motion before the Court in accordance with the requirements set out in the Initial Order. Court materials and updates as to the time and location of the Comeback Motion will be made available on the Monitor’s website.

A copy of the Initial Order and materials filed in respect of the CCAA Proceedings have been posted on the Monitor’s website at <http://cfcanada.fticonsulting.com/imperialtobacco> or on request from the Monitor by calling 416-649-8044 or toll free at 1-844-707-7558 or by emailing imperialtobacco@fticonsulting.com.

As detailed in its materials, Imperial Tobacco’s stated intention in commencing the CCAA Proceedings is to preserve the underlying value of the Company’s business while facilitating a resolution of the Tobacco Claims in the most expeditious manner and under Court supervision.



CCAA Initial Order

Pursuant to the Initial Order, all Persons having oral or written agreements with Imperial Tobacco, or statutory or regulatory mandates for the supply of goods and/or services are restrained until further Order of the Court from discontinuing, altering, interfering with or terminating the supply of such goods or services as may be required by Imperial Tobacco, and the Company shall be entitled to the continued use of their current premises, telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the normal prices or charges for all such goods or services received after the date of the Initial Order are paid in accordance with the normal payment practices of the Company, or such other payment practices as may be agreed upon by the supplier or service provider and Imperial Tobacco with the consent of the Monitor, or as may be ordered by the Court.

No claims procedure has been approved by the Court and creditors are therefore not required to file a proof of claim at this time. The Monitor will advise once a claims process has been established and approved by the Court.

If you have any questions regarding the foregoing or require further information, please consult the Monitor's website at <http://cfcanada.fticonsulting.com/imperialtobacco> or by contacting the Monitor by calling 416-649-8044 or toll free at 1-844-707-7558, or by emailing imperialtobacco@fticonsulting.com.

Sincerely,

FTI Consulting Canada Inc.,
solely in its capacity as Monitor of Imperial Tobacco and not in its personal or corporate capacity.