

CITATION: Imperial Tobacco Companies Limited, 2025 ONSC 6331
COURT FILE NO.: CV-19-615862-00CL; CV-19-616077-00CL; CV-19-616779-00CL
DATE: 2025-11-13

SUPERIOR COURT OF JUSTICE - ONTARIO

RE: **IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, AS AMENDED AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT**

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF JTI-MACDONALD CORP.

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF IMPERIAL TOBACCO CANADA LIMITED AND IMPERIAL TOBACCO COMPANIES LIMITED

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF ROTHMANS, BENSON & HEDGES INC.

BEFORE: Chief Justice Geoffrey B. Morawetz

COUNSEL: *Natasha MacParland and Rui Gao*, for FTI Consulting Canada Inc., in its capacity as court-appointed Monitor of Imperial Tobacco Canada Limited and Imperial Tobacco Company Limited

R. Shayne Kukulowicz, for Ernst & Young Inc., in its capacity as court-appointed Monitor of Rothmans, Benson & Hedges Inc.

Linc Rogers and Jake Harris, for Deloitte Restructuring Inc., in its capacity as Monitor of JTI-Macdonald Corp.

Craig Lockwood, for Imperial Tobacco Canada Limited and Imperial Tobacco Companies Limited

Trevor Courtis, for Rothmans, Benson & Hedges Inc.

Robert Thornton and Mitch Grossell for JTI-Macdonald Corp.

Robert Cunningham, for the Canadian Cancer Society

Mark E. Meland, for Conseil québécois sur le tabac et la santé, Jean-Yves Blais and Cécilia Létourneau (Quebec Class Action Plaintiffs)

Jacqueline Wall, for the Province of Ontario

Raymond Wagner, K.C. and Kate Boyle, Representative Counsel for the Plan-Canadian Claimants

Jesse Mighton, for the Province of British Columbia, Province of Manitoba, Province of New Brunswick, Province of Nova Scotia, Province of Prince Edward Island, Province of Saskatchewan, Government of Northwest Territories, Government of Nunavut and Government of Yukon in their capacities as Plaintiffs in the HCCR Legislation Claims

Michael Krawchuk, for the Province of Saskatchewan

Douglas Lennox, for Representative Plaintiff, Kenneth Knight, in the Certified British Columbia Class Action

William Sasso, for The Ontario Flue-Cured Tobacco Growers' Marketing Board

HEARD: November 13, 2025

ENDORSEMENT

[1] This endorsement relates to the ongoing proceedings involving JTI-McDonald Corp. (JTI"), Imperial Tobacco Canada Limited and Imperial Tobacco Company Limited (collectively, "Imperial") and Rothmans, Benson & Hedges Inc. ("RBH", collectively, the "Tobacco Companies").

[2] The CCAA Plans for each of the Tobacco Companies received court approval on March 6, 2025. Implementation of the CCAA Plans occurred on August 29, 2025.

[3] Ernst & Young Inc. ("EY"), Monitor and CCAA Plan Administrator for RBH; FTI Consulting Canada Inc. ("FTI"), Monitor and CCAA Plan Administrator for Imperial; and Deloitte Restructuring Inc. ("Deloitte"), Monitor and Plan Administrator for JTI, jointly bring these motions: (1) to facilitate the orderly termination and dismissal of the Pending Litigation, as contemplated by the CCAA Plans; and (2) to implement the earlier direction, pursuant to the Québec Class Counsel Fee Approval Orders dated August 25, 2025 (the "QCC Fee Approval Orders") to establish a protocol (the "QCC Reserve Protocol") for the release of the reserve held back from the Québec Class Counsel Fee (the "QCC Reserve") and the return of any Recovered Tax Amounts.

[4] The evidentiary support for the requested relief is set out in the 31st Report of EY, the 33rd Report of FTI and the 31st Report of Deloitte.

[5] A factual summary and legal argument is set out in the Joint Factum of the Monitors/CCAA Plan Administrators.

[6] There was no opposition to the requested relief.

[7] With respect to the Pending Litigation, the Monitors and CCAA Plan Administrators submit that the CCAA Plans do not explicitly authorize the CCAA Plan Administrators or Monitors to seek orders necessary to terminate the Pending Litigation, nor does the Sanction Order explicitly identify the Pending Litigation in a manner that would readily facilitate a receiving court's understanding of the specific actions to be dismissed. The Monitors and CCAA Plan Administrators seek approval of the proposed Pending Litigation Dismissal Orders to streamline the process for terminating and dismissing the Pending Litigation.

[8] A comprehensive list of all Pending Litigation is summarized in Schedule "A" to the proposed Pending Litigation Dismissal Orders.

[9] With respect to the QCC Reserve Protocol, the Monitors and CCAA Plan Administrators submit that the Court's assistance is required to implement its earlier direction, pursuant to the QCC Fee Approval Orders, directing the Monitors to establish a protocol for the release of the QCC Reserve and the return of any Recovered Tax Amounts. The Monitors have developed the QCC Reserve Protocol in consultation with the Court-Appointed Mediator and Québec Class Counsel.

[10] The issues on these motions are:

- (a) whether this court should grant the Pending Litigation Dismissal Orders;
and
- (b) whether this court should grant the QCC Reserve Protocol Orders.

[11] Section 11 of the CCAA provides the court with broad authority to make orders which are appropriate in the circumstances.

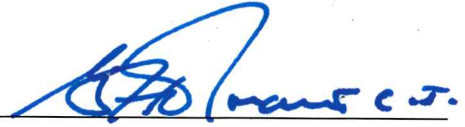
[12] In my view, the Pending Litigation Dismissal Orders will simplify the process for the termination and dismissal of the Pending Litigation by consolidating (i) the list of Pending Litigation matters into one schedule; and (ii) the operative provisions into a single order for each proceeding. This will aid the Monitors and CCAA Plan Administrators in facilitating the dismissal of the Pending Litigation and will also help secure the aid and cooperation of the Pending Litigation Courts.

[13] I am satisfied that the Pending Litigation Dismissal Orders are appropriate in the circumstances and they are granted.

[14] With respect to the QCC Reserve Protocol Orders, I previously directed the Monitors, in consultation with the Court-Appointed Mediator and Québec Class Counsel, to establish a protocol for the release of the QCC Reserve. I am satisfied that the proposed QCC Reserve Protocol ensures that the QCC Reserve will be distributed fairly and equitably. I am also satisfied that the approval of the proposed QCC Reserve Protocol is necessary to give full effect to the QCC Fee Approval Orders.

[15] I am satisfied that this relief is appropriate in the circumstances and it is granted.

[16] A total of six orders have been signed to give effect to the foregoing.


Chief Justice Geoffrey B. Morawetz

Date: November 13, 2025