Court File No.: CV-19-615862-00CL
Court File No.: CV-19-616077-00CL
Court File No.: CV-19-616779-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT,* R.S.C. 1985 c. C-36, AS AMENDED

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

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

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

Court File No.: 500-06-000076-980

PROVINCE DE QUÉBEC
DISTRICT DE MONTRÉAL
COUR SUPÉRIEURE
(Chambre des actions collectives)

CONSEIL QUÉBECOIS SUR LE TABAC ET LA SANTE et JEAN-YVES BLAIS

Demandeurs

c.

JTI-MACDONALD CORP., IMPERIAL TOBACCO CANADA LIMITEE et ROTHMANS, BENSON & HEDGES INC.

Défendeurs

-et-

FTI CONSULTING INC., ERNST & YOUNG INC. et DELOITTE RESTRUCTURING INC.

Intervenants

AIDE MEMOIRE OF THE ATTORNEY GENERAL OF QUEBEC
(Amended and Restated Claims Administrator Order Motion and Epiq's Budget Approval Motion)

1. This aide-memoire sets out the position of the Attorney General of Quebec ("**Quebec**") with respect to the two motions being heard today. Because the issues on both motions are intertwined, Quebec relies on this aide-memoire in relation to both of them.[1]

2. Quebec has an interest in the costs of the administration of the QCAP Claims Fund because it wants to ensure that there is sufficient funds to pay all of its citizens with eligible claims, and it has a residual interest in that fund.[2] As a result, each dollar spent on the administration of the QCAP Claims Fund is effectively paid either by the QCAP claimants, or from Quebec's residual.

3. From the materials filed on these motions, it would appear that Epiq Class Actions Services Canada, Inc. ("**Epiq**") has failed to comply with the carefully negotiated and agreed to terms of the Claims Administrator Order dated August 27, 2025 (the "**Original Claims Order**") by: (i) failing to file copies of its Weekly Reports and Monthly Reports (as defined in the Original Claims Order) in accordance with paragraph 14 of the Original Claims Order; and (ii) failing to seek court approval of variance from the costs budget in accordance with paragraph 18 of the Original Claims Order.

4. It would appear that Epiq is now seeking to have those breaches built into an amended claims order which will undermine the protections provided to Quebec, and the other Provinces, in the Original Claims Order.

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[1] Capitalized terms used in this aide-memoire and not otherwise defined herein have the meanings given to them in Epiq's motion record or in the CCAA Plan Administrators' motion records.
[2] Motion Record of Epiq, Tab 2(b), Exhibit B, Quebec Administration Plan, s. 55.1

5. As a result, Quebec submits that:

(a) The proposed amendment removing the 10% variance limit from the Original Claims Order should not be made. That limit is an automatic, real-time safeguard that acts as a check on administration costs, which already appear to be significantly higher than the original projections.

(b) Epiq's motion for budget approval should be adjourned until Epiq provides sufficient information to permit stakeholders to assess its fees and activities to date. Quebec is unable to take a position on Epiq's budget approval motion without information regarding costs actually incurred to date and the variance as against the First Annual Global Claims Administration Costs Budget, which appears to exceed 138%. The approval of Epiq's activities and the personal liability protection sought should not be granted as Epiq has provided no basis for that extraordinary relief.

A. Amendment Motion – Variance Limits Must Be Preserved

6. Epiq has negotiated an amended claims order with the CCAA Plan Administrators which deletes the requirement that Epiq obtain approval from the CCAA Plan Administrators, this Court, and the Quebec Superior Court before its aggregate costs exceed by more than 10% the total amount of the First Annual Global Claims Administration Costs Budget, as reflected in the blackline of the Original Claims Order filed on this motion.[3]

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[3] Motion Record of Deloitte, Tab 4, Blackline – Original Claims Administrator Order and Amended and Restated Claims Administrator Order ("**A&R Order Blackline**") at para 18.

~~18. **THIS COURT ORDERS** that, in respect of each year until the PCC Claims Administration and the QCAP Claims Administration are complete, the aggregate Costs (defined below) of Epiq in its capacities as the Claims Administrator and the PCC Agent up to and including such year shall not exceed (i) by more than 10% of the total amount of the First Annual Global Claims Administration Costs Budget up to and including such year, or (ii) by more than 10% of the total amount of~~. Notwithstanding the foregoing, following Epiq's delivery of the Exit Report under the Quebec Administration Plan, Epiq shall have no continuing obligation to file any Subsequent ~~Annual Global~~Quarterly Claims Administration Costs Budget ~~up to and including such year, without prior approval of the CCAA Plan Administrators and further Orders of the CCAA Court and the Quebec Superior Court on motions brought by Epiq seeking~~or request for permission to redact from the public record (if applicable) with the Quebec Superior Court or seek the Quebec Superior Court's approval ~~of such increase in Costs (defined below)~~thereof.

7. The stated basis for this change is that "[a]s the Amended and Restated Claims Administrator Order will provide stakeholders opportunities on three-month intervals to review the actual and projected Costs of the Claims Administration, the Variance Limits are no longer required."[4] As demonstrated by Epiq's own motion record, this stated basis fails for two principal reasons.

8. First, the First Quarterly Budget only provides for forward-looking estimates for the next three months. Contrary to the stated basis that stakeholders will have opportunities on three-month intervals "to review the actual…Costs", the First Quarterly Budget does not provide *any* information regarding the actual costs to date.

9. Second, the quarterly reporting is prospective in nature and does not provide a real-time measure for cost control. The variance limit mandates Epiq to seek approval prior to

[4] Motion Record of Deloitte, Tab 2**,** Fourth Report of Deloitte Restructuring Inc. ("**Deloitte Fourth Report**") at para 19.

exceeding 10% of the total amount of the First Annual Global Claims Administration Costs Budget. It is an automatic trigger that prevents further cost overrun. It governs the current period, not the upcoming period. The quarterly budget approvals do not serve the same purpose as the variance limit. They neither provide an automatic trigger nor address the current period.

10. The estimates in the First Quarterly Budget illustrate the risk of eliminating variance limits. As discussed in paragraphs 17 and 18 below, the estimates appear to significantly vary from Epiq's First Annual Global Claims Administration Costs Budget, with a possible variance of more than 138%.

11. Given that Eqip has not complied with this provision in the past, Quebec submits that it should not be removed to protect against similar variances in the future.

B. Epiq's Budget Approval Motion Should be Adjourned

12. Quebec is unable to take an informed position on this motion because, contrary to paragraph 14 of the Original Claims Order,[5] Epiq has not filed *any* of the Weekly or Monthly Reports with this Court, or any other information regarding the costs actually incurred in year 1 of the claims administration.

13. Epiq has also failed to meaningfully explain what appears to be a variance of approximately 138% in the First Quarterly Global Claims Administration Costs Budget proposed in its motion from the First Annual Global Claims Administration Costs Budget provided in August 2025. It represents a significant departure from what was represented

[5] Original Claims Order at para. 14, Schedule A.

to stakeholders and the Courts when the Original Claims Order was approved. Furthermore, the activity approval relief sought by Epiq should not be granted, as there is no basis for such extraordinary relief.[6]

(i) No Actual Costs Information Due to Failure to File Reports

14. The Original Claims Order that was negotiated between the stakeholders, and is currently in effect, mandates Epiq to file copies of all the Weekly Reports and Monthly Reports with the CCAA Court.[7]

> 14. THIS COURT ORDERS that…***The Claims Administrator shall file copies of all the Weekly Reports and Monthly Reports with the CCAA Court*** provided, however, that Epiq may redact from the public copies of such reports filed with the CCAA Court any confidential or commercially sensitive information. [emphasis added]

15. Despite the requirement Epiq has not filed any Weekly Reports or Monthly Reports with this Court to date.

16. Actual costs information is necessary to allow Quebec, and this Court, to assess its position vis-à-vis the budget approval motion. The need for this information is further heightened when comparing the First Quarterly Global Claims Administration Costs Budget with the First Annual Global Claims Administration Costs Budget.

17. The First Quarterly Global Claims Administration Costs Budget projects total consolidated costs of $19,958,210 for the three-month period from September to

[6] Motion Record of Epiq, Tab 3, Proposed Budget Approval Order (CCAA Court) ("**Budget Approval Order**") at para 4.
[7] Original Claims Order at para. 14, Schedule A.

November 2026.[8] By comparison, the First Annual Global Claims Administration Costs Budget projected total costs of $33,494,485 for the entirety of Year 2 of the claims administration.[9]

18. For comparison purposes, the Year 2 annual projection of $33,494,485 would average $8,373,621 per quarter.[10] The current three-month **projection of $19,958,210 represents a variance of approximately 138%**[11] above that quarterly benchmark. As Epiq expressly acknowledges, the actual variance at the end of the quarterly period will be even larger, given that the First Quarterly Global Claims Administration Costs Budget does not reflect the increased costs arising from the recent volume of QCAP claims and the potential fraudulent claims identified by Epiq.[12]

(ii) Lack of Meaningful Explanation for the Variance

19. Epiq does not disclose the variance between its proposed First Quarterly Global Claims Administration Costs Budget and the First Annual Global Claims Administration Costs Budget, nor does it provide a meaningful explanation for that variance.

20. Epiq's only explanation for the costs being higher than estimated is that the PCC-Claimants require a higher level of assistance than originally anticipated, and higher call centre and email volumes.[13] There is no information on how much of the cost increase is

[8] Motion Record of Epiq, Tab 2, O'Connor Affidavit, Exhibit D, First Quarterly Global Claims Administration Costs Budget, page 1.
[9] Motion Record of Deloitte, Tab 3, Draft Amended and Restated Claims Order ("**A&R Order**") at Schedule B, page 1.
[10] Motion Record of Deloitte, Tab 3, A&R Order at Schedule B, page 1.
[11] Motion Record of Epiq, Tab 2, O'Connor Affidavit, Exhibit D, First Quarterly Global Claims Administration Costs Budget.
[12] Motion Record of Epiq, Tab 2, O'Connor Affidavit at paras 25 to 27.
[13] Motion Record of Epiq, Tab 2, O'Connor Affidavit at para 24.

attributed to these factors.

21. The claim statistics show that Epiq has received a total of 81,860 claims: 8,433 under the PCC Compensation Plan and 73,427 under the Quebec Administration Plan. Of the total claims received, Epiq has reviewed approximately 21%.[14] The First Annual Global Claims Administration Costs Budget was premised on an estimated total of 144,371 claims,[15] approximately 76% more than the 81,860 claims actually received. Despite receiving significantly fewer claims than projected, there appears to be a substantial, and largely unexplained, cost overrun.

22. As shown above, the lack of meaningful information prevents Quebec from assessing the costs incurred to date and the rationale for what appears to be an over 100% variance from Epiq's First Annual Global Claims Administration Costs Budget.

(iii) Epiq's Activities Should Not be Approved

23. The approval of Epiq's activities, which is relief typically reserved for court officers, is not appropriate for a third party service provider in Epiq's position.[16] Epiq seeks the following relief in paragraph 4 of its draft order:[17]

> 4. **THIS COURT ORDERS** that the activities and conduct of Epiq (for certainty, including in each of its capacities as PCC Agent and Claims Administrator), as set out in the Second O'Connor Affidavit, are hereby ratified and approved; provided, however, that only Epiq, with respect to its own personal liability, shall be entitled to rely upon or utilize in any way such approval.

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[14] Motion Record of Epiq, Tab 2, O'Connor Affidavit at para 45.
[15] Motion Record of Deloitte, Tab 3, A&R Order at Schedule B, page 1. The 144,371 estimated claims comprised of 74,401 PCC claims and 69,970 QCAP claims.
[16] *Target Canada Co (Re),* 2015 ONSC 7574 (CanLII) at paras 20-23.
[17] Motion Record of Epiq, Tab 3, Budget Approval Order at para 4.

24. Epiq has provided no explanation for why it should be granted this extraordinary relief. As such, it should not be granted.

September 4, 2026

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Schedule A

Original Claims Order

Court File No.: CV-19-615862-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

THE HONOURABLE CHIEF	)	WEDNESDAY, THE 27TH
	)	
JUSTICE MORAWETZ	)	DAY OF AUGUST, 2025

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, AS AMENDED

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

CLAIMS ADMINISTRATOR ORDER

THIS MOTION, made by Epiq Class Actions Services Canada, Inc. ("**Epiq**") pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "**CCAA**"), was heard this day by videoconference at 330 University Avenue, Toronto, Ontario.

ON READING Epiq's Motion Record, including the affidavit of Michael O'Connor sworn on August 22, 2025 (the "**O'Connor Affidavit**") and the exhibits thereto, and on hearing submissions of counsel for Epiq, counsel for the Court-Appointed Mediator, counsel for the Monitor and CCAA Plan Administrator, counsel for each of the Tobacco Companies, PCC Representative Counsel, Quebec Class Counsel, and counsel for such other parties as were listed on the Participant Information Form and wished to be heard, with no one else appearing although duly served as appears from the certificate of service, filed:

Service and Definitions

1. **THIS COURT ORDERS** that the time for service of the Notice of Motion and the Motion Record is hereby abridged and validated so that this Motion is properly returnable today and hereby dispenses with further service thereof.

2. **THIS COURT ORDERS** that, unless otherwise stated herein, all capitalized terms used herein and not otherwise defined herein shall have the meanings ascribed to them in the Fourth Amended and Restated Court-Appointed Mediator's and Monitor's CCAA Plan of Compromise and Arrangement in respect of JTI-Macdonald Corp. ("**JTIM**") dated August 27, 2025 (the "**JTIM CCAA Plan**"), the PCC Compensation Plan or the Quebec Administration Plan (each as defined in the JTIM CCAA Plan), or the O'Connor Affidavit, as applicable.

Appointment of the PCC Agent

3. **THIS COURT ORDERS** that, pursuant to Section 18.3 of the PCC Compensation Plan, Epiq is appointed as the agent for the PCC Representative Counsel in respect of the PCC Compensation Plan (the "**PCC Agent**"). The PCC Agent is hereby authorized to communicate with and collaborate with the PCC Representative Counsel.

No Contract between CCAA Plan Administrators and Claims Administrator and/or PCC Agent

4. **THIS COURT ORDERS** that, notwithstanding anything to the contrary in the PCC Compensation Plan, Quebec Administration Plan, JTIM CCAA Plan, Sanction Order or otherwise, no written agreement regarding the provision of services in respect of the PCC Compensation Plan or the Quebec Administration Plan, or the Costs (defined below) of the

Claims Administrator or the PCC Agent, shall be required to be entered into between the CCAA Plan Administrators and the Claims Administrator and/or the PCC Agent.

Approval of Notice Plan

5. **THIS COURT ORDERS** that the notice plan in the form attached hereto as **Schedule "A"** (the "**Global Notice Plan**") shall constitute the PCC Notice Plan (for purposes of the PCC Compensation Plan) and the *Blais* Notice Plan (for purposes of the Quebec Administration Plan), and that the Global Notice Plan, including the Claims Process as described therein, is hereby approved. For greater certainty, and without limiting the generality of the foregoing, the forms of notices, claim forms and any other forms included as part of the Global Notice Plan are hereby approved for purposes of the PCC Compensation Plan and the Quebec Administration Plan, as applicable, notwithstanding the forms of the notices, claim forms and any other forms attached as Appendices to the PCC Compensation Plan and Appendices to the Quebec Administration Plan that were approved by the CCAA Court in the Sanction Order.

Amendment of Notices and Forms

6. **THIS COURT ORDERS** that the form of PCC Notice of Incomplete Claim attached as Exhibit "C" to the O'Connor Affidavit and the form of PCC Notice to Provide Alternative Proof attached as Exhibit "D" to the O'Connor Affidavit are hereby approved for purposes of the PCC Compensation Plan.

7. **THIS COURT ORDERS** that, following consultation with each of the Tobacco Companies, the Administrative Coordinator, the PCC Representative Counsel (for amendments relating to the PCC Compensation Plan) and the Quebec Class Counsel (for amendments relating

to the Quebec Administration Plan), the Claims Administrator may make amendments to the forms of notices, claim forms and any other forms that are Attachments to the Global Notice Plan, Exhibits to the O'Connor Affidavit, Appendices to the PCC Compensation Plan and/or Appendices to the Quebec Administration Plan, including the preparation of any additional notices or forms required to administer the PCC Compensation Plan and the Quebec Administration Plan, provided that the Claims Administrator complies with Section 8.2 of the PCC Compensation Plan and Section 7.2 of the Quebec Administration Plan. No other changes, modifications or revisions shall be made to the PCC Compensation Plan except in accordance with Section 8.1 thereof, or to the Quebec Administration Plan except in accordance with Section 7.1 thereof.

Purpose and Use of Claims Administrator's Checklists

8. **THIS COURT ORDERS** that, notwithstanding anything to the contrary in the PCC Compensation Plan and the Quebec Administration Plan, the Checklist which is Appendix "H" to the PCC Compensation Plan, and the Proof of Claim Checklist for Tobacco-Victim Claims and the Proof of Claim Checklist for Succession Claims that are respectively Appendices "I" and "J" to the Quebec Administration Plan, are directory guides prepared for the convenience of and to assist the Claims Administrator in the determination of whether a PCC-Claimant meets the PCC Eligibility Criteria to be an Eligible PCC-Claimant who will receive an Individual Payment, or (ii) a Tobacco-Victim Claimant or Succession Claimant meets the *Blais* Eligibility Criteria to be an Eligible *Blais* Class Member who will receive a Compensation Payment.

Approval of Global Claims Administration Costs Framework

9. **THIS COURT ORDERS** that the Global Claims Administration Costs Framework (the "**Global Claims Administration Costs Framework**") in the form attached hereto as **Schedule "B"** is hereby approved for purposes of both the PCC Compensation Plan (including, for certainty, in respect of Epiq's roles as Claims Administrator and as PCC Agent) and the Quebec Administration Plan as the framework basis against which the Costs of the PCC Compensation Plan and the Quebec Administration Plan shall be reviewed and assessed in accordance with the provisions of this Order, with such amendments as may be approved by further Order of the CCAA Court, provided that, other than in respect of the Costs set out in the Global Claims Administration Costs Framework with respect to the PCC Notice Plan and the *Blais* Notice Plan, the Global Claims Administration Costs Framework provides the structure for the future budgeting processes set forth in this Order, and the amounts reflected in the Global Claims Administration Costs Framework, other than in respect of the Costs with respect to the PCC Notice Plan and the *Blais* Notice Plan, are not approved under this Order. The Claims Administrator and the PCC Agent shall not be entitled to be paid any of the Costs contemplated in the Global Claims Administration Costs Framework unless such Costs are validly incurred and payable in accordance with the provisions of this Order.

10. **THIS COURT ORDERS** that the Global Claims Administration Costs Framework shall include in respect of each of (i) the claims administration under the PCC Compensation Plan ("**PCC Claims Administration**"), (ii) the claims administration under the Quebec Administration Plan ("**QCAP Claims Administration**"), (iii) the PCC Agent services, (iv) the PCC Notice Plan, (v) the *Blais* Notice Plan and (vi) the pre-CCAA Plan implementation activities relating to the PCC Compensation Plan, as applicable:

(a) the actual time spent and standard rates charged by the Claims Administrator and the PCC Agent in connection with all work done up to August 15, 2025, and the estimated time that will be spent and standard rates that will be charged up to the Plan Implementation Date;

(b) a forecast of the estimated time that will be incurred and standard rates to be charged by the Claims Administrator and the PCC Agent; and

(c) an estimate of the number of claims to be reviewed during the PCC Claims Submission Period and the *Blais* Claims Submission Period.

11. **THIS COURT ORDERS** that, during the first three calendar months commencing on and following the Plan Implementation Date ("**Weekly Reporting Period**"), the Claims Administrator and the PCC Agent shall provide to the CCAA Plan Administrators, on a weekly basis, to be received within four Business Days from the end of each week, and as circumstances warrant at any other times during the Weekly Reporting Period as requested by the CCAA Plan Administrators in their discretion, or as the CCAA Court directs, the following reports in writing (collectively, "**Weekly Reports**"), in each case based on the information available at such time:

(a) a report ("**Weekly Actual Costs Report**") setting out the actual costs incurred, including actual time spent and hourly rates applied, and expenditures made by the Claims Administrator and the PCC Agent during the immediately prior week on account of the following activities, as applicable, in regard to each of the PCC Claims Administration, QCAP Claims Administration, PCC Agent, PCC Notice Plan and *Blais* Notice Plan:

(i) paid media noticing;

(ii) initial and non-recurring items;

(iii) print and mail operations;

(iv) project and escalation management and noticing;

(v) technology management;

(vi) Contact Centre; and

(vii) claims operation services,

accompanied by an explanation of all variances between the actual costs and expenditures for the immediately prior week and the actual costs and expenditures for the week upon which the Weekly Reports are based;

(b) a report ("**Weekly Claims Administration Report**") setting out in respect of the week upon which the Weekly Reports are based for each of the PCC Compensation Plan and the Quebec Administration Plan, the particulars regarding (i) the number of claims received, (ii) the number of claims reviewed, (iii) the number of incomplete claims awaiting submission of further information, (iv) the number of claims approved, (v) the number of claims rejected, (vi) the number of rejected claims that are in the process of being reviewed by the Review Officer, and (vii) the overall status of the claims administration process; and

(c) a report ("**Weekly Events Report**") in respect of the week upon which the Weekly Reports are based identifying and explaining any unusual, unexpected or inexplicable events that occurred and/or out of the ordinary trends that were observed in the PCC

Claims Administration and the QCAP Claims Administration to enable the Claims Administrator and/or the PCC Agent, as applicable, to take prompt steps to correct any issues, problems, errors and/or mistakes in the claims administration processes as soon as possible.

12. **THIS COURT ORDERS** that, commencing upon the end of the Weekly Reporting Period and continuing for the duration of the PCC Claims Administration and the QCAP Claims Administration ("**Monthly Reporting Period**"), the Claims Administrator and the PCC Agent shall provide to the CCAA Plan Administrators, on a monthly basis, to be received within five Business Days from the end of each month, and as circumstances warrant at any other times during the Monthly Reporting Period as requested by the CCAA Plan Administrators in their discretion, or as the CCAA Court directs, the following reports in writing (collectively, "**Monthly Reports**"), in each case based on the information available at such time:

(a) a report ("**Monthly Actual Costs Report**") setting out the actual costs incurred, including actual time spent and hourly rates applied, and expenditures made by the Claims Administrator and the PCC Agent during the immediately prior month on account of the activities enumerated in subparagraphs 11(a)(i) to 11(a)(vii) of this Order, as applicable, in regard to each of the PCC Claims Administration, QCAP Claims Administration, PCC Agent, PCC Notice Plan and *Blais* Notice Plan, accompanied by an explanation of all variances between the actual costs and expenditures for the immediately prior month and the actual costs and expenditures for the month upon which the Monthly Reports are based;

(b) a report ("**Monthly Claims Administration Report**") setting out in respect of the month upon which the Monthly Reports are based for each of the PCC Compensation Plan and the Quebec Administration Plan the particulars regarding (i) the number of claims received, (ii) the number of claims reviewed, (iii) the number of incomplete claims awaiting submission of further information, (iv) the number of claims approved, (v) the number of claims rejected, (vi) the number of rejected claims that are in the process of being reviewed by the Review Officer, and (vii) the overall status of the claims administration process; and

(c) a report ("**Monthly Events Report**") in respect of the month upon which the Monthly Reports are based identifying and explaining any unusual, unexpected or inexplicable events that occurred and/or out of the ordinary trends that were observed in the PCC Claims Administration and the QCAP Claims Administration to enable the Claims Administrator and/or the PCC Agent, as applicable, to take prompt steps to correct any issues, problems, errors and/or mistakes in the claims administration processes as soon as possible.

13. **THE COURT ORDERS** that, as the PCC Claims Administration and the QCAP Claims Administration progress, the CCAA Plan Administrators may, in their discretion if they deem it to be necessary and appropriate, direct that the Weekly Reporting Period shall be extended for a period longer than the first three calendar months following the Plan Implementation Date.

14. **THIS COURT ORDERS** that the Claims Administrator and the PCC Agent shall provide copies of their Weekly Reports and their Monthly Reports to the Tobacco Companies, Court-Appointed Mediator, Administrative Coordinator, PCC Representative Counsel and

Quebec Class Counsel concurrently when such reports are provided to the CCAA Plan Administrators. The Claims Administrator shall file copies of all the Weekly Reports and Monthly Reports with the CCAA Court provided, however, that Epiq may redact from the public copies of such reports filed with the CCAA Court any confidential or commercially sensitive information.

15. **THIS COURT ORDERS** that, for greater certainty, the reporting obligations set forth in paragraphs 11 to 14 of this Order do not replace any of the reporting obligations of the Claims Administrator set forth in the PCC Compensation Plan and the Quebec Administration Plan.

16. **THIS COURT ORDERS** that, within fifteen calendar days following the end of the Weekly Reporting Period, the Claims Administrator and PCC Agent shall provide to the CCAA Plan Administrators, with copies to the Tobacco Companies, Court-Appointed Mediator, Administrative Coordinator, PCC Representative Counsel and Quebec Class Counsel: (i) a budget for the PCC Claims Administration, and (ii) a budget for the QCAP Claims Administration (collectively, the "**First Annual Global Claims Administration Costs Budget**") that: (a) is consistent with the format of the Global Claims Administration Costs Framework, (b) includes estimates in respect of (1) professional fees, costs and expenses of all legal or other advisors to Epiq, and (2) the applicable taxes, fees, duties or charges owed to a Governmental Authority, whether incurred by Epiq, its legal or other advisors, and/or its providers of associated services, (c) is informed by the Weekly Actual Costs Reports, Weekly Claims Administration Reports and Weekly Events Reports, and (d) covers the next twelve calendar month period commencing on the end of the Weekly Reporting Period. Notwithstanding anything to the contrary in Section 56.3 of the PCC Compensation Plan and Section 57.3 of the Quebec Administration Plan, within forty-five calendar days following the end of the Weekly

Reporting Period, the Claims Administrator and the PCC Agent shall submit the First Annual Global Claims Administration Costs Budget to the CCAA Court and the Quebec Superior Court for joint approval. Epiq may redact from the public copies of the First Annual Global Claims Administration Costs Budget filed with the CCAA Court and Quebec Superior Court any confidential or commercially sensitive information.

17. **THIS COURT ORDERS** that, for each subsequent twelve calendar month period following the end of the twelve calendar month period covered by the First Annual Global Claims Administration Costs Budget until the PCC Claims Administration and the QCAP Claims Administration, respectively, are complete, the Claims Administrator and the PCC Agent shall provide to the CCAA Plan Administrators, concurrently with copies provided to the Tobacco Companies, Court-Appointed Mediator, Administrative Coordinator, PCC Representative Counsel and Quebec Class Counsel: (i) a budget for the PCC Claims Administration and (ii) a budget for the QCAP Claims Administration of the Quebec Administration Plan (together, a "**Subsequent Annual Global Claims Administration Costs Budget**") that cover the next twelve calendar month period. Notwithstanding anything to the contrary in Section 56.3 of the PCC Compensation Plan and Section 57.3 of the Quebec Administration Plan, within forty-five calendar days following the end of the previous twelve calendar month period, the Claims Administrator and the PCC Agent shall submit each Subsequent Annual Global Claims Administration Costs Budget to the CCAA Court and the Quebec Superior Court for joint approval. Epiq may redact from the public copies of any Subsequent Annual Global Claims Administration Costs Budget filed with the CCAA Court and Quebec Superior Court any confidential or commercially sensitive information. Each Subsequent Annual Global Claims Administration Costs Budget shall be consistent with the format of the Global Claims

Administration Costs Framework and the First Annual Global Claims Administration Costs Budget, and shall be provided by the Claims Administrator and the PCC Agent thirty calendar days in advance of the end of the current twelve calendar month period.

18. **THIS COURT ORDERS** that, in respect of each year until the PCC Claims Administration and the QCAP Claims Administration are complete, the aggregate Costs (defined below) of Epiq in its capacities as the Claims Administrator and the PCC Agent up to and including such year shall not exceed (i) by more than 10% of the total amount of the First Annual Global Claims Administration Costs Budget up to and including such year, or (ii) by more than 10% of the total amount of any Subsequent Annual Global Claims Administration Costs Budget up to and including such year, without prior approval of the CCAA Plan Administrators and further Orders of the CCAA Court and the Quebec Superior Court on motions brought by Epiq seeking approval of such increase in Costs (defined below).

Confidentiality and Information Management

19. **THIS COURT ORDERS** that the Claims Administrator shall comply with all of its duties and responsibilities set forth in Sections 57.1 to 57.6 and Sections 58.1 and 58.2 of the PCC Compensation Plan in regard to the receipt, storage, disclosure, retention and destruction of all Personal Information and documentation provided to the Claims Administrator in connection with the Claim Packages submitted by PCC-Claimants and PCC-Claimants' Legal Representatives. The PCC Agent shall also comply with Sections 57.1 to 57.6 and Sections 58.1 and 58.2 of the PCC Compensation Plan. The Claims Administrator and the PCC Agent shall comply with the Official Confirmations of Diagnoses Order.

20. **THIS COURT ORDERS** that the Claims Administrator shall comply with all of the duties and responsibilities set forth in Sections 58.1 to 58.6 and Sections 59.1 and 59.2 of the Quebec Administration Plan in regard to the receipt, storage, disclosure, retention and destruction of all Personal Information and documentation provided to the Claims Administrator in connection with the Proofs of Claim submitted by Tobacco-Victim Claimants and Succession Claimants. Raymond Chabot (Proactio) shall also comply with Sections 57.1 to 57.6 and Sections 58.1 and 58.2 of the Quebec Administration Plan. The Claims Administrator and Raymond Chabot (Proactio) shall comply with the Official Confirmations of Diagnoses Order.

Payment of Fees, Costs and Expenses

21. **THIS COURT ORDERS** that, subject to paragraph 18 of this Order, each of the Claims Administrator and the PCC Agent, and their respective legal and other advisors, shall be paid their reasonable professional fees, other fees, costs, disbursements, expenses, Court costs and other expenditures, and all applicable Sales and Excise Taxes, directly incurred in relation to the carrying out of their duties and responsibilities as the Claims Administrator and the PCC Agent or the advisors thereto, as applicable (collectively, "**Costs**"), in each case at their standard rates and charges, which (i) if incurred in the period prior to the Plan Implementation Date, are consistent with the Global Claims Administration Costs Framework, (ii) are incurred during the Weekly Reporting Period, or (iii) if incurred following the Weekly Reporting Period, are consistent with, as applicable, the Global Claims Administration Costs Framework, the First Annual Global Claims Administration Costs Budget and any Subsequent Annual Global Claims Administration Costs Budgets and, as applicable, paragraph 18 herein.

22. **THIS COURT ORDERS** that, subject to paragraphs 18 and 21 of this Order, the Tobacco Companies are directed to pay directly to Epiq the following reasonable Costs, and such payments shall not be deducted from the PCC Compensation Plan Amount or from the QCAP Settlement Amount, as applicable:

(a) all Costs incurred by the Claims Administrator in connection with the administration of the PCC Compensation Plan;

(b) all Costs incurred by the PCC Agent in connection with the administration of the PCC Compensation Plan;

(c) all Costs associated with the PCC Notice Plan; and

(d) all Costs associated with the *Blais* Notice Plan,

in each case within thirty calendar days of the issuance of any invoice by Epiq in respect thereof, provided that: (x) Epiq has been set up as a vendor in each of the Tobacco Companies' accounting systems, and (y) such invoice of Epiq, as well as the invoices rendered by all legal and other advisors of Epiq, have been approved by the CCAA Plan Administrators. The invoices of Epiq's legal advisors may be redacted for solicitor-client privilege before they are submitted to the CCAA Plan Administrators for review and approval. The Tobacco Companies shall pre-fund within thirty calendar days of Epiq's presentment of a reasonable written estimate of any: (a) paid media insertion orders planned to be placed by Epiq during the subsequent thirty calendar day period; or (b) postage for mailings of 25,000 pieces or more that are expected to occur during the subsequent thirty calendar day period. Amounts that remain unpaid following the date that is thirty calendar days after the issuance of an invoice by Epiq (provided that the conditions in (x) and (y) above have been met) shall be subject to an interest charge of 0.5% per month. All such Costs shall be paid by the Tobacco Companies in equal parts. The liability of the Tobacco Companies for their respective share of the Costs shall be several and not joint and several.

23. **THIS COURT ORDERS** that, subject to paragraphs 18 and 21 of this Order, the reasonable Costs of the Claims Administrator incurred in connection with the administration of the Quebec Administration Plan, other than the Costs associated with the *Blais* Notice Plan (which shall be paid by the Tobacco Companies pursuant to paragraph 22(d) of this Order), shall be paid to Epiq from the balance of the QCAP Settlement Amount net of the Quebec Class Counsel Fee. The CCAA Plan Administrators shall authorize the trustee of the QCAP Trust Account (the "**Trustee**") to, and the Trustee shall, make an advancement of instalments of funds from the QCAP Trust Account to pay all Costs of the Claims Administrator incurred in connection with the administration of the Quebec Administration Plan within thirty calendar days of the issuance of any invoice by Epiq in respect thereof, provided that such invoice of Epiq, as well as the invoices rendered by all legal and other advisors of Epiq, have been approved first by the Quebec Class Counsel and then by CCAA Plan Administrators. The invoices of Epiq's legal advisors may be redacted for solicitor-client privilege before they are submitted to the Quebec Class Counsel and to the CCAA Plan Administrators for review and approval. Amounts that remain unpaid following the date that is thirty calendar days after the issuance of an invoice by Epiq shall be subject to an interest charge of 0.5% per month.

24. **THIS COURT ORDERS** that, for greater certainty, the PCC Compensation Plan Reserve Costs shall include the Costs of the services which the PCC Agent, including its legal and other advisors, provides in relation to the PCC Compensation Plan, and Epiq, in its capacity

as PCC Agent, shall also be entitled to the benefit of the PCC Compensation Plan Reserve. Paragraphs 21 and 23 of the Sanction Order shall be interpreted to include the foregoing Order.

Advisors to Claims Administrator and PCC Agent

25. **THIS COURT ORDERS** that the Claims Administrator and the PCC Agent may, in their discretion, retain any legal or other advisors, to advise and assist them in carrying out their respective duties in relation to the PCC Compensation Plan and the Quebec Administration Plan, as applicable.

Distributions by Claims Administrator

26. **THIS COURT ORDERS** that the Claims Administrator is hereby authorized to distribute (i) Individual Payments to Eligible PCC-Claimants pursuant to and in accordance with the procedures and process set forth in Sections 49.1, 49.2, 51.1, 52.1, 53.1, 53.2, 53.3, 53.4, 53.5, 55.1 and 55.2 of the PCC Compensation Plan, and (ii) Compensation Payments to Eligible *Blais* Class Members pursuant to and in accordance with the procedures and process set forth in Sections 50.1, 50.2, 52.1, 53.1, 54.1, 54.2, 54.3, 54.4, 54.5, 56.1 and 56.2 of the Quebec Administration Plan.

Liability - Variation of Sanction Order and relating to PCC Representative Counsel, Court-Appointed Mediator, Monitors, CCAA Plan Administrators and Administrative Coordinator

27. **THIS COURT ORDERS** that the Sanction Order is hereby varied to delete Section 27 thereof.

28. **THIS COURT ORDERS** that, for greater certainty and without limiting any other protections available to the PCC Representative Counsel pursuant to (i) paragraph 9 of the

Amended and Restated Orders re Appointment of PCC Representative Counsel dated November 22, 2024, or (ii) any other Order of the CCAA Court, the PCC Representative Counsel shall not be liable, including vicariously liable, for any act or omission of the PCC Agent in connection with the PCC Agent's duties under this Order, the PCC Compensation Plan, the JTIM CCAA Plan, or any other court Order, or in regard to any other matter whatsoever. For further certainty, although Epiq is appointed as the PCC Agent for the PCC Representative Counsel pursuant to Section 18.3 of the PCC Compensation Plan and paragraph 3 of this Order, the PCC Agent operates independently and is solely responsible for the performance of its duties, and no other Person shall be held responsible for Epiq's acts and omissions.

29. **THIS COURT ORDERS** that, for greater certainty and without limiting any other protections available to the Court-Appointed Mediator, Monitors, CCAA Plan Administrators and Administrative Coordinator pursuant to (i) paragraphs 28 and 38-52 inclusive of the Sanction Order, (ii) paragraphs 5, 6 and 28-33 inclusive of the CCAA Plan Administrator Appointment Order, (iii) Article 18, Sections 18.1.4, 18.1.5, 18.1.6, 18.1.8, 18.1.9 and 18.1.11 of the JTIM CCAA Plan, or (iv) any other court Order, the Court-Appointed Mediator, Monitors, CCAA Plan Administrators and Administrative Coordinator shall not be liable, including vicariously liable, for any acts or omissions of Epiq in its capacities as Claims Administrator and PCC Agent, or in regard to any other matter whatsoever. Epiq in its capacities as the Claims Administrator and the PCC Agent operates independently and is solely responsible for the performance of its duties, and no other Person shall be held responsible for Epiq's acts and omissions.

Termination of Engagement

30. **THIS COURT ORDERS** that, notwithstanding anything to the contrary in the PCC Compensation Plan, the Quebec Administration Plan, the JTIM CCAA Plan, the Sanction Order or otherwise, and subject to the approval of the CCAA Court, the engagement of the Claims Administrator and/or the PCC Agent may be terminated by the CCAA Plan Administrators upon at least thirty calendar days' prior written notice delivered by the CCAA Plan Administrators to Epiq. For certainty, Epiq's rights to oppose any such motion and relief are fully reserved.

31. **THIS COURT ORDERS** that upon the effective date of such termination of its engagement, Epiq shall take all steps requested by the CCAA Plan Administrators and/or directed by the CCAA Court to effect the transfer of the role of Claims Administrator and/or PCC Agent, as applicable, to an alternative service provider or providers, including but not limited to the transfer of:

(a) all Claim Packages received in respect of the PCC Compensation Plan;

(b) all Proofs of Claim received in respect of the Quebec Administration Plan;

(c) all completed assessments of Claim Packages submitted by PCC-Claimants and Legal Representatives;

(d) all completed assessments of Proofs of Claims submitted by Tobacco-Victim Claimants and Succession Claimants;

(e) all communications received from or transmitted to PCC-Claimants, Legal Representatives, Tobacco-Victim Claimants and Succession Claimants;

(f) all information supporting claims, including medical data, proofs of diagnoses and Official Confirmations in Epiq's possession or control;

(g) all reports or analyses performed by any of Epiq's advisors in connection with the PCC Compensation Plan or Quebec Administration Plan;

(h) all information and approvals required to transfer or assign the bank accounts used by the Claims Administrator to distribute funds to PCC-Claimants, Tobacco-Victim Claimants and Succession Claimants; and

(i) all other documents, information and data pertaining to the PCC Compensation Plan and Quebec Administration Plan.

General

32. **THIS COURT ORDERS** that in the event of a conflict between (i) this Order, (ii) the Sanction Order and (iii) the JTIM CCAA Plan, including the PCC Compensation Plan and the Quebec Administration Plan, the terms of this Order shall govern.

33. **THIS COURT ORDERS** that the Claims Administrator may seek directions in respect of a matter relating to the Quebec Administration Plan jointly from the CCAA Court and the Quebec Superior Court in accordance with the procedure set forth in Sections 11.2.1, 11.2.2.6, 11.2.3.3, 12.1.1, 12.1.2 and 12.1.3 of the Quebec Administration Plan. The Claims Administrator may seek directions in respect of a matter relating to the PCC Compensation Plan from the CCAA Court in accordance with the procedure set forth in Sections 12.2.1, 12.2.2.6, 13.1.1, 13.1.2 and 13.1.3 of the PCC Compensation Plan.

34. **THIS COURT ORDERS** that this Order shall have full force and effect in all provinces and territories in Canada, outside Canada and against all Persons against whom it may be enforceable.

35. **THIS COURT REQUESTS** the aid and recognition of any court, tribunal, judicial, regulatory or administrative body having jurisdiction in Canada, the United States or elsewhere to give effect to this Order, and to assist Epiq and the CCAA Plan Administrator and their respective agents in carrying out the terms of this Order. All courts, tribunals, judicial, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to Epiq and the CCAA Plan Administrator as may be necessary or desirable to give effect to this Order or to assist Epiq and the CCAA Plan Administrator and their respective agents in carrying out the terms of this Order.

36. **THIS COURT ORDERS** that Epiq, the CCAA Plan Administrator or the Foreign Representative shall be at liberty and are hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for the assistance in carrying out the terms of this Order and/or to confirm this Order as binding and effective in any appropriate foreign jurisdiction, including in the Chapter 15 Proceedings.

37. **THIS COURT ORDERS** that this Order and all of its provisions are enforceable and effective as of the Plan Implementation Date, without the need for entry or filing.

C.J.

Chief Justice Geoffrey B. Morawetz

IN THE MATTER OF THE COMPANIES' CREDITORS ARRANGEMENT ACT, R.S.C. 1985, c. C-36, AS AMENDED AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF JTI-MACDONALD CORP.
AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF IMPERIAL TOBACCO CANADA LIMITED AND IMPERIAL TOBACCO COMPANY LIMITED
AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF ROTHMANS, BENSON & HEDGES INC.

Court File No.: CV-19-615862-00CL
Court File No.: CV-19-616077-00CL
Court File No.: CV-19-616779-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

Proceeding commenced at TORONTO

AIDE MEMOIRE OF THE ATTORNEY GENERAL OF QUEBEC (Amended and Restated Claims Administrator Order Motion and Epiq's Budget Approval Motion)

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