

C A N A D A

PROVINCE OF QUÉBEC
DISTRICT OF MONTRÉAL

SUPERIOR COURT
(Commercial Division)

NO: 500-11-051741-169

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

IN THE MATTER OF THE PLAN OF COMPROMISE
OR ARRANGEMENT OF:

CORPORATION MOUNT REAL / MOUNT REAL
CORPORATION
GESTION MRACS LTÉE / GESTION MRACS LTD.
REAL VEST INVESTMENTS LTD.-and-
CORPORATION REAL ASSURANCE
ACCEPTATION

Debtor Companies

-and-

RAYMOND CHABOT INC

Monitor/Applicant

APPLICATION FOR THE SANCTION OF THE AMENDED PLAN OF COMPROMISE AND
ARRANGEMENT

(Sections 6 and 11.02 of the *Companies' Creditors Arrangement Act*,
R.S.C. 1985, c. C-36 (the "CCAA"))

TO THE HONORABLE JEAN-FRANÇOIS BUFFONI, J.C.S., SITTING IN COMMERCIAL
DIVISION IN AND FOR THE DISTRICT OF MONTREAL, THE MONITOR RESPECTFULLY
SUBMITS THE FOLLOWING:

1. BACKGROUND

1. On December 1st, 2016, the Honourable Jean-François Buffoni, J.S.C. issued the Initial Order¹ pursuant to the CCAA in respect of the Debtor Companies, as appears from the Court record.

¹ All capitalized terms herein have the meaning ascribed to them in the list of Definitions attached as Schedule "A", unless otherwise defined herein.

2. Pursuant to the Initial Order, Raymond Chabot Inc. was appointed as Monitor of the Debtor Companies and a Stay Period was ordered from the date of the Initial Order until December 31, 2016 and subsequently extended to May 31, 2017 by order of this Court dated December 21, 2016, as appears from the Court record.
3. On December 1st, 2016, Honourable Jean-François Buffoni, J.S.C. of the CCAA Court also issued the Claims and Meeting Order approving the Claims Procedure, a Claims Bar Date of February 14, 2017 and a Meeting of Creditors to be held March 14, 2017 in respect of the Debtor Companies, as appears from the Court record.

2. **ORDER SOUGHT**

4. For the reasons set forth below, the Monitor hereby seeks the issuance of the CCAA Approval Order, being an order: (i) sanctioning the Amended Plan of Compromise and Arrangement (defined below); (ii) authorizing the Parties to undertake the settlement and the transactions contemplated by the Plan; and (iii) providing for the bar of Claims and the Injunction, the whole as set forth in the draft CCAA Approval Order attached hereto as **Schedule "B"**.
5. In support of this application, the Monitor will file as **Exhibit M-1**, no later than at the hearing of this application, and post on the Website, his report to the Court on the sanction of the Plan of Compromise and Arrangement (the "**Monitor's Report**").

3. **GROUND FOR THIS APPLICATION**

6. The facts leading to the filing of the Plan and exhibits in support the Initial Application are detailed in the Initial Application and are hereby restated as if recited herein at length.
7. Since the Initial Order, the Monitor has complied with all his duties and obligations, including those under the CCAA and pursuant to the Initial Order and the Claims and Meeting Order, as further detailed in the Monitor's Report (Exhibit M-1).
8. In effect, on December 8, 2016, the Monitor posted on the Website a notice to the Creditors of the Initial Order, a copy of which is to be attached as a Schedule to the Monitor's Report (Exhibit M-1) and is communicated as **Exhibit M-2** to this application.
9. The Monitor determined in conjunction with Class Counsel the amount of each Class Action Claim and prepared the Creditors' List of Known Creditors, a copy of which is to be attached as a Schedule to the Monitor's Report (Exhibit M-1), was posted on the Website and is communicated as **Exhibit M-3** to this application.
10. The Monitor prepared the documents required for the Notice to Creditors, all of which were duly uploaded on the Website on December 9, 2016 in conformity with the Claims and Meeting Order. Each of these documents could also be easily downloaded from the Website.

11. In addition to the publication referred to in the above paragraph, the Monitor sent, by regular mail or e-mail, a copy of the Plan, the Notice to Creditors, the Creditors' Instructions and a form of Proof of Claim, proxy and voting letter, in both French and English, as well as a blank Form T2033F(16) for direct transfer under subsection 146.3(14.1), 147.5(21) or 146(21) or subparagraph 146(16)a) or 146.3(2)e) of the *Income Tax Act (Canada)* to each Known Creditor within twenty (20) days of the Claims and Meeting Order, copies of which are to be attached as a Schedule to the Monitor's Report (Exhibit M-1) and is communicated as **Exhibit M-4** to this application.
12. A report by the Monitor to the Creditors, dated December 15, 2016, setting forth his recommendations to the Creditors regarding the acceptance of the Plan was also posted on the Website within the same time period and sent to Creditors with the above mentioned package of documents. A copy of these recommendations is to be attached as a Schedule to the Monitor's Report (Exhibit M-1) and is communicated as **Exhibit M-5** to this application.
13. The English language Plan, previously filed with the Court, was included in the documents sent with the Notice to Creditors. The French language translation of the Plan, not previously filed as an Exhibit in these CCAA Proceedings, was also sent to any Creditor that requested a copy and is communicated as **Exhibit M-6** to this application. Both versions of the Plan were also available for download from the Website.
14. In addition to the notices referred to above, the Monitor also sent, by regular mail, a copy of the Creditors' Instructions and of a form of Proof of claim, proxy and voting letter to each Person who notified the Monitor, in writing before the Claims Bar Date, of a possible Claim and to any other Person who requested these documents before the Claims Bar Date, within twenty (20) days of this notification or request.
15. Further communications by Class Plaintiff and Class Counsel with the Class Members are stated in the application for a Class Action Order filed by the Class Plaintiff and Class Counsel before the Class Action Court to be heard concurrently with this application
16. The Monitor received, before the Meeting of Creditors, 1,070 Proofs of Claim for a value of \$107,929,400.96 and 906 voting letters with a total \$91,091,938.56 dollar value of claims. There was overwhelming support of the Creditors in favor of the Plan.
17. The Meeting of Creditors was held on March 14, 2017 at 10:00 a.m. in Montreal, and conducted, in the manner provided for in the Claims and Meeting Order. A total of 85 Creditors attended this meeting in person, as appears from the Minutes of the meeting prepared by the Monitor and the attendance list, also to be attached as a Schedule to the Monitor's Report (Exhibit M-1) and communicated en liasse as **Exhibit M-7**.
18. The Plan was approved by the statutory majorities required by the CCAA for approval of the Plan by Creditors with Proven Claims under the CCAA and the Plan, by a vote in

favor of the Plan by 981 creditors with a \$98,708,699 dollar value of claims in the Ordinary Claims. Only two creditors with claims of \$209,536, voted against the Plan as further detailed in the Monitor's Report. This represents an approval of approximately 99,8 % in number of votes as well as 99,79% in dollar value of voting claims.

19. The Plan was therefore approved by the required majorities of Creditors entitled to vote, as appears from the minutes Exhibit M-7.

4. DISCUSSIONS WITH THE TAX AUTHORITIES

20. At the hearing at which counsel for the Trustee of the Debtor Companies presented the Application for an Initial Order, counsel for the Canada Revenue Agency (the "**CRA**"), made certain representations in which she objected, on behalf of her client, to certain provisions of the Plan of Compromise and Arrangement which was filed in connection with the Debtor Companies in the Application for a Claims and Meeting Order.
21. Following such representations and comments by other counsel present, the Honourable Justice Buffoni suggested that the parties discuss the concerns raised by counsel for CRA with her.
22. Immediately following the Initial Order, the Monitor, the Settling Defendants, Class Counsel and Monitor's Counsel entered into negotiations with the CRA and Revenue Québec in an attempt to obtain advance rulings, decisions or comfort letters pursuant to Sections 4.7.3 and 4.8 of the Plan, which would authorize the Monitor to make withholdings on payments of the amounts of available Funds for Distribution to Class Members, when their claims were derived in whole or in part from losses incurred from investments made in Registered Retirement Savings Plans ("**RRSPs**") or Registered Retirement Income Funds ("**RRIFs**") or to transfer such amounts to the designated trustee of the RRSPs or RRIFs identified by and of which the Class Member is an annuitant.
23. Further to subsequent meetings and discussions between Justice Canada, CRA, Revenue Québec, the Monitor, Class Counsel and the Settling Defendants, an agreement was reached with the tax authorities to amend the Plan, subject to the Settling Defendants and/or their insurers approving the amendments and subject to such amendments being approved by the Court.
24. Prior to the hearing of this application, the Plan may therefore be amended by the Monitor, with the approval of the Settling Defendants, Class Counsel and Monitor's Counsel, to remove or amend certain provisions of the Plan which had been drafted for the exclusive benefit and protection for the Monitor, Monitor's Counsel, Class Counsel and the Settling Defendants, to resolve any potential issues with the tax authorities that could have resulted in contestations and delays in the sanction and implementation of the Plan (the "**Amended Plan**").
25. Such Amended Plan, as currently drafted, is communicated herewith as **Exhibit M-8**.

26. The Amended Plan cannot be approved or enforced if a condition precedent of the Plan Support Agreement providing for the full protection of the CCAA Approval Order sought herein is not obtained.
27. The Amended Plan is patently in the best interests of the Creditors.
28. The amendments made to the Plan and reflected in the Amended Plan do not diminish or affect the rights of the Creditors and simply confirm in greater detail the conditions precedent to the payments to be made under the Amended Plan and the timeline for such payments.
29. Therefore, given the consents of the Class Plaintiff and Class Counsel, there is no need to have the Creditors vote on such amendments, if they are authorized by the Court.

5. THE AMENDED PLAN SHOULD BE SANCTIONED

30. The Monitor has acted in good faith throughout these CCAA Proceedings and has completed and fulfilled all statutory conditions for the sanction of the Amended Plan.
31. The Monitor respectfully submits that the Amended Plan is fair and reasonable. This is further evidenced by the quasi-unanimous vote in favour of the Plan by the Proven Creditors.
32. The Amended Plan, including the settlements and the third party releases, the bar orders and the Injunction provided for therein, are entirely consistent with the objectives of the Settling Defendants, the Class Members, the Monitor, the Trustee, the other Creditors and, we respectfully submit, this Honourable Court when the Debtor Companies were permitted to apply for relief under to the CCAA.
33. The third party releases, bar orders and Injunction provided for in the Amended Plan should be granted because:
 - (a) They are absolutely essential to the Amended Plan, especially insofar as the Debtor Companies will not (and cannot) contribute other than the Bankruptcy Consideration. There is no doubt that without the releases and Injunction provided in favour of the Released Parties, there would be no contributions to the Funds for Distribution and there would be no plan;
 - (b) The monetary contributions including the Settlement Consideration are very significant and thus fully warrant the releases and Injunction sought;
 - (c) The Amended Plan benefits virtually all parties concerned:
 - (i) The holders of Class Action Claims will receive significant, timely compensation that could otherwise take years to achieve, if at all;

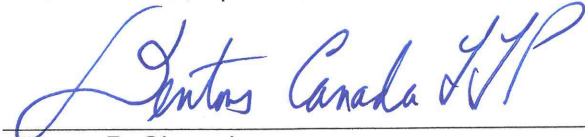
- (ii) Moreover, complex and costly litigation will be avoided in that only certain parties remain subject to proceedings relating to the Class Action. These parties lose absolutely no rights under the Amended Plan and are free to defend themselves in the same manner as though the Debtor Companies were bankrupt;
 - (iii) The Ordinary Creditors receive no less than they would receive in the bankruptcy in the absence of a plan.
- 34. The orders sought pursuant to the proposed CCAA Approval Order are in the best interests of the Ordinary Creditors and holders of Class Action Claims.
- 35. The Monitor supports the conclusions sought pursuant to the proposed CCAA Approval Order, as appears from the Monitor's Report.
- 6. **PLAN SUPPORT AGREEMENT TO REMAIN FILED UNDER SEAL**
- 36. It is a condition of the Plan Support Agreement and Confidentiality Agreement that they be filed and remain under seal in order to preserve the confidentiality of the settlements.
- 37. This is provided for at section 1.6 of the Amended Plan as well.
- 38. It is all the more appropriate to maintain the confidentiality of the Plan Support Agreement in light of that fact that:
 - (a) The Funds for Distribution (amounting to over \$43 million) have been publicly disclosed, thereby allowing Creditors to assess the fairness and reasonableness of the contributions;
 - (b) The Class Plaintiff, subject to undertakings of confidentiality and with the agreement of the Settling Defendants, was made aware of the terms of settlement and agreed with same;
 - (c) Confidentiality was required by the Settling Defendants in order to secure their participation in negotiations;
 - (d) The confidentiality of the Plan Support Agreement does not cause any prejudice to any party.
- 39. It is submitted that the notices given of the presentation of the present Application are proper and sufficient.
- 40. The present Application is well founded in fact and in law.

WHEREFORE, MAY THIS COURT:

- [1] GRANT** the present Application;

- [2] **DECLARE** that the notices given of the presentation of this Application are proper and sufficient;
 - [3] **ISSUE** an order in the form attached as Schedule "B" to this Application;
 - [4] **ORDER** the provisional execution of this Order notwithstanding any appeal;
- WITHOUT COSTS**, save and except in case of contestation.

MONTREAL, April 21, 2017



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SCHEDULE "A" to the Application for the Sanction of the Amended Plan of Compromise and Arrangement

Definitions

1. **"Applicant"** means the Trustee in its capacity as trustee of each of the estates of the Debtors.
2. **"Applicant's Counsel"** means Dentons Canada LLP as counsel retained and instructed by RCGT to act on its behalf in the CCAA Proceedings to give effect to the Plan Support Agreement.
3. **"Approval Date"** means the date on which the Approval Orders become Final Orders. If the Class Action Order and the CCAA Approval Order become Final Orders on different dates, the Approval Date is the latest date on which any of the Class Action Order or CCAA Approval Order becomes a Final Order.
4. **"Approval Orders"** means the Class Action Order and the CCAA Approval Order, collectively.
5. **"B2B"** means B2B BANK as the successor to B2B TRUST, with a place of business at 1981 McGill College Avenue, 20th Floor, Montreal, Quebec H3A 3K3.
6. **"B2B Consideration"** means the amount to be paid by B2B set forth in the Confidentiality Agreement.
7. **"Bankruptcy or Bankruptcies"** means, individually or collectively as the context requires, the bankruptcy proceedings for MRC in the Superior Court of Québec (Commercial Division) file bearing no. 500-11-027031-059, the bankruptcy proceedings for MRACS in the Superior Court of Québec (Commercial Division) file bearing no. 500-11-026937-058, the bankruptcy proceedings for Real Vest in the Superior Court of Québec (Commercial Division) file bearing no. 500-11-027506-068 and the bankruptcy proceedings for RAAC in the Superior Court of Québec (Commercial Division) file bearing no. 500-11-027632-062 which have been consolidated pursuant to an Order of Honourable Jean-Yves Lalonde, J.S.C. dated April 7, 2006.
8. **"Bankruptcy Consideration"** means the amount available for distribution in the Bankruptcy estates on the Approval Date, net of the Trustee's fees and disbursements and applicable taxes thereon, as approved under the provisions of the BIA.
9. **"Bankruptcy Loan"** means the amount outstanding on one or more loans made by the Trustee to Class Counsel for the purpose of funding disbursements in the Class Action.

10. “**BDO**” means BDO Canada LLP, (formerly known as BDO Dunwoody LLP) a limited partnership with a place of business at 1000, de la Gauchetière Street West, Suite 200, Montreal, Québec H3B 4W5.
11. “**BDO Consideration**” means the amount to be paid by BDO set forth in the Confidentiality Agreement, excluding the amount payable for the costs of the arrangement under the CCAA.
12. “**BIA**” means the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3.
13. “**Business Day**” means a day, other than Saturday, Sunday or a statutory holiday, on which banks are generally open for business in Montreal, Québec, Canada.
14. “**CCAA**” means the *Companies’ Creditors Arrangement Act*, R.S.C. c. C-36, as amended.
15. “**CCAA Approval Order**” means an order in the CCAA Proceedings which shall, among other things: (i) approve, sanction and/or confirm the Plan; (ii) authorize the Parties to undertake the settlement and the transactions contemplated by the Plan; and (iii) provide for the bar of Claims and the Injunction.
16. “**CCAA Court**” means the Superior Court of Québec (Commercial Division), sitting as a court designated pursuant to the CCAA.
17. “**CCAA Filing Date**” means the date of the Initial Order.
18. “**CCAA Proceedings**” means the case filed in CCAA Court by the Applicant.
19. “**Claim**” means past, present and future claims, causes of action, obligations, rights, suits, judgments, applications, remedies, interests, actions, liabilities, demands, duties, tax, injuries, damages, expenses, fees, or costs of whatever kind or nature (including attorney’s fees and expenses), whether foreseen or unforeseen, known or unknown, asserted or unasserted, contingent or matured, liquidated or unliquidated, whether delict, quasi-delict, in tort, contract, extra-contractual responsibility or otherwise, whether statutory, at common law, civil law, public law or in equity, regardless of the legal theory (i) arising out of, based upon, or connected to, in whole or in part, directly or indirectly, whether through a direct claim, cross-claim, third-party claim, commodity or income tax claim, warranty claim, recursory claim, indemnification claim, subrogation claim, forced intervention, class action or otherwise, from (a) the Class Action, including any claims for investment loss in capital and interest related to the Promissory Notes or otherwise related directly or indirectly to one or more of the Debtors or the audited or unaudited, consolidated or unconsolidated financial statements of any of them; or (b) the Existing Agreements, or (ii) that would otherwise constitute a claim by or against the Debtors, provable in bankruptcy under the BIA, when the Debtors became subject to the CCAA Proceedings. This definition of Claim includes, but is not limited to, claims for breach of contract, breach of the

implied covenant of good faith and fair dealing, duty to inform, statutory or regulatory violations, for indemnity or contribution, or punitive, exemplary or extra-contractual damages of any type, as may be limited herein.

20. **"Claim Appeal Motion"** means, with respect to any Claim, the motion which shall be served upon the Monitor, Applicant's Counsel and Class Counsel and filed in Court by the Creditor disputing a Notice of Revision or Notice of Rejection of the Creditor's Proof of Claim and setting out the reasons for the appeal.
21. **"Claims Bar Date"** has the meaning ascribed thereto in the Claims Bar Date section of the Claims and Meeting Order.
22. **"Claims Procedure"** means the procedure established for the filing of Proof of Claims in the CCAA Proceedings pursuant to the Claims Procedure section of the Claims and Meeting Order.
23. **"Claims and Meeting Order"** means the order rendered by the CCAA Court approving a claims process, a claims bar date and a meeting of creditors, as such order may be amended, restated or varied from time to time.
24. **"Claims Resolution Process"** means the provisions of the Claims and Meeting Order establishing the procedure for determining the validity and quantum of any disputed Claims for the purpose of the Plan.
25. **"Class"** or **"Class Member"** means "Toutes les personnes qui en date du 9 novembre 2005 étaient propriétaires de billets à ordre émis par les sociétés Corporation Mount Real, Gestion MRACS Ltée, Investissements Real Vest Ltée et Corporation Real Assurance Acceptation" who did not exclude themselves within the prescribed delays.
26. **"Class Action"** means the class action commenced on or about November 8, 2008, before the Class Action Court, under court file 500-06-000453-080, including all subsequent amendments and all proceedings in this Court file, whether before or after the action was authorized to proceed as a class action.
27. **"Class Action Claims"** means Claims of the members of the Class that are accepted under the Plan.
28. **"Class Action Court"** means the Superior Court of Québec (Class Action Division) presided by the Honourable Jean-François Buffoni, J.S.C.
29. **"Class Action Order"** means the order issued in the Class Action (i) confirming that the CCAA Approval Order shall be binding and giving full effect against the parties designated in and part of the Class Action, whether as a class representative, class member, named defendant/respondent or mis-en-cause; (ii) removing the allegations and conclusions against the Settling Defendants; and (iii) terminating the Class Action against the Settling Defendants without costs.

30. **"Class Counsel"** means Belleau Lapointe and Trudel, Johnston & Lespérance as counsel retained by Class Plaintiff in the Class Action.
31. **"Class Counsel Fees"** means, in the respective proportions indicated in writing by Class Counsel to the Monitor, a total amount of fees equal to twenty per cent (20%) of the Settling Defendants' Consideration received by the Monitor, plus the Class Counsel's disbursements relating to the Class Action and the CCAA Proceedings, plus applicable taxes thereon, as established in invoices addressed to the Class Plaintiff in a form acceptable to the Monitor.
32. **"Class Plaintiff"** means Andrée Ménard, in her capacity as representative of the Class.
33. **"Confidentiality Agreement"** means the agreement signed between Deloitte, BDO, SLF, B2B and Class Plaintiff, with the intervention of the Liquidator, RCGT and persons and counsel present during the case settlement conference presided by the Honourable Louis Lacoursière, J.S.C. which was held during the week of July 11, 2016, dated as of July 15, 2016.
34. **"Creditors"** means collectively all Persons holding any Claim against: (i) MRC, MRACS, Real Vest or RAAC; (ii) the Settling Defendants; and/or (iii) any of the Released Parties and **"Creditor"** means any one of them.
35. **"Creditors' Instructions"** means the instructions for Creditors explaining how to file a Proof of Claim.
36. **"Creditors' List"** means a list, prepared by the Monitor and filed with the CCAA Court, of all Known Creditors, as may be updated from time to time.
37. **"Debtors"** or **"Debtor Companies"** means MRC, MRACS, Real Vest and RAAC.
38. **"Deloitte"** means Deloitte LLP, a limited partnership with a place of business at 1190 Avenue des Canadiens-de-Montréal, Suite 500, Montreal, Québec H3B 0M7.
39. **"Deloitte Consideration"** means the amount to be paid by Deloitte set forth in the Confidentiality Agreement.
40. **"Distribution Date"** means the date or dates from time to time set in accordance with the provisions of the Plan to effect distributions in respect of the Proven Claims.
41. **"Effective Time"** means 8:00 a.m. (Montreal time) on the Plan Implementation Date.
42. **"Effective Time of the Initial Order"** means 12:01 a.m. (Montreal time), on the date of the Initial Order.

43. **"Execution Date"** means the first day upon which all Parties have executed the Plan Support Agreement and delivered a copy to counsel for the other Parties.
44. **"Existing Agreements"** means any and all contracts or agreements between the Debtors and/or the Individual Defendants and/or any of the Creditors on the one hand, and any of the Released Parties, on the other hand, except if such contracts or agreements are between a Creditor and a Released Party and are completely unrelated to: (i) the subject matter of the Class Action; or ii) the Debtors and/or the Individual Defendants and/or their affiliates, subsidiaries, predecessors, successors, affiliates of their predecessors and successors, shareholders, directors, officers, agents, employees, partners or members.
45. **"FAAC"** means Fonds d'aide aux actions collectives.
46. **"Final Order"** means an order of the Class Action Court or the CCAA Court or any and all courts with jurisdiction to consider any appeals, that is no longer subject to further appeals, either because the time to appeal has expired without an appeal being filed, or because it has been affirmed, and that has not been challenged by inter alia an application for certiorari, retractation, modification or rectification of the judgment.
47. **"Funds for Distribution"** means the full net amount of capital of the Settlement Consideration and Bankruptcy Consideration received by the Monitor for distribution to Creditors, without any deduction whatsoever for professional fees and disbursements related to the CCAA Proceedings, but after deduction of the payment by the Monitor to Class Counsel of the Class Counsel Fees.
48. **"Individual Defendants"** means, Paul D'Andrea, Lino P. Matteo and the mis en causes Laurence Henry, Lowell Holden, Joseph Pettinicchio, and Andris Spura.
49. **"Initial Application"** means the application filed by the Trustee seeking an initial order under the CCAA with respect to the Debtor Companies.
50. **"Initial Order"** means the order issued by the CCAA Court, on the Initial Application of the Applicant, authorizing the filing of the CCAA Proceedings and appointing the Monitor, as may be amended.
51. **"Injunction"** means an order by the CCAA Court acceptable to the Settling Defendants permanently releasing and enjoining the enforcement, prosecution, continuation or commencement of any Claim that any Person, including, without limitation, any Creditor, holds or asserts or may in the future hold or assert against the Released Parties. The Injunction shall provide that any and all Claims against the Released Parties will be permanently and automatically compromised, discharged and extinguished, that all Persons, including, without limitation, all Creditors, whether or not consensually, shall be deemed to have granted full, final and definitive releases of any and all Claims to the Released Parties and

shall be permanently and forever barred, estopped, stayed and enjoined from (i) pursuing any Claim, directly or indirectly against the Released Parties; (ii) continuing or commencing, directly or indirectly, any action or other proceeding with respect to any Claim against the Released Parties; (iii) seeking the enforcement, attachment, collection or recovery of any judgment, award, decree, or order against the Released Parties or the property of the Released Parties with respect to any Claim; (iv) creating, perfecting, or enforcing any encumbrance of any kind against the Released Parties or the property of the Released Parties with respect to any Claim; and (v) asserting any right of setoff, subrogation, indemnification, recursory right, warranty, contribution or recoupment of any kind against any obligations due to or by the Released Parties with respect to any Claim.

52. **"Known Creditor"** means a Creditor listed on the list filed by the Monitor at the hearing for the Claims and Meeting Order, as may be updated from time to time.
53. **"Liquidator"** means Ernst & Young Inc., a Canadian corporation having a place of business at 800 René-Lévesque Boulevard West, Suite 1900, Montreal, Quebec H3B 1X9, acting in its capacity as court appointed liquidator of Penson Financial Services Canada Inc.
54. **"Meeting of Creditors"** means a meeting or meetings of the Creditors to consider and vote on the Plan held pursuant to the Claims and Meeting Order and includes any meeting or meetings resulting from the adjournment thereof.
55. **"Monitor"** means Raymond Chabot Inc. (represented by Mr. Jean Gagnon, CPA, CA, CIRP, SAI), solely in its capacity as monitor in the CCAA Proceedings, or such other entity as may be approved by the CCAA Court in the future to serve in such capacity in the CCAA Proceedings.
56. **"MRACS"** means MRACS Ltée / Gestion MRACS Ltd. and its predecessors and successors.
57. **"MRC"** means Corporation Mount Real/Mount Real Corporation and its predecessors and successors.
58. **"Net Capital"** means the capital initially invested by a Class Member, without any interest thereon, less any amount paid to the Class Member.
59. **"Notice to Creditors"** means the notice of the Claims and Meeting Order to be published on the Website on the Publication Date, which shall set out the Claims Procedure, Claims Bar Date, Claims Resolution Process, the notice of the Meeting of Creditors, the notice of the application for Court approval of the Plan and the Creditors' Instructions, being substantially in the form of Schedule "B" to the Claims and Meeting Order.
60. **"Notice of Rejection"** means the notice informing a Creditor that the Monitor, in consultation with Class Counsel, have determined that the

Creditor's Claim is deemed or is presumed rejected and setting out the reasons for rejection.

61. **"Notice of Revision"** means the notice informing a Creditor that the Monitor, in consultation with Class Counsel, have revised all or part of such Creditor's Claim set out in its Proof of Claim and setting out the reasons for revision.
62. **"Ordinary Creditors"** means Persons holding Ordinary Claims.
63. **"Ordinary Claims"** means Claims in the CCAA Proceedings that are: i) filed as Ordinary Claims with the Monitor subject to being accepted as Proven Claims under the Plan; ii) proof of claims previously filed in the Bankruptcies with the Trustee, subject to being accepted as Proven Claims under the Plan; and iii) Class Actions Claims filed with the Monitor which are concurrently deemed filed as Ordinary Claims for the same amount.
64. **"Parties"** means the Trustee (in its capacity as a trustee to the Bankruptcies and Monitor), the Class Plaintiff (in her capacity as representative of the Class) and the Settling Defendants.
65. **"Penson"** means Penson Financial Services Canada Inc.
66. **"Penson Agreement"** means the agreement entered into on October 3 and 5, 2016 between the Class Plaintiff and the Liquidator and homologated by the court in the liquidation proceedings of Penson on October 18, 2016.
67. **"Penson Consideration"** means the amount to be paid by the Liquidator on behalf of Penson set forth in the Penson Agreement.
68. **"Person"** means and includes a natural person or persons, a group of natural persons acting as individuals, a group of natural individuals acting in collegial capacity (e.g., as a committee, board of directors, etc.), a corporation, partnership, limited liability company or limited partnership, a proprietorship, joint venture, trust, legal representative, or any other unincorporated association, business organization or enterprise, any government entity and any successor in interest, heir, executor, administrator, trustee, trustee in bankruptcy (including the Trustee), or receiver of any such person or entity.
69. **"Plan"** means the plan of compromise and arrangement filed with respect to the Debtors in the CCAA Proceedings, including any amendment thereto if such amendment is agreed in writing to by all of the Parties to the Plan Support Agreement.
70. **"Plan Implementation Date"** means the Business Day on which the Monitor has filed with the CCAA Court the certificate contemplated in the Plan.
71. **"Plan Support Agreement"** means the Plan Support and Settlement Agreement entered into among the Settling Defendants, the Trustee and

the Class Plaintiff on the Execution Date, and as the context requires, includes the Confidentiality Agreement and the Pension Agreement.

72. **"Proceedings"** means the Bankruptcy and the CCAA Proceedings.
73. **"Promissory Notes"** means promissory notes allegedly issued and/or guaranteed by MRC and its affiliated or related or formerly affiliated or related entities MRACS, Real Vest and RAAC from 1993 to November 2005. For greater certainty, the notes issued by any other entity are expressly excluded from this definition.
74. **"Proof of Claim"** means the forms of Proof of Claim for Ordinary Creditors and Class Members as approved by the Claims and Meeting Order.
75. **"Property"** means all the Debtor Companies' present and future assets, rights, undertakings and properties of every nature and kind whatsoever, and wherever situated, including all proceeds thereof.
76. **"Proven Claims"** means a Claim finally determined, settled or accepted for voting and distribution purposes in accordance with the provisions of the Plan or the Claims Resolution Process, in the applicable category or categories as an Ordinary Claim and/or a Class Action Claim.
77. **"Publication Date"** means the date on which the publication of the Notice to Creditors on the Website has been completed.
78. **"RAAC"** means Corporation Real Assurance Acceptation and its predecessors and successors.
79. **"Raymond Chabot Inc."** or **"RCGT"** means Raymond Chabot Inc. in such capacity of Monitor or Trustee as required by the context.
80. **"Real Vest"** means Real Vest Investments Ltd. and its predecessors and successors.
81. **"Related Released Parties"** means all of the Persons who are Released Parties in relation to a particular Settling Defendant.
82. **"Released Parties"** means the Settling Defendants, their affiliates, subsidiaries, predecessors, successors, affiliates of their predecessors and successors, and each of their shareholders, directors, officers, agents, employees, partners, members, legal counsel, experts, consultants, advisors and/or insurers and includes Persons who have a financial interest in, perform services for, or have commercial dealings with one of the Released Parties.
83. **"Representation Order"** means the order to be rendered on the CCAA Filing Date in the CCAA Proceedings by the CCAA Court appointing, as representatives of the class members designated in the Class Action, the Class Plaintiff, represented by the Class Counsel, to further act on behalf of the Class before the CCAA Court in the context of the CCAA Proceedings.

- 84. **"Settlement Consideration"** means, subject to the terms of the plan Support Agreement, the aggregate sum of no less than \$43,025,000 to be delivered by the Settling Defendants in their respective proportions pursuant to Section 2 of the Confidentiality Agreement (excluding the amounts payable by BDO and SLF for the costs of the arrangement under the CCAA) and the Penson Agreement, plus the Bankruptcy Consideration.
- 85. **"Settling Defendants"** means B2B, the Liquidator on behalf of Penson, Deloitte, BDO and SLF.
- 86. **"Settling Defendants' Consideration"** means the aggregate sum of no less than \$43,025,000 to be delivered by the Settling Defendants in their respective proportions pursuant to the Plan Support Agreement.
- 87. **"SLF"** means Schwartz Levitsky Feldman LLP, a limited partnership with a place of business at 1980 Sherbrooke Street West, 10th Floor, Montreal, Québec H3H 1E8.
- 88. **"SLF Consideration"** means the amount to be paid by SLF set forth in the Confidentiality Agreement, excluding the amount payable for the costs of the arrangement under the CCAA.
- 89. **"Stay Period"** means the period of the stay of proceedings ordered in the Initial Order, as may be extended by the Court from time to time.
- 90. **"Trustee"** means Raymond Chabot Inc., a Québec company having a place of business at 600 De La Gauchetière Street West, Suite 2000, Montréal, Québec, H3B 4L8, solely in its capacity as trustee appointed in the Bankruptcies of the Debtors.
- 91. **"Unaffected Claims"** or "Unaffected Claim" has the meaning given to that term in the Plan.
- 92. **"Website"** means the website maintained by the Monitor in respect of the CCAA Proceedings pursuant to the Initial Order at the web address listed in the Claims and Meeting Order.

**SCHEDULE "B" to the Application for the Sanction of the Amended Plan of Compromise
and Arrangement**

DRAFT CCAA APPROVAL ORDER

SUPERIOR COURT
(Commercial Division)

CANADA
PROVINCE OF QUEBEC
DISTRICT OF MONTREAL

NO: 500-11-0051741-169

DATE: April 26, 2017

PRESIDING: THE HONOURABLE JEAN-FRANÇOIS BUFFONI, J.S.C.

IN THE MATTER OF THE PLAN OF COMPROMISE OR ARRANGEMENT OF:

**CORPORATION MOUNT REAL / MOUNT REAL CORPORATION
GESTION MRACS LTÉE / GESTION MRACS LTD.
REAL VEST INVESTMENTS LTD. -and-
CORPORATION REAL ASSURANCE ACCEPTATION**

Debtor Companies

-and-

RAYMOND CHABOT INC.

Applicant/Monitor

**ORDER SANCTIONING THE AMENDED PLAN OF COMPROMISE AND ARRANGEMENT
AND ISSUING A CLAIMS BAR ORDER AND INJUNCTION
("CCAA APPROVAL ORDER")**

JB3588

[1] **SEEING** the Monitor's *Application for Sanction of the Amended Plan of Compromise and Arrangement* (the "**Application**");

[2] **CONSIDERING** sections 6 and 11 of the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "**CCAA**") and the submissions of counsel present at the hearing;

[3] **SEEING** the Monitor's Report to the Court on the Sanction of the Amended Plan, Exhibit M-1;

[4] **CONSIDERING** the high rate of approval of the original plan by the Creditors of 99,8%, as appears from the Monitor's Report to the Court on the Sanction of the Amended Plan, and the steps taken by the Monitor to achieve this rate of approval;

[5] **CONSIDERING** that the Monitor, the Settling Defendants and Class Counsel have worked together with the tax authorities to resolve the concerns of the Canada Revenue Agency raised before the Court during the hearing held on December 1, 2016 in this matter and also the concerns of the Quebec Revenue Agency, regarding the Class Members whose claims were derived in whole or in part from losses incurred from investments made in Registered Retirement Savings Plans ("**RRSP**") or Registered Retirement Income Funds ("**RRIF**") and that an agreement was reached for the filing of an amended plan, Exhibit M-8, ("**Amended Plan**") and the proposed CCAA Approval Order;

[6] **GIVEN** that the Creditors have been awaiting the resolution of their Claims for more than 10 years, the importance of the amounts, the age of the Members and the urgency of the need for the payments provided for under the Amended Plan;

[7] **GIVEN** that, as a result of the Amended Plan, the holders of Class Action Claims will avoid complex and costly litigation and receive significant, timely compensation that could otherwise have taken years to achieve, if at all;

[8] **GIVEN** the provisions of the CCAA and the absence of contestation;

FOR THESE REASONS, THE COURT:

[9] **GRANTS** the Application;

[10] **DECLARES** that the notices given of the presentation of the Application are adequate and sufficient;

[11] **AUTHORIZES** the filing of the Amended Plan, Exhibit M-8 and **DECLARES** that such Amended Plan replaces for all intents and purposes the Plan approved by the Creditors and **FURTHER DISPENSES** any requirement to have the Creditors vote on the Amended Plan since the amendments are entirely in their best interest;

DEFINITIONS

[12] **ORDERS** that capitalized terms not otherwise defined in this CCAA Approval Order or in the Application shall have the meanings ascribed to them in **Schedule "A"** attached hereto;

SERVICE AND MEETING

[13] **ORDERS AND DECLARES** that the notice to creditors procedures set out in paragraphs 8 to 12 of the Claims and Meeting Order have been duly followed and that there has been valid and sufficient notice of the Creditors' Meeting and service, delivery and notice of the Notice to Creditors, including the Plan and the Monitor's Report to Creditors dated December 15, 2016, for the purpose of the Creditors' Meeting, which service, delivery and notice was effected by (i) publication on the Website; and (ii) mailing or communication of the documents set out in paragraph 11 of the Claims and Meeting Order to all Known Creditors, by prepaid regular mail, courier, fax or email, at the address appearing on the Creditors' List, and that no other or further notice is or shall be required;

[14] **ORDERS AND DECLARES** that the Creditors' Meeting was duly called, convened, held and conducted in accordance with the CCAA and the Orders of this Court in these CCAA Proceedings, including without limitation the Claims and Meeting Order;

SANCTION OF THE AMENDED PLAN

[15] **ORDERS AND DECLARES** that :

- a) the Debtor Companies are debtor companies to which the CCAA applies, and the Court has jurisdiction to sanction the Amended Plan;
- b) the Plan has been approved by the required majority of Creditors with Proven Claims voting in conformity with the CCAA and the Claims and Meeting Order;
- c) the filing of the Amended Plan is entirely in the best interest of the Creditors and was properly filed for sanction by this Court;
- d) the Applicant has complied in all respects with the provisions of the CCAA and all the Orders made by this Court in the CCAA Proceedings;
- e) the Court is satisfied that the Applicant has neither done nor purported to do anything that is not authorized by the CCAA; and
- f) the Monitor, the Class Plaintiff, and the Settling Defendants have each acted in good faith and with due diligence, and the Amended Plan (and its

implementation) is fair and reasonable, and in the best interests of the Debtor Companies, the Creditors, the other stakeholders of the Debtor Companies and all other Persons stipulated in the Amended Plan;

[16] **ORDERS AND DECLARES** that the Amended Plan and its implementation, are hereby sanctioned and approved pursuant to Section 6 of the CCAA;

AMENDED PLAN IMPLEMENTATION

[17] **ORDERS** that, as of the Plan Implementation Date, the Applicant shall be and is authorized and directed, for and on behalf of the Debtor Companies, and in his capacity as Monitor, to take all steps and actions, and to do all such things, as determined by the Monitor to be necessary or appropriate to implement the Amended Plan in accordance with its terms and as contemplated thereby, and to enter into, adopt, execute, deliver, implement and consummate all of the steps, transactions and agreements, including, without limitation, the Plan Support Agreement, and to perform its obligations under such agreements, documents, securities and instruments as may be necessary or desirable to implement and effect the Amended Plan, and to take any further actions required in connection therewith;

[18] **ORDERS** that the Amended Plan and all associated steps, compromises, transactions, arrangements, releases, Injunctions, offsets and cancellations effected thereby are hereby approved, shall be deemed to be implemented and shall be binding and effective in accordance with the terms of the Amended Plan or at such other time, times or manner as may be set forth in the Amended Plan, in the sequence provided therein, and shall enure to the benefit of and be binding upon the Applicant, the Creditors, the Released Parties and all Persons affected by the Amended Plan and their respective heirs, administrators, executors, legal personal representatives, successors and assigns;

[19] **ORDERS** that from and after the Plan Implementation Date, and for the purposes of the Amended Plan only, when any of the Debtor Companies do not have the ability or the capacity pursuant to applicable law to provide its agreement, waiver, consent or approval to any matter requiring its agreement, waiver, consent or approval under the Amended Plan, such agreement, waiver, consent or approval may be provided by the Monitor at his discretion, failing which such agreement, waiver, consent or approval shall be deemed not to be necessary;

[20] **ORDERS** that upon fulfillment or waiver of the conditions precedent to implementation of the Amended Plan as set out and in accordance with Article 6 of the Amended Plan, the Monitor shall deliver the Monitor's Certificate,

substantially in the form attached as **Schedule "B"** to this CCAA Approval Order, with respect to each Settling Defendant, and shall file with the Court a copy of such certificate as soon as reasonably practicable on or forthwith following the Plan Implementation Date and shall post a copy of same, once filed, on the Website;

DISTRIBUTIONS BY THE MONITOR

[21] **ORDERS** that the Monitor shall be authorized and directed to administer, and finally determine the Proven Claims of Creditors and to manage the distribution of the Funds for Distribution on the Plan Implementation Date, in accordance with the Amended Plan and the Claims and Meeting Order;

[22] **ORDERS AND DECLARES** that all distributions to and payments by or at the direction of the Monitor, to the Creditors with Proven Claims under the Amended Plan are for the account of the Debtor Companies and the fulfillment of their obligations under the Amended Plan including to make distributions to Creditors with Proven Claims;

[23] **ORDERS AND DECLARES** that, notwithstanding :

- a) the pendency of these proceedings and the declarations of insolvency made therein;
- b) any application for a bankruptcy order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act*, R.S.C., c. B-3, as amended in respect of the Debtor Companies and any bankruptcy order issued pursuant to any such application; and
- c) any assignment in bankruptcy made in respect of the Debtor Companies;

the transactions contemplated in the Amended Plan, the payments or distributions made in connection with the Amended Plan and the Plan Support Agreement, whether before or after the Execution Date, and any action taken in connection therewith, including, without limitation, under this Order shall not be void or voidable and do not constitute nor shall they be deemed to be a settlement, fraudulent preference, assignment, fraudulent conveyance, transfer at undervalue or other challengeable transaction under the BIA, article 1631 and following of the Civil Code or any other applicable federal or provincial legislation, and the transactions contemplated in the Amended Plan, the payments or distributions made in connection with the Amended Plan and the Plan Support Agreement, whether before or after the Execution Date, and any action taken in connection therewith, do not constitute conduct meriting an

oppression remedy under any applicable statute and shall be binding on an interim receiver, receiver, liquidator or trustee in bankruptcy appointed in respect of the Debtor Companies;

APPROVAL OF PLAN SUPPORT AGREEMENT

[24] **ORDERS AND DECLARES** that (i) the Applicant has entered into the Plan Support Agreement in exchange for fair and reasonable consideration; (ii) the Plan Support Agreement is a good faith compromise, in the best interests of the Applicant, the Creditors, the Class Plaintiff the other stakeholders of the Debtor Companies and all other Persons stipulated in the Amended Plan; (iii) the Plan Support Agreement is fair, equitable and reasonable and an essential element of the Amended Plan and (iv) the Plan Support Agreement be and is hereby approved;

[25] **ORDERS** that the Plan Support Agreement and the Confidentiality Agreement shall remain sealed and shall not form part of the public record, subject to further Order of this Court;

[26] **ORDERS AND DIRECTS** the Monitor to do such things and take such steps as are contemplated to be done and taken by the Monitor under the Amended Plan. Without limitation: (i) the Monitor shall hold the Settlement Consideration; and (ii) hold and distribute the Funds for Distribution in accordance with the terms of the Amended Plan and the Claims Resolution Process under the Claims and Meeting Order;

RELEASES AND INJUNCTION

[27] **ORDERS AND DECLARES** that, in this "Releases and Injunction" section, the orders are effective upon the Approval Date and the payment of its Settlement Consideration by a Settling Defendant or by its insurer(s) on its behalf, and apply only to such Settling Defendant and its Related Released Parties with respect to any and all Claims, whether or not related to the Class Action.

[28] **ORDERS AND DECLARES** that the compromises, arrangements, releases, discharges, bar orders and Injunctions contemplated in the Amended Plan, including those granted by and for the benefit of the Released Parties, are integral components thereof and are necessary for, and vital to, the success of the Amended Plan and that all such releases, discharges, bar orders and Injunctions are hereby sanctioned, approved, binding and effective as and from the Effective Time on the Plan Implementation Date;

[29] **ORDERS** that, without limiting anything in this CCAA Approval Order, or anything in the Amended Plan, without any further action of the Parties, each of the Monitor and Trustee, on its own behalf and on behalf of the Debtors, the Class Plaintiff, and all of the Class, will be deemed by the Amended Plan and this CCAA Approval Order to fully, finally, and completely remise, release, acquit and forever discharge such Settling Defendant and its Related Released Parties from any and all Claims, whether or not related to the Class Action; all Claims, except Unaffected Claims, shall be fully, finally, absolutely, unconditionally, completely, irrevocably and forever compromised, remised, released, discharged, cancelled and barred on the Plan Implementation Date as against such Settling Defendant and its Related Released Parties, whether or not a Proof of Claim has been submitted and whether or not such Claim became a Proven Claim or was withdrawn, rejected, excluded or otherwise dismissed.

[30] **ORDERS** that any Claim that any Person (regardless of whether or not such Person is a Creditor or Claimant) holds or asserts or may in the future hold or assert against any such Settling Defendant and its Related Released Parties or that could give rise to a Claim against such Settling Defendant and its Related Released Parties whether through a cross-claim, third-party claim, warranty claim, recursory claim, subrogation claim, forced intervention or otherwise, arising out of, in connection with and/or in any way related to the Debtor Companies, is hereby permanently and automatically released and the enforcement, prosecution, continuation or commencement thereof is permanently and automatically enjoined and forbidden. Any and all Claims against such Settling Defendant and its Related Released Parties are permanently and automatically compromised, discharged and extinguished, and all Persons and Claimants, whether or not consensually, shall be deemed to have granted full, final, absolute, unconditional, complete and definitive releases of any and all Claims to such Settling Defendant and its Related Released Parties;

[31] **ORDERS** that all Persons (regardless of whether or not such Persons are Creditors or Claimants) shall be permanently and forever barred, estopped, stayed and enjoined from (i) pursuing any Claim, directly or indirectly, against such Settling Defendant and its Related Released Parties, (ii) continuing or commencing, directly or indirectly, any action or other proceeding with respect to any Claim against such Settling Defendant and its Related Released Parties, or with respect to any claim that could give rise to a Claim against such Settling Defendant and its Related Released Parties whether through a cross-claim, third-party claim, warranty claim, indemnification claim, recursory claim, subrogation claim, forced intervention or otherwise, (iii) seeking the enforcement, levy, attachment, collection, contribution or recovery of or from any judgment, award, decree, or order against such Settling Defendant and its Related Released Parties or property of such Settling Defendant and its Related Released Parties

with respect to any Claim, (iv) creating, perfecting, or otherwise enforcing in any manner, directly or indirectly, any lien or encumbrance of any kind against such Settling Defendant and its Related Released Parties or the property of such Settling Defendant and its Related Released Parties with respect to any Claim, (v) acting or proceeding in any manner, in any place whatsoever, that does not conform to or comply with the provisions of the Approval Orders to the full extent permitted by applicable law, (vi) asserting any right of setoff, compensation, subrogation, contribution, indemnity, claim or action in warranty or forced intervention, recoupment or avoidance of any kind against any obligations due to such Settling Defendant and its Related Released Parties with respect to any Claim or asserting any right of assignment of or subrogation against any obligation due by any of such Settling Defendant and its Related Released Parties with respect to any Claim; and (vii) taking any actions to interfere with the implementation or consummation of the Amended Plan, provided, however, that the foregoing shall not apply to the enforcement of any obligations under the Amended Plan;

[32] **ORDERS** that notwithstanding the foregoing, the releases, the bar orders and the Injunction as provided in this CCAA Approval Order and in Section 5.1 of the Amended Plan shall not extend to and shall not be construed as extending to any Unaffected Claims under section 3.5 of the Amended Plan or claims under section 5.3 of the Amended Plan and are not intended to, and shall not, extend to or otherwise release or discharge any rights, privileges, benefits, duties, or obligations of any of the Parties by reason of, or otherwise arising under, the Plan Support Agreement, the Confidentiality Agreement and/or the Person Agreement;

[33] **ORDERS** that, without limitation to the Claims and Meeting Order, any holder of a Claim, including any Creditor, who did not file a Proof of Claim before the Claims Bar Date shall be and is hereby forever barred from making any Claim against the Applicant and Released Parties and any of their successors and assigns, and shall not be entitled to any distribution under the Amended Plan, and that such Claim is forever extinguished;

BAR ORDERS

[34] **ORDERS** that, without limiting the Injunction and releases and without limiting paragraphs [27] to [33] set forth above, all (i) Individual Defendants (ii) Released Parties; (iii) Persons who have voted for or against the Amended Plan; and (iv) any other Persons that hold, have held or may hold a Claim (including a Class Action Claim), (collectively, the “**Barred Persons**”), except Unaffected Claims are hereby permanently barred, enjoined and restrained from

commencing, continuing, prosecuting, or asserting in this Court, in any federal or provincial court, or in any other court, arbitration proceeding, administrative agency, or other forum in Canada or elsewhere (each such venue, a "**Trial Court**"), any Claim (including a Class Action Claim) against any of the Released Parties, including, without limitation, any indemnity, contribution, reimbursement or subrogation claim, whether based upon a contract, tort or otherwise, against any Released Party (collectively, the "**Barred Claims**"). This Order is without prejudice to the position of any party as to the existence, in the absence of this Order, of any Barred Claim.

[35] **ORDERS** that, for the avoidance of doubt, and notwithstanding anything to the contrary, nothing in paragraph [34] shall in any way modify or affect the releases and/or Injunction in favor the Released Parties as set forth in paragraphs [27] through [33], inclusive, of this Order, and nothing set forth herein shall be interpreted as providing that any Released Parties have any liability to any Person for any Claims.

THE MONITOR

[36] **ORDERS** that all of the actions and conduct of the Monitor disclosed in the Monitor's reports are hereby approved, and **DECLARES** that the Monitor has satisfied all of its obligations up to and including the date of this Order;

[37] **ORDERS** that, without limiting the generality of the foregoing, effective upon the Plan Implementation Date, any and all claims against (a) the Monitor in connection with the performance of its duties as Monitor of the Debtor Companies up to the Plan Implementation Date, (b) the Settling Defendants in connection with any act or omission relating to the negotiation, drafting or execution of the Plan Support Agreement, or the negotiation, solicitation or implementation of the Amended Plan, and (c) the Class Plaintiff in connection with the negotiation, solicitation and implementation of the Amended Plan shall, in each case, be and are hereby stayed, extinguished and forever barred and neither the Monitor, the Released Parties, nor the Class Plaintiff shall have any liability in respect thereof except for any liability arising out of gross negligence or willful misconduct on the part of any of them, provided however that this paragraph shall not release the Monitor of its remaining duties pursuant to the Amended Plan and this Order and more particularly with regard to the tax matters as agreed with the tax authorities and as referred to in paragraph 4.7 of the Amended Plan (the "**Remaining Duties**");

[38] **ORDERS** that no action or other proceeding shall be commenced against the Monitor in any way arising from or related to its capacity or conduct as

Monitor except with prior leave of this Court on notice to the Monitor and upon such terms as may be determined by the Court;

[39] **DECLARES** that the protections afforded to Raymond Chabot Inc., as Monitor and as officer of this Court, pursuant to the terms of the Initial Order and the other Orders made in the CCAA Proceedings shall not expire or terminate on the Plan Implementation Date and, subject to the terms hereof, shall remain effective and in full force and effect;

[40] **DECLARES** that the Monitor has been and shall be entitled to rely on the books and records of the Debtor Companies and any information therein without independent investigation and shall not be liable for any claims or damages resulting from any errors or omissions in such books, records or information;

[41] **DECLARES** that the Monitor shall not, subject to the agreement with the tax authorities, under any circumstances, be liable for any of the Debtor Companies' tax liabilities regardless of how or when such liability may have arisen;

[42] **DECLARES** that neither the Monitor, Class Counsel, Applicant's Counsel, the Released Parties, nor the Class Plaintiff shall incur any liability to the Class Members as a result of acting in accordance with the Plan and the Orders, including without limitation, including any tax consequence of any distributions, payments, transfer and documents issued under this Order, including without limitation any transfer or payment into a RRSP or RRIF in the name of the Class Member;

[43] **DECLARES** that the "Releases and Injunction" and "Bar Orders" section of this CCAA Approval Order shall apply *mutatis mutandis* to all claims by Class Members against the Released Parties, the Monitor, Class Counsel and the Applicant's Counsel with respect to the above tax consequences;

[44] **DECLARES** that neither the Monitor, nor the Applicant's Counsel, nor the Class Counsel, Class Plaintiff nor the Settling Defendants have made or will make any representation regarding the tax qualification of the Settling Defendants' Consideration or any payments or transfers made under the Amended Plan to a Class Member and in particular whether said Consideration qualifies as eligible for deposit and/or transfer to a RRSP or a RRIF of which the Class Member is the annuitant. Any and all payments or transfers by the Monitor to a Class Member or a RRSP or RRIF of which the Class Member is the annuitant will be made at the sole direction of the Class Members. The Monitor, Applicant's Counsel, Class Counsel and the Released Parties shall have no

responsibility whatsoever for any tax planning or tax consequences in respect of the payments made to a Class Member or to a RRSP or RRIF of which the Class Member is the annuitant

GENERAL

[45] **DECLARES** that the Monitor may, from time to time, apply to this Court for any advice, directions or determinations concerning the exercise of their respective powers, duties and rights hereunder or in respect of resolving any matter or dispute relating to the Amended Plan, the Claims and Meeting Order or this Order, or to the subject matter thereof or the rights and benefits thereunder, including, without limitation, regarding the distribution mechanics under the Amended Plan;

[46] **DECLARES** that any other directly affected party that wishes to apply to this Court, including with respect to a dispute relating to the Amended Plan, its implementation or its effects, must proceed by motion presentable before this Court after a 10-day prior notice of the presentation thereof given to the Settling Defendants and the Monitor;

[47] **DECLARES** that the Monitor is authorized to apply as it may consider necessary or desirable, with or without notice, to any other court or administrative body, whether in Canada, the United States of America or elsewhere, for an order recognizing the Amended Plan and this Order and confirming that the Amended Plan and this Order are binding and effective in such jurisdiction and that the Monitor is the Applicant's foreign representative for those purposes;

[48] **REQUESTS** the aid and recognition of any Court or administrative body in any Province of Canada and any Canadian federal court or administrative body and any federal or state court or administrative body in the United States of America and any court or administrative body elsewhere, to act in aid of and to be complementary to this Court in carrying out the terms of the Order, including the registration of this Order in any office of public record by any such court or administrative body or by any Person affected by the Order;

[49] **ORDERS** that the Plan Support Agreement and Confidentiality Agreement remain be filed under seal, the whole subject to further Order of this Court;

[50] **ORDERS** the provisional execution of this Order notwithstanding any appeal and without the necessity of furnishing any security;

[51] **Without costs.**

JEAN-FRANÇOIS BUFFONI, J.S.C.

Mtre Roger Simard
Mtre Laurent Nahmiash
Dentons Canada LLP
Attorneys for Applicant and Monitor
Attorneys for Schwartz Levitsky Feldman LLP

Mtre. André Lespérance
Mtre. Gabrielle Gagné
Trudel Johnston & Lespérance
Mtre Daniel Belleau
Mtre Isabelle Lafont
Belleau Lapointe
Co-Attorneys for Class Plaintiff

Mtre Marianne Ignacz
Mtre Claudia Déry
Norton Rose Fulbright LLP
Attorneys for Deloitte LLP

Mtre Julie-Martine Loranger
McCarthy Tétrault LP
Attorneys for B2B Bank

Mtre Alain Riendeau
Mtre Brandon Farber
Fasken Martineau LLP
Attorneys for Ernst & Young Inc.
As Liquidator to Penson Funds

Mtre. Avram Fishman
Fishman Flanz Meland Paquin LLP
Attorneys for BDO Canada LLP

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Mtre Chantal Comtois
Justice Canada
Attorneys for Canada Revenue Agency

Hearing date : April 26, 2017

SCHEDULE A to the CCAA Approval Order

Definitions

1. **“Applicant”** means the Trustee in its capacity as trustee of each of the estates of the Debtors.
2. **“Applicant’s Counsel”** means Dentons Canada LLP as counsel retained and instructed by RCGT to act on its behalf in the CCAA Proceedings to give effect to the Plan Support Agreement.
3. **“Approval Date”** means the date on which the Approval Orders become Final Orders. If the Class Action Order and the CCAA Approval Order become Final Orders on different dates, the Approval Date is the latest date on which any of the Class Action Order or CCAA Approval Order becomes a Final Order.
4. **“Approval Orders”** means the Class Action Order and the CCAA Approval Order, collectively.
5. **“B2B”** means B2B BANK as the successor to B2B TRUST, with a place of business at 1981 McGill College Avenue, 20th Floor, Montreal, Quebec H3A 3K3.
6. **“B2B Consideration”** means the amount to be paid by B2B set forth in the Confidentiality Agreement.
7. **“Bankruptcy or Bankruptcies”** means, individually or collectively as the context requires, the bankruptcy proceedings for MRC in the Superior Court of Québec (Commercial Division) file bearing no. 500-11-027031-059, the bankruptcy proceedings for MRACS in the Superior Court of Québec (Commercial Division) file bearing no. 500-11-026937-058, the bankruptcy proceedings for Real Vest in the Superior Court of Québec (Commercial Division) file bearing no. 500-11-027506-068 and the bankruptcy proceedings for RAAC in the Superior Court of Québec (Commercial Division) file bearing no. 500-11-027632-062 which have been consolidated pursuant to an Order of Honourable Jean-Yves Lalonde, J.S.C. dated April 7, 2006.

8. **"Bankruptcy Consideration"** means the amount available for distribution in the Bankruptcy estates on the Approval Date, net of the Trustee's fees and disbursements and applicable taxes thereon, as approved under the provisions of the BIA.
9. **"Bankruptcy Loan"** means the amount outstanding on one or more loans made by the Trustee to Class Counsel for the purpose of funding disbursements in the Class Action.
10. **"BDO"** means BDO Canada LLP, (formerly known as BDO Dunwoody LLP) a limited partnership with a place of business at 1000, de la Gauchetière Street West, Suite 200, Montreal, Québec H3B 4W5.
11. **"BDO Consideration"** means the amount to be paid by BDO set forth in the Confidentiality Agreement, excluding the amount payable for the costs of the arrangement under the CCAA.
12. **"BIA"** means the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3.
13. **"Business Day"** means a day, other than Saturday, Sunday or a statutory holiday, on which banks are generally open for business in Montreal, Québec, Canada.
14. **"CCAA"** means the *Companies' Creditors Arrangement Act*, R.S.C. c. C-36, as amended.
15. **"CCAA Approval Order"** means an order in the CCAA Proceedings which shall, among other things: (i) approve, sanction and/or confirm the Plan; (ii) authorize the Parties to undertake the settlement and the transactions contemplated by the Plan; and (iii) provide for the bar of Claims and the Injunction.
16. **"CCAA Court"** means the Superior Court of Québec (Commercial Division), sitting as a court designated pursuant to the CCAA.
17. **"CCAA Filing Date"** means the date of the Initial Order.
18. **"CCAA Proceedings"** means the case filed in CCAA Court by the Applicant.

19. **"Claim"** means past, present and future claims, causes of action, obligations, rights, suits, judgments, applications, remedies, interests, actions, liabilities, demands, duties, tax, injuries, damages, expenses, fees, or costs of whatever kind or nature (including attorney's fees and expenses), whether foreseen or unforeseen, known or unknown, asserted or unasserted, contingent or matured, liquidated or unliquidated, whether delict, quasi-delict, in tort, contract, extra-contractual responsibility or otherwise, whether statutory, at common law, civil law, public law or in equity, regardless of the legal theory (i) arising out of, based upon, or connected to, in whole or in part, directly or indirectly, whether through a direct claim, cross-claim, third-party claim, commodity or income tax claim, warranty claim, recursory claim, indemnification claim, subrogation claim, forced intervention, class action or otherwise, from (a) the Class Action, including any claims for investment loss in capital and interest related to the Promissory Notes or otherwise related directly or indirectly to one or more of the Debtors or the audited or unaudited, consolidated or unconsolidated financial statements of any of them; or (b) the Existing Agreements, or (ii) that would otherwise constitute a claim by or against the Debtors, provable in bankruptcy under the BIA, when the Debtors became subject to the CCAA Proceedings. This definition of Claim includes, but is not limited to, claims for breach of contract, breach of the implied covenant of good faith and fair dealing, duty to inform, statutory or regulatory violations, for indemnity or contribution, or punitive, exemplary or extra-contractual damages of any type, as may be limited herein.
20. **"Claim Appeal Motion"** means, with respect to any Claim, the motion which shall be served upon the Monitor, Applicant's Counsel and Class Counsel and filed in Court by the Creditor disputing a Notice of Revision or Notice of Rejection of the Creditor's Proof of Claim and setting out the reasons for the appeal.
21. **"Claims Bar Date"** has the meaning ascribed thereto in the Claims Bar Date section of the Claims and Meeting Order.
22. **"Claims Procedure"** means the procedure established for the filing of Proof of Claims in the CCAA Proceedings pursuant to the Claims Procedure section of the Claims and Meeting Order.

23. **"Claims and Meeting Order"** means the order rendered by the CCAA Court approving a claims process, a claims bar date and a meeting of creditors, as such order may be amended, restated or varied from time to time.
24. **"Claims Resolution Process"** means the provisions of the Claims and Meeting Order establishing the procedure for determining the validity and quantum of any disputed Claims for the purpose of the Plan.
25. **"Class" or "Class Member"** means "Toutes les personnes qui en date du 9 novembre 2005 étaient propriétaires de billets à ordre émis par les sociétés Corporation Mount Real, Gestion MRACS Ltée, Investissements Real Vest Ltée et Corporation Real Assurance Acceptation" who did not exclude themselves within the prescribed delays.
26. **"Class Action"** means the class action commenced on or about November 8, 2008, before the Class Action Court, under court file 500-06-000453-080, including all subsequent amendments and all proceedings in this Court file, whether before or after the action was authorized to proceed as a class action.
27. **"Class Action Claims"** means Claims of the members of the Class that are accepted under the Plan.
28. **"Class Action Court"** means the Superior Court of Québec (Class Action Division) presided by the Honourable Jean-François Buffoni, J.S.C.
29. **"Class Action Order"** means the order issued in the Class Action (i) confirming that the CCAA Approval Order shall be binding and giving full effect against the parties designated in and part of the Class Action, whether as a class representative, class member, named defendant/respondent or mis-en-cause; (ii) removing the allegations and conclusions against the Settling Defendants; and (iii) terminating the Class Action against the Settling Defendants without costs.
30. **"Class Counsel"** means Belleau Lapointe and Trudel, Johnston & Lespérance as counsel retained by Class Plaintiff in the Class Action.
31. **"Class Counsel Fees"** means, in the respective proportions indicated in writing by Class Counsel to the Monitor, a total amount of fees equal to

twenty per cent (20%) of the Settling Defendants' Consideration received by the Monitor, plus the Class Counsel's disbursements relating to the Class Action and the CCAA Proceedings, plus applicable taxes thereon, as established in invoices addressed to the Class Plaintiff in a form acceptable to the Monitor.

32. **"Class Plaintiff"** means Andrée Ménard, in her capacity as representative of the Class.
33. **"Confidentiality Agreement"** means the agreement signed between Deloitte, BDO, SLF, B2B and Class Plaintiff, with the intervention of the Liquidator, RCGT and persons and counsel present during the case settlement conference presided by the Honourable Louis Lacoursière, J.S.C. which was held during the week of July 11, 2016, dated as of July 15, 2016.
34. **"Creditors"** means collectively all Persons holding any Claim against: (i) MRC, MRACS, Real Vest or RAAC; (ii) the Settling Defendants; and/or (iii) any of the Released Parties and **"Creditor"** means any one of them.
35. **"Creditors' Instructions"** means the instructions for Creditors explaining how to file a Proof of Claim.
36. **"Creditors' List"** means a list, prepared by the Monitor and filed with the CCAA Court, of all Known Creditors, as may be updated from time to time.
37. **"Debtors"** or **"Debtor Companies"** means MRC, MRACS, Real Vest and RAAC.
38. **"Deloitte"** means Deloitte LLP, a limited partnership with a place of business at 1190 Avenue des Canadiens-de-Montréal, Suite 500, Montreal, Québec H3B 0M7.
39. **"Deloitte Consideration"** means the amount to be paid by Deloitte set forth in the Confidentiality Agreement.
40. **"Distribution Date"** means the date or dates from time to time set in accordance with the provisions of the Plan to effect distributions in respect of the Proven Claims.

41. **"Effective Time"** means 8:00 a.m. (Montreal time) on the Plan Implementation Date.
42. **"Effective Time of the Initial Order"** means 12:01 a.m. (Montreal time), on the date of the Initial Order.
43. **"Execution Date"** means the first day upon which all Parties have executed the Plan Support Agreement and delivered a copy to counsel for the other Parties.
44. **"Existing Agreements"** means any and all contracts or agreements between the Debtors and/or the Individual Defendants and/or any of the Creditors on the one hand, and any of the Released Parties, on the other hand, except if such contracts or agreements are between a Creditor and a Released Party and are completely unrelated to: (i) the subject matter of the Class Action; or ii) the Debtors and/or the Individual Defendants and/or their affiliates, subsidiaries, predecessors, successors, affiliates of their predecessors and successors, shareholders, directors, officers, agents, employees, partners or members.
45. **"FAAC"** means Fonds d'aide aux actions collectives.
46. **"Final Order"** means an order of the Class Action Court or the CCAA Court or any and all courts with jurisdiction to consider any appeals, that is no longer subject to further appeals, either because the time to appeal has expired without an appeal being filed, or because it has been affirmed, and that has not been challenged by inter alia an application for certiorari, retractation, modification or rectification of the judgment.
47. **"Funds for Distribution"** means the full net amount of capital of the Settlement Consideration and Bankruptcy Consideration received by the Monitor for distribution to Creditors, without any deduction whatsoever for professional fees and disbursements related to the CCAA Proceedings, but after deduction of the payment by the Monitor to Class Counsel of the Class Counsel Fees.
48. **"Individual Defendants"** means, Paul D'Andrea, Lino P. Matteo and the mis en causes Laurence Henry, Lowell Holden, Joseph Pettinicchio, and Andris Spura.

49. **“Initial Application”** means the application filed by the Trustee seeking an initial order under the CCAA with respect to the Debtor Companies.
50. **“Initial Order”** means the order issued by the CCAA Court, on the Initial Application of the Applicant, authorizing the filing of the CCAA Proceedings and appointing the Monitor, as may be amended.
51. **“Injunction”** means an order by the CCAA Court acceptable to the Settling Defendants permanently releasing and enjoining the enforcement, prosecution, continuation or commencement of any Claim that any Person, including, without limitation, any Creditor, holds or asserts or may in the future hold or assert against the Released Parties. The Injunction shall provide that any and all Claims against the Released Parties will be permanently and automatically compromised, discharged and extinguished, that all Persons, including, without limitation, all Creditors, whether or not consensually, shall be deemed to have granted full, final and definitive releases of any and all Claims to the Released Parties and shall be permanently and forever barred, estopped, stayed and enjoined from (i) pursuing any Claim, directly or indirectly against the Released Parties; (ii) continuing or commencing, directly or indirectly, any action or other proceeding with respect to any Claim against the Released Parties; (iii) seeking the enforcement, attachment, collection or recovery of any judgment, award, decree, or order against the Released Parties or the property of the Released Parties with respect to any Claim; (iv) creating, perfecting, or enforcing any encumbrance of any kind against the Released Parties or the property of the Released Parties with respect to any Claim; and (v) asserting any right of setoff, subrogation, indemnification, recursory right, warranty, contribution or recoupment of any kind against any obligations due to or by the Released Parties with respect to any Claim.
52. **“Known Creditor”** means a Creditor listed on the list filed by the Monitor at the hearing for the Claims and Meeting Order, as may be updated from time to time.
53. **“Liquidator”** means Ernst & Young Inc., a Canadian corporation having a place of business at 800 René-Lévesque Boulevard West, Suite 1900, Montreal, Quebec H3B 1X9, acting in its capacity as court appointed liquidator of Penson Financial Services Canada Inc.

54. **"Meeting of Creditors"** means a meeting or meetings of the Creditors to consider and vote on the Plan held pursuant to the Claims and Meeting Order and includes any meeting or meetings resulting from the adjournment thereof.
55. **"Monitor"** means Raymond Chabot Inc. (represented by Mr. Jean Gagnon, CPA, CA, CIRP, SAI), solely in its capacity as monitor in the CCAA Proceedings, or such other entity as may be approved by the CCAA Court in the future to serve in such capacity in the CCAA Proceedings.
56. **"MRACS"** means MRACS Ltée / Gestion MRACS Ltd. and its predecessors and successors.
57. **"MRC"** means Corporation Mount Real/Mount Real Corporation and its predecessors and successors.
58. **"Net Capital"** means the capital initially invested by a Class Member, without any interest thereon, less any amount paid to the Class Member.
59. **"Notice to Creditors"** means the notice of the Claims and Meeting Order to be published on the Website on the Publication Date, which shall set out the Claims Procedure, Claims Bar Date, Claims Resolution Process, the notice of the Meeting of Creditors, the notice of the application for Court approval of the Plan and the Creditors' Instructions, being substantially in the form of Schedule "B" to the Claims and Meeting Order.
60. **"Notice of Rejection"** means the notice informing a Creditor that the Monitor, in consultation with Class Counsel, have determined that the Creditor's Claim is deemed or is presumed rejected and setting out the reasons for rejection.
61. **"Notice of Revision"** means the notice informing a Creditor that the Monitor, in consultation with Class Counsel, have revised all or part of such Creditor's Claim set out in its Proof of Claim and setting out the reasons for revision.
62. **"Ordinary Creditors"** means Persons holding Ordinary Claims.

63. **“Ordinary Claims”** means Claims in the CCAA Proceedings that are: i) filed as Ordinary Claims with the Monitor subject to being accepted as Proven Claims under the Plan; ii) proof of claims previously filed in the Bankruptcies with the Trustee, subject to being accepted as Proven Claims under the Plan; and iii) Class Actions Claims filed with the Monitor which are concurrently deemed filed as Ordinary Claims for the same amount.
64. **“Parties”** means the Trustee (in its capacity as a trustee to the Bankruptcies and Monitor), the Class Plaintiff (in her capacity as representative of the Class) and the Settling Defendants.
65. **“Penson”** means Penson Financial Services Canada Inc.
66. **“Penson Agreement”** means the agreement entered into on October 3 and 5, 2016 between the Class Plaintiff and the Liquidator and homologated by the court in the liquidation proceedings of Penson on October 18, 2016.
67. **“Penson Consideration”** means the amount to be paid by the Liquidator on behalf of Penson set forth in the Penson Agreement.
68. **“Person”** means and includes a natural person or persons, a group of natural persons acting as individuals, a group of natural individuals acting in collegial capacity (e.g., as a committee, board of directors, etc.), a corporation, partnership, limited liability company or limited partnership, a proprietorship, joint venture, trust, legal representative, or any other unincorporated association, business organization or enterprise, any government entity and any successor in interest, heir, executor, administrator, trustee, trustee in bankruptcy (including the Trustee), or receiver of any such person or entity.
69. **“Plan”** means the plan of compromise and arrangement filed with respect to the Debtors in the CCAA Proceedings, including any amendment thereto if such amendment is agreed in writing to by all of the Parties to the Plan Support Agreement.
70. **“Plan Implementation Date”** means the Business Day on which the Monitor has filed with the CCAA Court the certificate contemplated in the Plan.

71. **"Plan Support Agreement"** means the Plan Support and Settlement Agreement entered into among the Settling Defendants, the Trustee and the Class Plaintiff on the Execution Date, and as the context requires, includes the Confidentiality Agreement and the Pension Agreement.
72. **"Proceedings"** means the Bankruptcy and the CCAA Proceedings.
73. **"Promissory Notes"** means promissory notes allegedly issued and/or guaranteed by MRC and its affiliated or related or formerly affiliated or related entities MRACS, Real Vest and RAAC from 1993 to November 2005. For greater certainty, the notes issued by any other entity are expressly excluded from this definition.
74. **"Proof of Claim"** means the forms of Proof of Claim for Ordinary Creditors and Class Members as approved by the Claims and Meeting Order.
75. **"Property"** means all the Debtor Companies' present and future assets, rights, undertakings and properties of every nature and kind whatsoever, and wherever situated, including all proceeds thereof.
76. **"Proven Claims"** means a Claim finally determined, settled or accepted for voting and distribution purposes in accordance with the provisions of the Plan or the Claims Resolution Process, in the applicable category or categories as an Ordinary Claim and/or a Class Action Claim.
77. **"Publication Date"** means the date on which the publication of the Notice to Creditors on the Website has been completed.
78. **"RAAC"** means Corporation Real Assurance Acceptation and its predecessors and successors.
79. **"Raymond Chabot Inc."** or **"RCGT"** means Raymond Chabot Inc. in such capacity of Monitor or Trustee as required by the context.
80. **"Real Vest"** means Real Vest Investments Ltd. and its predecessors and successors.
81. **"Related Released Parties"** means all of the Persons who are Released Parties in relation to a particular Settling Defendant.

82. **“Released Parties”** means the Settling Defendants, their affiliates, subsidiaries, predecessors, successors, affiliates of their predecessors and successors, and each of their shareholders, directors, officers, agents, employees, partners, members, legal counsel, experts, consultants, advisors and/or insurers and includes Persons who have a financial interest in, perform services for, or have commercial dealings with one of the Released Parties.
83. **“Representation Order”** means the order to be rendered on the CCAA Filing Date in the CCAA Proceedings by the CCAA Court appointing, as representatives of the class members designated in the Class Action, the Class Plaintiff, represented by the Class Counsel, to further act on behalf of the Class before the CCAA Court in the context of the CCAA Proceedings.
84. **“Settlement Consideration”** means, subject to the terms of the plan Support Agreement, the aggregate sum of no less than \$43,025,000 to be delivered by the Settling Defendants in their respective proportions pursuant to Section 2 of the Confidentiality Agreement (excluding the amounts payable by BDO and SLF for the costs of the arrangement under the CCAA) and the Pension Agreement, plus the Bankruptcy Consideration.
85. **“Settling Defendants”** means B2B, the Liquidator on behalf of Pension, Deloitte, BDO and SLF.
86. **“Settling Defendants’ Consideration”** means the aggregate sum of no less than \$43,025,000 to be delivered by the Settling Defendants in their respective proportions pursuant to the Plan Support Agreement.
87. **“SLF”** means Schwartz Levitsky Feldman LLP, a limited partnership with a place of business at 1980 Sherbrooke Street West, 10th Floor, Montreal, Québec H3H 1E8.
88. **“SLF Consideration”** means the amount to be paid by SLF set forth in the Confidentiality Agreement, excluding the amount payable for the costs of the arrangement under the CCAA.
89. **“Stay Period”** means the period of the stay of proceedings ordered in the Initial Order, as may be extended by the Court from time to time.

90. “**Trustee**” means Raymond Chabot Inc., a Québec company having a place of business at 600 De La Gauchetière Street West, Suite 2000, Montréal, Québec, H3B 4L8 , solely in its capacity as trustee appointed in the Bankruptcies of the Debtors.
91. “**Unaffected Claims**” or “Unaffected Claim” has the meaning given to that term in the Plan.
92. “**Website**” means the website maintained by the Monitor in respect of the CCAA Proceedings pursuant to the Initial Order at the web address listed in the Claims and Meeting Order.

SCHEDULE "B" to the CCAA Approval Order
FORM OF MONITOR'S CERTIFICATE

CANADA

PROVINCE OF QUÉBEC
DISTRICT OF MONTRÉAL

No. : 500-11-0051741-169

SUPERIOR COURT

(Commercial Division)

(Sitting as a court designated pursuant to the
Companies' Creditors Arrangement Act,
R.S.C., c. C-36, as amended)

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

**IN THE MATTER OF THE PLAN OF COMPROMISE
AND ARRANGEMENT OF:**

**CORPORATION MOUNT REAL / MOUNT REAL
CORPORATION**

GESTION MRACS LTÉE / GESTION MRACS LTD.

REAL VEST INVESTMENTS LTD. -and-

CORPORATION REAL ASSURANCE ACCEPTATION

Debtor Companies

-and-

RAYMOND CHABOT INC.

Applicant/Monitor

**CERTIFICATE OF THE MONITOR
(Plan Implementation Date)
with respect to Settling Defendant ●**

All capitalized terms not otherwise defined herein have the meanings ascribed thereto in the Plan of Compromise and Arrangement pursuant to the *Companies' Creditors Arrangement Act, R.S.C. 1985, c. C-36*, as amended, in the matter above (as may be amended, restated, supplemented and/or modified in accordance with its terms, the "**Plan**").

Pursuant to section 6.2 of the Amended Plan, the Monitor, in its capacity as Court-appointed Monitor of the Debtor Companies delivers this Monitor's Certificate which will be filed with the Court and posted on the Website and hereby certifies that all of the conditions precedent to implementation of the Amended Plan with respect to Settling Defendant● as set out in section 6.1 of the Amended Plan have been satisfied or waived by Settling Defendant●. Pursuant to the Amended Plan, the Plan Implementation Date has occurred on this day with respect to Settling Defendant●.

DATED at the City of Montréal, in the Province of Québec, this ____ day of _____, ●, 2017

Raymond, Chabot Inc. in its capacity as
the Court-appointed Monitor of
CORPORATION MOUNT REAL / MOUNT
REAL CORPORATION, GESTION MRACS
LTÉE / GESTION MRACS LTD., REAL
VEST INVESTMENTS LTD. and-
CORPORATION REAL ASSURANCE
ACCEPTATION

Per:

Name: Jean Gagnon CPA CIRP

Title: Authorized representative

500-11-0051741-169

PAGE : 28

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CANADA

PROVINCE OF QUÉBEC
DISTRICT OF MONTRÉAL
NO: 500-11-051741-169

SUPERIOR COURT
(Commercial Division)

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

IN THE MATTER OF THE PLAN OF COMPROMISE
OR ARRANGEMENT OF:

CORPORATION MOUNT REAL / MOUNT REAL
CORPORATION
GESTION MRACS LTÉE / GESTION MRACS LTD.
REAL VEST INVESTMENTS LTD.-and-
CORPORATION REAL ASSURANCE
ACCEPTATION

Debtor Companies

-and-

RAYMOND CHABOT INC

Monitor/Applicant

Affidavit of Jean Gagnon

I, the undersigned, **JEAN GAGNON**, trustee, domiciled for the purposes hereof at 600 De La Gauchetière West Street, Suite 1900, Montréal, Québec, H3B 4L8, solemnly declare as follows:

1. I am the trustee to the bankruptcy estates of each of the Debtors Companies and Monitor in these CCAA Proceedings;
2. All the facts alleged in the *Application for Sanction of the Amended Plan of Compromise and Arrangement* are true.

AND I HAVE SIGNED:

JEAN GAGNON

SWORN TO before me in Montréal,
this 21st day of April 2017.

Commissioner of Oaths for the Province of Québec



CANADA

PROVINCE OF QUÉBEC
DISTRICT OF MONTRÉAL

NO: 500-11-051741-169

SUPERIOR COURT

(Commercial Division)

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

IN THE MATTER OF THE PLAN OF COMPROMISE
OR ARRANGEMENT OF:

CORPORATION MOUNT REAL / MOUNT REAL
CORPORATION

GESTION MRACS LTÉE / GESTION MRACS LTD.
REAL VEST INVESTMENTS LTD. -and-
CORPORATION REAL ASSURANCE
ACCEPTATION

Debtor Companies

-and-

RAYMOND CHABOT INC

Monitor/Applicant

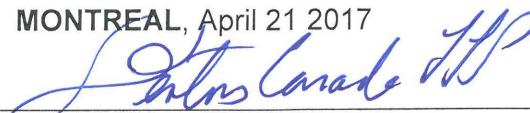
NEW NOTICE OF PRESENTATION

TO: the Service List

TAKE NOTICE that the *Application for Sanction of the Amended Plan of Compromise and Arrangement* will be heard before Honourable Jean-François Buffoni J.S.C. sitting in Commercial Division in and for the District of Montréal, in **room 5.15** in the Montréal Courthouse, 1 Notre-Dame Street East, **on April 26, 2017 at 9h30 a.m.**

DO GOVERN YOURSELVES ACCORDINGLY.

MONTREAL, April 21 2017



DENTONS CANADA LLP

1 Place Ville Marie

Suite 3900

Montreal, QC H3B 4M7

Direct: (514) 878-5834

Fax: (514) 866-2241

Attorneys for the Monitor/Applicant

Our file: 515799-17

CANADA
PROVINCE OF QUÉBEC
DISTRICT OF MONTRÉAL

SUPERIOR COURT
(Commercial Division)

NO: 500-11-051741-169

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

IN THE MATTER OF THE PLAN OF
COMPROMISE OR ARRANGEMENT OF:

CORPORATION MOUNT REAL / MOUNT REAL
CORPORATION
GESTION MRACS LTÉE / GESTION MRACS
LTD.
REAL VEST INVESTMENTS LTD.-and-
CORPORATION REAL ASSURANCE
ACCEPTATION,

Debtor Companies

-and-

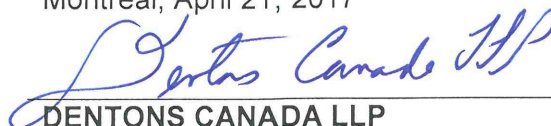
RAYMOND CHABOT INC.,

Applicant/ Monitor

APPLICANT'S LIST OF EXHIBITS ON THE APPLICATION FOR THE SANCTION OF THE
AMENDED PLAN OF COMPROMISE AND ARRANGEMENT

Exhibit M-1:	Monitor's Report to the Court on the Sanction of the Amended Plan; (to be filed at hearing)
Exhibit M-2:	Monitor's notice to the Creditors of the Initial order, dated December 8, 2016;
Exhibit M-3:	Creditors' List of Known Creditors as at December 8, 2016;
Exhibit M-4:	Notice to Creditors, the Creditors' Instructions and a form of Proof of Claim, proxy and voting letter, in both French and English and blank Form T2033F(16) under the ITA;
Exhibit M-5:	Report by the Monitor to the Creditors dated December 15, 2016;
Exhibit M-6:	French version of Plan of Arrangement;
Exhibit M-7:	Minutes of the Meeting of Creditors, dated March 14, 2017 and attendance list;
Exhibit M-8:	Draft Amended Plan.

Montréal, April 21, 2017



DENTONS CANADA LLP

Attorneys for Applicant Raymond Chabot
Inc.

C A N A D A

PROVINCE DE QUÉBEC
DISTRICT DE MONTRÉAL

NO : 500-11-051741-169

COUR SUPÉRIEURE
(Chambre commerciale)

DANS L'AFFAIRE DE LA LOI SUR LES
ARRANGEMENTS AVEC LES CRÉANCIERS DES
COMPAGNIES / IN THE MATTER OF THE COMPANIES'
CREDITORS ARRANGEMENT ACT, R.S.C. 1985, c.
C-36, TELLE QU'AMENDÉE / AS AMENDED :

DANS L'AFFAIRE DU PLAN D'ARRANGEMENT OU DE
COMPROMIS DE / IN THE MATTER OF THE PLAN OF
COMPROMISE OR ARRANGEMENT OF:

CORPORATION MOUNT REAL / MOUNT REAL
CORPORATION
GESTION MRACS LTÉE / GESTION MRACS LTD.
REAL VEST INVESTMENTS LTD.
et-and-
CORPORATION REAL ASSURANCE ACCEPTATION,

Compagnies Débitrices/Debtor Companies
et- and-

RAYMOND CHABOT INC.

Contrôleur/Monitor

LISTE DE COMMUNICATION / SERVICE LIST
En date du 21 avril 2017 / As of April 21, 2017

Partie / Avocat	Téléphone	Télécopieur	Courriel
GÉNÉRAL			
DENTONS CANADA S.E.N.R.C.L. 1, Place Ville Marie Bureau 3900 Montréal QC H3B 4M7			
1 ROGER SIMARD	514.878.5834	514.866.2241	roger.simard@dentons.com
2 LAURENT NAHMIASH	514.878.8818	514.866.2241	laurent.nahmiash@dentons.com
3 ARI Y. SOREK	514.878.8883	514.866.2241	ari.sorek@dentons.com
4 ANTHONY FRANCESCHINI	514.878.8859	514.866.2241	anthony.franceschini@dentons.com
Avocats de Raymond Chabot Inc. ès qualités de syndic et de contrôleur Avocats de SLF			

<i>Partie / Avocat</i>	<i>Téléphone</i>	<i>Télécopieur</i>	<i>Courriel</i>
RAYMOND CHABOT INC. 600, rue De La Gauchetière Ouest Bureau 2000 Montréal QC H3B 4L8 5 JEAN GAGNON 6 EMMANUEL PHANEUF <i>Contrôleur</i>	 514.393.4848 514 393 4826	 514.878.2100 514.878.2100	 gagnon.jean@rcgt.com phaneuf.emmanuel@rcgt.com
SETTLING DEFENDANTS/ DÉFENDERESSES SUPPORTANT LE PLAN			
NORTON ROSE FULBRIGHT S.E.N.C.R.L 1, Place Ville-Marie Bureau 2500 Montréal QC H3B 1R1 7 MARIANNE IGNACZ 8 CLAUDIA DÉRY <i>Avocats de Deloitte LLP</i>	 514.847.4511 514.847.4607	 514.286.5474 514.286.5474	 Marianne.ignacz@nortonrosefulbright.com Claudia.dery@nortonrosefulbright.com
MCCARTHY TÉTRAULT S.E.N.C.R.L 1000 De La Gauchetière Ouest Bureau 2500 Montréal QC H3B 0A2 9 JULIE-MARTINE LORANGER 10 ELISA CLAVIER <i>Avocats de B2B Bank</i>	 514.397.4221 514.397.7078	 514.875.6246 514.875.6246	 jmloranger@mccarthy.ca eclavier@mccarthy.ca notification@mccarthy.ca
FASKEN MARTINEAU S.E.N.C.R.L. 800 Square Victoria Bureau 3700 Montréal QC H4Z 1E9 11 ALAIN RIENDEAU 12 BRANDON FARBER <i>Avocats du liquidateur de Penson</i>	 514.397.7678 514.397.5179	 514.397.7600 514.397.7600	 ariendeau@fasken.com bfarber@fasken.com
FISHMAN FLANZ MELAND PAQUIN S.E.N.C.R.L. 1250, boul. René-Lévesque Ouest Bureau 4100 Montréal QC H3B 4W8 13 AVRAM FISHMAN <i>Avocat du créancier BDO</i>	 514.932.4100	 514.932.4170	 afishman@ffmp.ca

<i>Partie / Avocat</i>	<i>Téléphone</i>	<i>Télécopieur</i>	<i>Courriel</i>
CRÉANCIERS			
MINISTÈRE DE LA JUSTICE (FÉDÉRAL) Complexe Guy-Favreau 200, bd René-Lévesque O.Tour Est, 9e étage Montréal, (Qué.) H2Z 1X4 14 CHANTAL COMTOIS <i>Avocats pour l'Agence du Revenu du Canada</i>	514.283.2999	514.283.8427	chantal.comtois@justice.gc.ca
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DEMANDERESSE DANS L'ACTION COLLECTIVE/CLASS ACTION PLAINTIFF			
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DISTRICT OF MONTREAL
PROVINCE OF QUEBEC
Superior Court (Commercial Division)

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

IN THE MATTER OF THE PLAN OF COMPROMISE OR
ARRANGEMENT OF:

CORPORATION MOUNT REAL / MOUNT REAL
CORPORATION AND AL.

Debtor Companies

-and-

RAYMOND CHABOT INC.

Monitor/Applicant

Me Roger P. Simard/ Our file : 515799-17

APPLICATION FOR THE SANCTION OF THE
AMENDED PLAN OF COMPROMISE AND
ARRANGEMENT AND

APPLICANT'S LIST OF EXHIBITS
(Sections 6 and 11.02 of the Companies' Creditors
Arrangement Act, R.S.C. 1985, c. C-36
(the "CCAA"))

ORIGINAL

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