

## NOTICE OF APPROVAL HEARING OF A SETTLEMENT

### Class action concerning the Pharmaprix Optimum Program

Option consommateurs, Shoppers Drug Mart Corporation, 911979 Alberta Ltd., Shoppers Drug Mart Inc., and Pharmaprix Inc. (collectively “**Pharmaprix**”) have reached an agreement in a class action filed in Québec against Pharmaprix.

The class action relates to the March 8, 2008; May 2, 2009; and July 1, 2010 modifications made to the Pharmaprix Optimum Program.

This settlement, which must be court-approved, may affect your rights.

Please read this notice carefully.

### BASIC INFORMATION

#### Why is this notice published?

The purpose of this notice is to inform you that Option consommateurs and Pharmaprix have reached a settlement in a class action against Pharmaprix. If this settlement is approved, it will put an end to the class action. Option consommateurs and its lawyers (hereafter, the “**Lawyers of the Group**”) believe that the settlement is fair and beneficial for the members when the risks of litigation are taken into account. The parties will ask the Superior Court to approve the settlement.

The Superior Court will hold a hearing to determine whether it will approve the settlement or not. You may attend the hearing, which will be held on September 6, 2017 at 9:30 a.m. in room 2.08 of the Montreal Courthouse, located at 1 Notre-Dame Street East in Montreal.

#### What was the purpose of the class action?

Option consommateurs claims that the March 8, 2008; May 2, 2009; and July 1, 2010 modifications made to the Pharmaprix Optimum Program were illegal and abusive.

Pharmaprix denies any wrongdoing or liability and contests the merits of the class action.

#### Who are the Group members?

You are a member of the group if you meet all of the following conditions:

1. You are a natural person;
2. You are an active member of the Pharmaprix Optimum Program;
3. You reside in the Province of Quebec; and
4. One or more of the following applies to you:

- a. You were an active member of the Pharmaprix Optimum Program on March 8, 2008;
- b. You were an active member of the Pharmaprix Optimum Program on May 2, 2009; and:
  - i. Had a points balance between 0 and 6,999 points on May 2, 2009;
  - ii. You have reached the 3,500 points level since then;
- c. You were an active member of the Pharmaprix Optimum Program on July 1, 2010;

### **PROPOSED SETTLEMENT SUMMARY**

<b>What is the proposed settlement amount?</b>
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Without any admission of liability, Pharmaprix agrees to pay a total amount of 2,354,032,174 Optimum Points in full and final settlement of the class members' claims.

This number of points corresponds to:

- 85% of the decrease of the exchange value of the Optimum points following the modifications made on March 8, 2008; May 2, 2009; and July 1, 2010 in the accounts that were active at the time of the conclusion of the settlement;

AND

- 50% of the decrease of the exchange value of the Optimum points following the same modifications for the accounts that were not active at the moment of the conclusion of the settlement.

Pharmaprix denies that these points have a monetary value. However, these points have an estimated value of \$4,350,102.

<b>How will the compensation be distributed?</b>
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These points will be distributed directly and automatically in the active Optimum accounts at the time of the distribution. Those points will be distributed on a *pro rata* basis of the number of points held by each of the members during the modification made in 2008, 2009, and 2010.

The distributed points have to be reduced to take into account the legal fees to be paid to the Lawyers of the Group. The legal fees agreement signed between Options consommateurs and the Lawyers of the Group on July 28, 2011 stipulates that the payment of the legal fees represents 25% of the settlement value, plus applicable taxes (corresponding to a total of 28.74%). The Lawyers of the Group will ask the court that the

number of points given to the members is reduced of 28.74%, and that the value of these points in dollars will be given to the Lawyers of the Group directly by Pharmaprix.

If the court approves the proposed settlement and the legal fees agreement, legal fees, taxes included, of \$1,250,383 will be paid by Pharmaprix to the Lawyers of the Group, and the number of points automatically distributed to the Members will be 1,677,395,051 (corresponding to the number of points agreed in the settlement minus 28.74%).

**Who may receive a share of the compensation?**

A share of the compensation in points could be credited to your Optimum account if your account is active; if it is associated to an address in Québec or, if no address is specified in the accounts, more than 50% of the transactions in the Optimum account occurred in the province of Québec; and if it meets the additional criteria defined in the proposed settlement.

If your account meets the criteria defined in the proposed settlement, your share of the compensation in points will be credited directly to your account, **without you having to file a claim.**

The number of points that will be credited to each Optimum account will only be known at the time of distribution.

**OBJECTION TO THE PROPOSED SETTLEMENT**

You may tell the court that you do not agree with this proposed settlement or present your arguments to the court.

**How can I present my objection or present my arguments to the Court?**

To present your objection or arguments to the court, you must attend the hearing that will be held on September 6, 2017, at 9:30 a.m. in room 2.08 of the Montreal Courthouse, located at 1 Notre-Dame Street East in Montreal.

Although you are not obligated to do so, it is suggested that you also fill out and send an objection form before the hearing. The objection form can be downloaded from the website of the Lawyers of the Group or obtained by mail (see “For More Information” below). Make sure that you explain why you do not agree with the proposed settlement.

**Do I need a lawyer to object?**

No. You may object without the assistance of a lawyer. If you wish to be represented by a lawyer, you may hire one at your own expense.

**If I object to the proposed settlement and it is approved, will I remain eligible to receive a share of the compensation?**

Yes. You will still receive your share of the direct compensation if you have an account that meets the admissibility criteria defined in the proposed settlement agreement.

### FOR MORE INFORMATION

For more information and to access the text of the proposed settlement agreement, its schedules and other forms, please consult the following websites:

- Option consommateurs: <http://www.option-consommateurs.org>
- The Lawyers of the Group: [www.spavocats.ca/en/class-actions/action-collective-contre-pharmaprix-programme-optimum](http://www.spavocats.ca/en/class-actions/action-collective-contre-pharmaprix-programme-optimum)

The information available on these websites will be updated as required, following the development of the case. You may also contact the lawyers of the parties.

Lawyers of the Group

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No other notice will be published or distributed in connection with the proposed settlement.

In case of any discrepancy between this notice and the agreement, the text of the proposed settlement agreement shall prevail.

**The publication of this notice has been approved by the Court.**