

**C A N A D A**

**PROVINCE OF QUÉBEC  
DISTRICT OF MONTRÉAL**

**N° : 500-06-000435-087**

**SUPERIOR COURT  
(Class Action Division)**

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**SHEILA CALDER**

Plaintiff

v.

**ROYAL BANK OF CANADA**

-and-

**RBC CAPITAL MARKETS CORPORATION**

Defendants

**SETTLEMENT AGREEMENT**

As of the 6<sup>th</sup> day of August, 2020

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## SETTLEMENT AGREEMENT

### SECTION 1 – RECITALS

#### 1.1 WHEREAS:

- A. The Action was commenced by the Plaintiff on May 14, 2008;
- B. On October 30, 2013, the Québec Superior Court authorized the Action and granted Ms. Sheila Calder the status of representative of the following Class:

All Canadian retail investors who purchased one of the Olympus United Funds Corporation shares (formally First Horizon Holdings Ltd.) from June 27, 1999 to June 29, 2005, and who had outstanding shares in said corporations as of June 29, 2005, but to the exclusion of any person who is or was in any way related to John Xanthoudakis or any other former director, administrator, representative or employee of the Norshield Financial Group.

- C. In the Action, the Plaintiff has alleged, among other things, that the Defendants participated in the creation of a fraudulent investment scheme by Norshield, while Defendants knew or ought to have known that Norshield was defrauding third parties, namely the Canadian retail investors of OUFC or its predecessor, First Horizon Holdings Ltd;

- D. The Defendants have denied and continue to deny each and all of the claims and allegations of wrongdoing made by the Plaintiff in the Action, including any and all allegations that the Plaintiff and/or the Class Members have suffered any harm or damage whatsoever, and all claims and allegations of wrongdoing or liability against them arising out of any of the conduct, acts, or omissions alleged, or that could have been alleged, in the Action, or otherwise;

- E. The Plaintiff and the Defendants, through counsel, have engaged in extensive arm's-length settlement negotiations in respect of the Action, the whole resulting in this Settlement Agreement;

- F. As a result of these settlement negotiations, the Parties have entered into the Settlement Agreement, without admission of liability, which embodies all of the terms and conditions of the Settlement Agreement among the Parties, both individually and on behalf of the Class and subject to Court approval;

G. The Plaintiff, Class Counsel and Defendants agree that neither this Settlement Agreement, nor any statement made in the negotiation thereof, shall be deemed or construed to be an admission by, or evidence against, the Defendants or evidence of the truth of any of the Plaintiff's allegations against the Defendants, which allegations the Defendants expressly deny;

H. The Plaintiff and Class Counsel have reviewed and fully understand the terms of this Settlement Agreement. Based on their analyses of the facts and law applicable to the Action, with regard to the burdens and expense in prosecuting the Action, including the risks and uncertainties associated with trials and appeals, and with regard to the Settlement Amount to be paid by the Defendants, the Plaintiff and Class Counsel have concluded that this Settlement Agreement is fair, reasonable and in the best interests of the Plaintiff and the Class;

I. The Parties therefore wish to finally resolve the Action, and hereby do so without admission of liability;

**NOW THEREFORE**, in consideration of the covenants, agreements, promises and releases set forth herein and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties agree to settle this Action on the merits, subject to Court approval of the Settlement Agreement, and all Released Claims against the Defendants which any of the Releasers asserted, or could have asserted, against any of the Defendants shall be forever extinguished and released on the following terms and conditions:

## **SECTION 2 – DEFINITIONS**

### **2.1 Definitions**

For the purposes of the Settlement Agreement, including the Recitals and Schedules hereto, the meaning ascribed to the following terms is as follows:

(1) **Action** means all the proceedings, exhibits and plans of arguments filed by the Parties in Superior Court of Québec record No. 500-06-000435-087.

(2) **Administration Expenses** means all fees, disbursements, expenses, costs, taxes and any other amounts incurred or payable relating to approval, implementation and administration of this Settlement Agreement including the costs of translating and

delivering notices and the fees, disbursements and taxes paid to the Administrator and any other expenses approved by the Court which shall all be paid from the Settlement Amount. For greater certainty, Administration Expenses include the Non-Refundable Expenses but do not include Class Counsel Fees.

(3) **Administrator** means Richter Advisory Group Inc. ("Richter") or the third-party firm appointed by the Court to administer the Settlement Agreement, and any employees of such firm.

(4) **Authorized Claimant** means any Class Member who has been approved for compensation as per the Plan of Allocation.

(5) **CCAA** means the *Companies' Creditors Arrangement Act*, R.S.C. 1985 c. C-36.

(6) **Claim Form** means the form to be approved by the Court, which, when required and completed and submitted in a timely manner to the Administrator, enable(s) a Class Member to receive compensation pursuant to the Settlement Agreement.

(7) **Claims Bar Deadline** means the date by which each required Class Member must file a Claim Form and all required supporting documentation with the Administrator, which date is set at seventy-five (75) days following the First Order.

(8) **Class or Class Members** means: "*All Canadian retail investors who purchased one of the Olympus United Funds Corporation shares (formerly First Horizon Holdings Ltd.) from June 27, 1999 to June 29, 2005, and who had outstanding shares in said corporations as of June 29, 2005, but to the exclusion of any person who is or was in any way related to John Xanthoudakis or any former director, administrator, representative or employee of the Norshield Financial Group*".

(9) **Class Counsel** means Sylvestre Painchaud et Associés s.e.n.c.r.l.

(10) **Class Counsel Fees** means the fees, disbursements, costs, GST and PST, as the case may be, and other applicable taxes or charges of Class Counsel, as approved by the Court.

(11) **Court** means the Superior Court of Québec.

(12) **Defendants** means Royal Bank of Canada and RBC Capital Markets Corporation.

(13) **Effective Date** means thirty (30) days after the Second Order has been issued.

(14) **Escrow Account** means the Canadian currency trust account with one of the Canadian Schedule 1 banks or with Desjardins in Québec, initially under the control of Class Counsel subject to the terms of the Settlement Agreement and then, after the funds are transferred to the Administrator on or after the Effective Date, the account controlled by the Administrator containing the funds transferred by Class Counsel.

(15) **Escrow Settlement Amount** means the Settlement Amount after payment of all Non-Refundable Expenses.

(16) **Excluded Persons** means the Defendants, any person who is or was in any way related to John Xanthoudakis or any former director, administrator, representative or employee of Norshield Financial Group.

(17) **First Motion** means the motion brought before the Court:

- (i) setting the date for the hearing of the Second Motion;
- (ii) approving the form of the Notice;
- (iii) appointing the Administrator;
- (iv) approving and authorizing dissemination of the Notice pursuant to the Plan of Notice; and
- (v) appointing Class Counsel to control the Escrow Account subject to the terms of the Settlement Agreement.

(18) **First Order** means the orders made by the Court granting the relief sought by the First Motion.

(19) **Fonds d'aide aux actions collectives** means the agency and legal person established in the public interest as per the *Act respecting the Fonds d'aide aux actions collectives*, CQLR c F-3.2.0.1.1, to whom the Administrator will remit the percentage provided for by the applicable legislation and regulations.

(20) **KPMG** means KPMG LLP.

(21) **KPMG Settlement** means the settlement entered into between KPMG and the Receiver on or about July 27, 2011, pursuant to which the parties agreed to resolve

certain potential claims by the Receiver against KPMG, which reported upon certain of the audited financial statements of OUFC.

(22) **Monitor** means RSM Richter Inc. (now Richter Advisory Group Inc.) in its capacity as monitor of OUFC, in accordance with the Initial Order of the Ontario Court of Justice (Commercial List) dated September 7, 2011 granting OUFC protection under the CCAA.

(23) **Non-Refundable Expenses** means certain administrative expenses stipulated in section 4.1(1) of the Agreement to be paid from the Settlement Amount.

(24) **Norshield and Norshield Financial Group** means a Montreal financial organization comprising of a number of entities related to Norshield in Canada, the Caribbean Islands and the United States.

(25) **Norshield Receivership Proceedings** means the receivership proceedings commenced pursuant to the Order of the Honourable Justice Campbell of the Ontario Superior Court of Justice (Commercial List) dated June 29, 2005 whereupon RSM Richter Inc. was appointed Receiver, without security, of all of the assets, undertakings and properties of Gestion de Placements Norshield (Canada) Ltée / Norshield Asset Management (Canada) Ltd. and related entities.

(26) **Notice** means notice to the Class in a form to be approved by the Court, which shall substantially be made in accordance with the notice at Schedule "B", as well as a French translation thereof.

(27) **OUFC** means Olympus United Funds Corporation/Corporation de Fonds Unis Olympus.

(28) **Parties** means the Plaintiff and the Defendants.

(29) **Plaintiff** means Sheila Calder.

(30) **Plan of Allocation** means the plan, as approved by the Court, which shall substantially be in accordance with the plan at Schedule "E".

(31) **Plan of Notice** means the plan for disseminating the Notice to the Class, as approved by the Court, which shall substantially be in accordance with the plan attached at Schedule "C".



(32) **Receiver** means RSM Richter Inc. (now Richter Advisory Group Inc.) in its capacity of receiver of OUFC and certain other related entities, in accordance with the Order of the Ontario Superior Court of Justice (Commercial List) dated June 29, 2005, and by subsequent orders of the Ontario Superior Court of Justice (Commercial List).

(33) **Released Claims (or Released Claim in the singular)** means any and all manner of claims, demands, actions, suits, causes of action, whether class, individual, representative or otherwise in nature, whether personal or subrogated, damages whenever and wherever incurred, damages of any kind including compensatory, punitive or other damages, liabilities of any nature whatsoever, including interest, costs, expenses, class administration expenses, penalties, lawyers' fees (including Class Counsel Fees), known or unknown, suspected or unsuspected, foreseen or unforeseen, actual or contingent, liquidated or unliquidated, in law, under statute, in equity or at common law, that the Releasors, or any of them, whether directly, indirectly, derivatively, or in any other capacity, ever had, currently have, or hereafter can, shall, or may have as against the Releasees, relating or connected in any way to the causes of action alleged (or which could have been alleged) in the Action, whether in Canada or elsewhere.

(34) **Releasees** means, jointly and severally, individually and collectively, the Defendants and their respective past and present affiliates, and subsidiaries, and each of their respective insurers, reinsurers, directors, officers, partners, employees, agents, trustees, servants, parents, consultants, advisors, lawyers, representatives, successors, predecessors, assigns and each of their respective heirs, executors, attorneys, administrators, guardians, estates, trustees, successors and assigns.

(35) **Releasors** means, jointly and severally, individually and collectively, the Plaintiff, the Class Members (excluding those who have validly opted out), and their respective past and present predecessors, affiliates, subsidiaries, directors, officers, employees, partners, parents, agents, trustees, servants, consultants, shareholders, advisors, representatives, lawyers, heirs, executors, attorneys, administrators, guardians, estate trustees, successors and assigns, as the case may be.

(36) **Second Motion** means the motions brought in the Court for orders:

- (vi) approving the Settlement Agreement;

- (vii) approving the Plan of Allocation;
- (viii) approving the Claim Form;
- (ix) setting the Claims Bar Deadline; and
- (x) approving Class Counsel Fees.

(37) **Second Order** means the orders made by the Court granting the relief sought on the Second Motion, substantially in the form of the orders at Schedule "D".

(38) **Settlement Agreement** means the settlement provided for in this agreement, including the Recitals and Schedules attached hereto.

(39) **Settlement Amount** means CAD \$6,000,000, inclusive of capital, interest, additional indemnity, Administration Expenses, Class Counsel Fees, taxes and any other costs or expenses related to the Action or the Settlement Agreement. The Settlement Amount will be distributed in accordance with the formula contained in the Plan of Allocation to be approved by the Court. For greater certainty, the Releasees shall have no obligation to pay any amount in addition to the Settlement Amount for any reason whatsoever.

## **SECTION 3 – THE MOTIONS**

### **3.1 Nature of Motions**

(1) The Parties shall use their best efforts to implement the terms of the Settlement Agreement. The Parties agree to hold in abeyance all steps in the Action, other than proceedings provided for in the Settlement Agreement, the First Motion, the Second Motion and such other proceedings required to implement the terms of the Settlement Agreement, until the date on which the Settlement Agreement becomes final or the date of the termination of the Settlement Agreement.

(2) The First Motion shall be brought as soon as is reasonably possible following the execution of the Settlement Agreement. The Defendants shall consent to the First Order provided that it is substantially in the same form as Schedule "A".

(3) Following the determination of the First Motion, the Notice shall be disseminated in accordance with section 9 of the Settlement Agreement.

(4) Following the determination of the First Motion, the Second Motion will be brought, and the Defendants shall consent to the Second Order, provided that it is substantially in the same form as Schedule "D".

## **SECTION 4 – NON-REFUNDABLE EXPENSES**

### **4.1 Payments**

(1) Expenses reasonably incurred for the following purposes shall be deemed the "Non-Refundable Expenses", and, once incurred, shall be payable from the Escrow Account:

- (a) the costs incurred by the Administrator in connection with establishing and operating the Escrow Account, up to a maximum of CAD \$40,000 plus taxes;
- (b) the costs incurred for disseminating the Notice in the form and manner approved by the Court;
- (c) if applicable, the costs incurred in translating the Settlement Agreement and its schedules;
- (d) if applicable, the costs incurred in translating and disseminating the notice informing the Class that the Settlement Agreement has been terminated; and
- (e) if the Court appoints the Administrator and, thereafter, the Settlement Agreement is terminated by the Defendants pursuant to section 12 of the Agreement, the costs reasonably incurred by the Administrator for performing the services required to prepare implementation of the Settlement Agreement up to the time of termination, including any mailing expenses, up to a maximum of CAD \$40,000 plus taxes.

(2) Class Counsel account to the Court and the Parties from time to time for all payments it makes from the Escrow Account. In the event that the Settlement Agreement is terminated, this accounting shall be delivered no later than ten (10) days following such termination. In any other scenario, the Administrator will provide the Parties with a statement of account of the Escrow Account when the distribution is final.

#### **4.2 Disputes Concerning Non-Refundable Expenses**

Any dispute concerning the entitlement to, or quantum of, Non-Refundable Expenses shall be dealt with through a motion to the Court on notice to the Parties.

### **SECTION 5 – THE SETTLEMENT AMOUNT**

#### **5.1 Payment of Escrow Settlement Amount**

(1) The Defendants will pay the Settlement Amount to Class Counsel no later than thirty (30) days after the execution of this Settlement Agreement, for deposit into the Escrow Account, and each Defendant is jointly and severally liable to pay the Settlement Amount.

(2) The Settlement Amount shall be provided in full satisfaction of the Released Claims against the Releasees.

(3) The Settlement Amount shall be inclusive of all amounts, including without limitation, interest, costs, Class Counsel Fees and Administration Expenses.

(4) The Releasees shall have no obligation to pay any amount in addition to the Settlement Amount, for any reason, pursuant to or in furtherance of this Settlement Agreement or the Action.

(5) Class Counsel, and then the Administrator once the Settlement Agreement becomes final, shall hold the Settlement Amount in the Escrow Account in a Canadian Schedule 1 bank or at Desjardins and shall not pay out any amount from the Escrow Account, except in accordance with the terms of the Settlement Agreement.

#### **5.2 Taxes and Interest**

(1) Except as expressly provided herein, all interest earned on the Settlement Amount shall accrue to the benefit of the Class and shall become and remain part of the Escrow Settlement Amount.

(2) Except as provided in section 5.2(3) of the Settlement Agreement, all taxes payable on any interest which accrues in relation to the Settlement Amount shall be solely the Class' responsibility and shall be paid by Class Counsel or the

Administrator, as appropriate, from the Escrow Settlement Amount, or by the Class as the Administrator considers appropriate.

(3) The Defendants shall have no liability for any taxes payable on the interest, unless this Settlement Agreement is terminated, in which case the interest earned on the Settlement Amount in the Escrow Account or otherwise shall be paid to the Defendants who, in such case, shall be responsible for the payment of all taxes on such interest not previously paid by Class Counsel.

## **SECTION 6 – NO REVERSION**

Unless the Settlement Agreement is terminated as provided herein or otherwise by the Court, the Defendants shall not, under any circumstances, be entitled to the repayment of any portion of the Settlement Amount, the whole in accordance with the terms provided herein.

## **SECTION 7 - DISTRIBUTION OF THE ESCROW SETTLEMENT AMOUNT**

(1) The formula for distribution of the Escrow Settlement Amount shall be contained in the Plan of Allocation.

(2) The Defendants shall not have any responsibility, financial obligations or liability whatsoever with respect to the Plan of Allocation, or the investment, distribution or administration of monies in the Escrow Account, including, but not limited to, the Administration Expenses and Class Counsel Fees.

## **SECTION 8 – EFFECT OF SETTLEMENT**

### **8.1 No Admission or Concessions of Wrongdoing or Liability**

(1) Neither the Settlement Agreement, whether or not terminated, nor anything contained herein, shall be interpreted as a concession or admission of wrongdoing or liability by the Releasees, or as a concession or admission by the Releasees of the truthfulness or merit of any claim or allegation asserted in the Action.

(2) Neither the Settlement Agreement, whether or not terminated, nor anything contained herein, shall be used or construed as an admission by the Releasees of any fault, omission, liability or wrongdoing in connection with the matters

alleged in the Action or any oral or written statement, release or written document or financial report. The Defendants expressly deny any and all allegations of fault, liability, wrongdoing or damages whatsoever.

## **8.2 Settlement Agreement Not Evidence nor Presumption**

(1) Whether or not the Settlement Agreement is terminated, the Parties agree that neither the Settlement Agreement, nor anything contained herein, nor any of the negotiations or proceedings connected with it, nor any related document, nor any other action taken to carry out the Settlement Agreement shall be referred to, offered as evidence or received in evidence in any current or future civil, criminal, quasi-criminal, regulatory or administrative action or proceeding in any jurisdiction as any presumption, concession or admission:

- (a) of the validity of any claim that has been or could have been asserted in the Action by the Plaintiff against any of the Defendants, or the deficiency of any defence that has been or could have been asserted in the Action;
- (b) of wrongdoing, fault, neglect or liability by any of the Defendants; and
- (c) that the consideration to be given hereunder represents the amount that could be or would have been recovered in the Action after trial.

(2) Notwithstanding section 8.2(1) of the Settlement Agreement, the Settlement Agreement may be referred to or offered as evidence in a proceeding to approve or enforce the Settlement Agreement, to defend against the assertion of Released Claims, and as otherwise required by law.

## **8.3 Restrictions on Information**

Plaintiff and Class Counsel are prohibited from divulging to anyone for any purpose any non-public information obtained in the course of the negotiation, preparation or execution of this Settlement Agreement, without the prior written consent of the Defendants or unless ordered by the Court to do so.

## **SECTION 9 – NOTICE TO THE CLASS**

### **9.1 Form and Distribution of Notice**

(1) The notice shall be in a form agreed upon by the Parties and approved by the Court or, if the Parties cannot agree on the form of the notice, the notice shall be in a form ordered by the Court.

(2) Subject to the Court's approval, the notice shall be mailed by the Administrator to Class Members, on an individual basis, based on the records maintained by the Administrator.

### **9.2 Dissemination of the Notice**

Class Counsel shall cause the Notice to be disseminated in accordance with this section and the Plan of Notice. The Notice shall be mailed directly to Class Members by the Administrator in accordance with the Plan of Notice. The costs of doing so shall be paid as a Non-Refundable Expense as provided in section 4.1(1)(b) of the Agreement. There shall be no requirement to publish notice of the Settlement Agreement in a newspaper or through any other means of public dissemination, unless otherwise directed by the Court.

### **9.3 Report to the Court**

After the dissemination of the notice, the Administrator shall forthwith file with the Court an affidavit confirming that the notices have been disseminated in accordance with the Settlement Agreement and the Plan of Notice, as appropriate, or order of the Court.

### **9.4 Notice of Termination**

(1) If the Settlement Agreement is not approved, is terminated or otherwise fails to take effect, the Class shall be given notice of such event.

(2) Class Counsel shall cause the notice of termination, in a form approved by the Court, to be translated and disseminated in accordance with this section and the costs of so doing shall be paid as a Non-Refundable Expense as provided in section 4.1(1)(e) of the Settlement Agreement.

## **SECTION 10 – TERMINATION OF THE AGREEMENT**

### **10.1 General**

(1) Only the Defendants may terminate this Settlement Agreement if, and only if:

- a. the Second Order (excluding approval of Class Counsel Fees) is not granted by the Court, substantially in accordance with the form at Schedule "D";
- b. the Second Order (excluding approval of Class Counsel Fees) is granted by the Court but the form of the order issued is substantially different from the form at Schedule "D" in a material respect in the opinion of Defendants acting reasonably; and
- c. the Second Order is granted by the Court but is reversed on appeal and the reversal becomes final.

(2) The failure of the Court to approve in full the request by Class Counsel for Class Counsel Fees shall not be grounds to terminate the Settlement Agreement.

(3) In the event the Settlement Agreement is terminated in accordance with its terms, or is not approved by the Court:

- a. the Parties will be restored to their respective positions prior to the execution of the Settlement Agreement;
- b. subject to section 10.1(4) of the Settlement Agreement, the Settlement Agreement will have no further force and effect and no effect on the rights of the Parties;
- c. any amounts paid for establishing and operating the Escrow Account and disseminating the Settlement Agreement, the Notice, and the notice of termination, if any, pursuant to section 4.1(1) of the Settlement Agreement, cannot be recovered from the Plaintiff and the Class Members;



- d. the Settlement Amount will be returned to the Defendants less any Non-Recoverable Expenses that have already been properly incurred; and
  - e. the Settlement Agreement will not be introduced into evidence or otherwise referred to in any litigation or proceeding against the Defendants.
- (4) Notwithstanding the provisions of section 12.1(3)(b) of the Settlement Agreement, if the Settlement Agreement is terminated, the provisions of this section and sections 2, 4, 5.2, 8.1, 8.2, 8.3, 9.4, 10.1(3), 10.1(4), 10.2, 10.3, 13.1(2), 13.3(2), 16.1, 16.2, 16.3, 16.4, 16.5, 16.6, 16.7, 16.8, 16.9, 16.10, 16.11, 16.12, 16.13, 16.14, 16.15, 16.18 and the recitals and schedules applicable thereto shall survive termination and shall continue in full force and effect.

## **10.2 Allocation of Monies in the Escrow Account Following Termination**

- (1) The Administrator and/or Class Counsel shall account to the Court for the amounts maintained in the Escrow Account. If the Settlement Agreement is terminated, this accounting shall be delivered no later than ten (10) days after such termination.
- (2) If the Settlement Agreement is terminated, the Defendants shall, within thirty (30) days after termination, apply to the Court for an order:
- a. declaring the Settlement Agreement null and void and of no force or effect except for the provisions of those sections listed in section 10.1(4) of the Settlement Agreement;
  - b. requiring the notice of termination to be sent out to the Class Members and, if so, the form and method of disseminating such a notice;
  - c. setting aside, *nunc pro tunc*, all prior orders or judgments entered in accordance with the terms of the Settlement Agreement; and
  - d. authorizing the payment to the Defendants of all funds in the Escrow Account, including accrued interest, minus any amounts paid out of the Escrow Account as Non-Refundable Expenses in accordance with the terms of the Settlement Agreement by payment to be made to Osler, Hoskin & Harcourt LLP in trust.

(3) Subject to section 10.3 of the Settlement Agreement, the Parties shall consent to the orders sought in any motion made by the Defendants pursuant to section 10.2(2) of the Settlement Agreement.

### **10.3 Disputes Relating to Termination**

If there are any disputes regarding the termination of the Settlement Agreement, the Court shall determine any dispute by motion on notice to the Parties.

## **SECTION 11 – DETERMINATION THAT THE SETTLEMENT AGREEMENT IS FINAL**

The Settlement Agreement shall be considered final on the Effective Date.

## **SECTION 12 – RELEASES AND JURISDICTION OF THE COURT**

### **12.1 Release of Releasees**

As of the Effective Date, provided that the Settlement Amount has been deposited into the Escrow Account, the Releasors, in exchange for and in consideration of the foregoing, and inasmuch as the terms and conditions of the Settlement Agreement are approved by the Court, fully, definitively and permanently resolve, settle and release the Releasees from all Released Claims related to or connected with, directly or indirectly, the Action against the Defendants by the Plaintiff on her own behalf and/or on behalf of the Class she represents.

### **12.2 No Further Claims**

(1) Upon the Effective Date and provided that the Settlement Amount has been deposited into the Escrow Account, the Releasors and Class Counsel shall not now or hereafter institute, continue, maintain or assert, either directly or indirectly, whether in Canada, the United States or elsewhere, on their own behalf or on behalf of any class or any other person (including on behalf of any Opt-Out Party), any action, suit, cause of action, claim or demand against any Releasee or any other person who may claim contribution or indemnity from any Releasee in respect of any Released Claim or any matter related thereto.

(2) Except as otherwise provided in the Settlement Agreement and the Second Order, and as a condition of the Settlement Agreement, the Action shall be settled, without costs and without reservation as against the Defendants.

### **12.3 Release for costs**

(1) The Defendants release the Plaintiff for the payment of the costs in an amount of \$2,500 granted by the Honourable Justice Dietrich of the Ontario Superior Court of Justice in her March 31, 2020 decision in the 05-CL-5965 court file.

## **SECTION 13 – ADMINISTRATION**

### **13.1 Appointment of the Administrator**

(1) The Court will appoint the Administrator to serve until further order of the Court, to implement the Settlement Agreement, the Plan of Notice and the Plan of Allocation, on the terms and conditions and with the powers, rights, duties and responsibilities set out in the Settlement Agreement and in the Plan of Allocation.

(2) If the Settlement Agreement is terminated, the Administrator's fees, disbursements and taxes will be fixed as set out in section 4.1(1) of the Settlement Agreement.

### **13.2 Claims Process**

(1) Any Class Member who has not submitted a valid proof of claim form to the Receiver pursuant to the Norshield Receivership Proceedings, or the Monitor in connection with the KPMG Settlement is required to submit a completed Claim Form to the Administrator, in accordance with the provisions of the Plan of Allocation, on or before the Claims Bar Deadline in order to seek payment from the Settlement Amount;

(2) Any Class Member who has submitted a valid proof of claim form to the Receiver pursuant to the Norshield Receivership Proceedings, or the Monitor in connection with the KPMG Settlement is not required to submit a Claim Form; those Class Members will be deemed to have submitted a valid Claim Form in the same amount as was contained in the proof of claim form submitted by said Class Members in the Norshield Receivership Proceedings and/or in connection with the KPMG Settlement and will directly receive their share of the Settlement Amount in a proportion set out in the Plan of Allocation;

(3) In order to remedy any deficiency in the completion of a Claim Form, the Administrator may require and request that additional information be submitted by a Class Member who submits a Claim Form. Such Class Members shall have within the

later of thirty (30) days from the date of the request from the Administrator or the Claims Bar Deadline to rectify the deficiency. Any person who does not respond to such a request for information within the thirty (30)-day period shall be forever barred from receiving any payments pursuant to the Settlement Agreement, subject to any order of the relevant Court to the contrary as provided in section 17.4, but will in all other respects be subject to, and bound by, the provisions of the Settlement Agreement and the releases contained herein.

### **13.3 Decisions of the Administrator**

(1) In the event that a Class Member disputes the Administrator's decision, whether in whole or in part, the Class Member may seek assistance from Class Counsel, who will notify Defendants' counsel. If no satisfactory remedy is found by Class Counsel and the Administrator, the matter will be submitted to the Court.

(2) No action shall lie against the Releasees, Defendants, Defendants' counsel, Class Counsel or Administrator for any decision made in the administration of the Settlement Agreement and Plan of Allocation without an order from the Court authorizing such an action.

### **13.4 Conclusion of the Administration**

(1) Following the Claims Bar Deadline, and in accordance with the terms of the Settlement Agreement, the Plan of Allocation, and such further order of the Court, as may be necessary, or as circumstances may require, the Administrator shall distribute the Escrow Settlement Amount to Authorized Claimants.

(2) The undistributed amount in the Escrow Account (whether by reason of uncashed cheques or otherwise), if any, shall be paid *cy près* to a recipient approved by the Court, after the applicable deduction is withdrawn for the Fonds d'aide aux actions collectives as per the law.

(3) Upon the conclusion of the administration, or at such other time(s) as the Court may direct, the Administrator shall report to the Court on the administration and shall account for all monies it has received, administered and disbursed and obtain an order from those courts releasing it as Administrator.

## **SECTION 14 – THE PLAN OF ALLOCATION**

- (1) The Defendants shall have no obligation to consent to, but shall not oppose, the approval of the Plan of Allocation.
- (2) Section 14(1) of the Settlement Agreement is not an acknowledgement that the Defendants have standing to make any submissions regarding the Plan of Allocation.

## **SECTION 15 – CLASS COUNSEL FEES**

### **15.1 Motion for Approval of Class Counsel Fees**

- (1) At the Second Motion, Class Counsel shall seek the approval of Class Counsel Fees to be paid as a first charge on the Settlement Amount. Class Counsels are not precluded from making additional applications to the Court for expenses incurred as a result of implementing the terms of the Settlement Agreement. All amounts awarded on account of Class Counsel Fees shall be paid from the Settlement Amount.
- (2) Any order in respect of Class Counsel Fees, or any appeal from any order relating thereto or reversal or modification thereof, shall not operate to terminate or cancel the Settlement Agreement or affect or delay the settlement of the Action as provided herein.

### **15.2 Payment of Class Counsel Fees**

- (1) After the Settlement Agreement becomes final, as contemplated in section 11 of the Settlement Agreement, Class Counsel shall forthwith be entitled to, and shall be paid, the Class Counsel Fees approved by the Court from the Escrow Account.

## **SECTION 16 – MISCELLANEOUS**

### **16.1 Motions for Directions**

- (1) Any one or more of the Parties, Class Counsel or the Administrator may apply to the Court for directions in respect of any matter in relation to the Settlement Agreement and Plan of Allocation.
- (2) All motions contemplated by the Settlement Agreement shall be on notice to the Parties.

## **16.2 Defendants Have No Responsibility or Liability for Administration**

Except for the Defendants' obligation to pay the Settlement Amount, none of the Releasees, Defendants or Defendants' counsel shall have any responsibility for, or any liability whatsoever with respect to the administration or implementation of the Settlement Agreement and Plan of Allocation, including, without limitation, the processing and payment of claims by the Administrator.

## **16.3 Headings, Terms and Computation of Time**

(1) In the Settlement Agreement:

- a. the division of the Settlement Agreement into sections and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation of the Settlement Agreement;
- b. the terms "this Settlement Agreement", "herein", "hereto" and similar expressions refer to the Settlement Agreement and not to any particular section or other portion of the Settlement Agreement;
- c. unless otherwise indicated, all amounts referred to are in lawful money of Canada; and
- d. "person" means any legal entity including, but not limited to, individuals, corporations, sole proprietorships, general or limited partnerships, limited liability partnerships or limited liability companies.

(2) In the computation of time in the Settlement Agreement, except where a contrary intention appears:

- a. where there is a reference to a number of days between two events, they shall be counted by excluding the day on which the first event happens and including the day on which the second event happens, including all calendar days; and
- b. only in the case where the time for doing an act expires on a holiday, the act may be done on the next day that is not a holiday.

## **16.4 Governing Law and Jurisdiction of the Court**

(1) The Agreement shall be governed by and construed and interpreted in accordance with the laws of the Province of Québec, without prejudice to the Defendants' position as to the law applicable to the issues in the Action.

(2) The Court shall exercise jurisdiction with respect to implementation, administration, interpretation and enforcement of the terms of the Settlement Agreement.

#### **16.5 Entire Agreement**

The Settlement Agreement constitutes the entire agreement among the Parties and supersedes all prior and contemporaneous understandings, undertakings, negotiations, representations, promises, agreements, agreements in principle and memoranda of understanding in connection herewith. None of the Parties will be bound by any prior obligations, conditions or representations with respect to the subject matter of the Settlement Agreement, unless expressly incorporated herein. The Settlement Agreement may not be modified or amended except in writing and on consent of all Parties and any such modification or amendment must be approved by the Court.

#### **16.6 Severability**

(1) Any provision hereof that is held to be inoperative, unenforceable or invalid in any jurisdiction shall be severable from the remaining provisions which shall continue to be valid and enforceable to the fullest extent permitted by law.

#### **16.7 Binding Effect**

(1) If the Settlement Agreement is approved by the Court and becomes final as contemplated in section 11, the Settlement Agreement shall be binding upon, and enure to the benefit of the Plaintiff, the Class Members, the Defendants, the Releasees, the Releasors and all of their respective heirs, executors, predecessors, successors and assigns. Without limiting the generality of the foregoing, each and every covenant and agreement made herein by the Plaintiffs shall be binding upon all Releasors and each and every covenant and agreement made herein by the Defendants shall be binding upon all of the Releasees.

(2) The person signing the Settlement Agreement represents and warrants (as applicable) that:

- (a) he/she has all requisite corporate power and authority to execute, deliver and perform the Settlement Agreement and to consummate the transaction contemplated hereby on its/his/her own behalf;
- (b) the execution, delivery, and performance of the Settlement Agreement and the consummation of the Action contemplated herein have been duly authorized by all necessary corporate action;
- (c) the Settlement Agreement has been duly and validly executed and delivered by him/her and constitutes legal, valid, and binding obligations;
- (d) he/she agrees to use his/her best efforts to satisfy all conditions precedent to the Effective Date.

#### **16.8 Survival**

The representations and warranties contained in the Settlement Agreement shall survive its execution and implementation.

#### **16.9 Negotiated Settlement Agreement**

The Settlement Agreement has been the subject of negotiations and many discussions among the Parties. Each Party has been represented and advised by competent counsel, so that any statute, case law, or rule of interpretation or construction that would or might cause any provision to be construed against the drafters of the Settlement Agreement shall have no force and effect. The Parties further agree that the language contained in, or not contained in, previous drafts of the Settlement Agreement, or any agreement in principle, shall have no bearing upon the proper interpretation of the Settlement Agreement.

#### **16.10 Transaction**

This Settlement Agreement constitutes a transaction in accordance with articles 2631 and following of the *Civil Code of Québec*.

#### **16.11 Pre-Motion Confidentiality**

Until the First Motion is brought, the Parties shall keep all of the terms of the Settlement Agreement confidential and shall not disclose them without the prior consent of counsel for the Defendants or Class Counsel, as the case may be, except as required



for the purposes of financial reporting, communications with insurers, or the preparation of financial records (including tax returns and financial statements), as otherwise required by law, or as otherwise required to give effect to the terms of this Settlement Agreement.

#### **16.12 No Press Release**

(1) The Parties agree that they will not issue any press release, whether joint or individual, concerning this Settlement Agreement or anything related thereto. The Parties further agree that they will not seek to obtain media coverage in relation to the Settlement Agreement, with the exception that Class Counsel will post this Settlement Agreement on their website. Class Counsel agrees to remove the Settlement Agreement from its website seventy-five (75) days following the reception of the Administrator's report pursuant to section 13.4(3). The Administrator will not post the Settlement Agreement on its website.

(2) Subject to section 16.12 (3), the Parties specifically agree that the Parties will not make any public statements, comment or any communication of any kind about any negotiations or information exchanged as part of the settlement process. The Parties' obligations under this subsection shall not prevent them, or any of them, from reporting to their clients, or from complying with any order of this Court, or from making any disclosure or comment otherwise required by the Settlement Agreement, or from making any necessary disclosure or comment for the purposes of any applicable legislation or professional obligation.

(3) If comment is solicited by the press, Class Counsel and the Plaintiffs agree and undertake to describe the settlement and the terms of this Settlement Agreement as fair, reasonable and in the best interests of the Class, and agree to refrain from:

- (a) Contradicting this Settlement Agreement, including the Recitals, or making statements which are inconsistent with the terms thereof; or
- (b) Disparaging the Defendants and their counsel.

### **16.13 Recitals and Schedules**

- (1) The recitals and schedules in the Settlement Agreement are material and integral parts thereof and are fully incorporated into, and form part of, the Settlement Agreement.
- (2) The schedules to the Agreement are:
  - a. Schedule "A" – First Order
  - b. Schedule "B" – Notice
  - c. Schedule "C" – Plan of Notice
  - d. Schedule "D" – Second Order
  - e. Schedule "E" – Plan of Allocation
  - f. Schedule "F" – Claim Form

### **16.14 Acknowledgements**

Each of the Parties hereby represents, affirms and acknowledges that:

- (b) he, she or its representative has the authority to bind the Party with respect to the matters set forth herein and has read and understood the Agreement;
- (c) the terms of the Settlement Agreement and the effects thereof have been fully explained to him, her or its representative by his, her or its counsel; and
- (d) he, she or its representative fully understands each term of the Settlement Agreement and its effect.

### **16.15 Authorized Signatures**

- (1) Each of the undersigned represents that he or she is fully authorized to enter into the terms and conditions of, and to execute, the Settlement Agreement on behalf of the Party for whom he or she is signing.

### **16.16 Counterparts**

The Settlement Agreement may be executed in counterparts, all of which taken together will be deemed to constitute one and the same Settlement Agreement, and a

facsimile or PDF signature shall be deemed an original signature for purposes of executing the Settlement Agreement.

#### **16.17 Translation**

The Parties acknowledge that they have required and consented that the Settlement Agreement and all related documents be prepared in English; *les parties reconnaissent avoir exigé et consenti à ce que la présente convention et tous les documents connexes soient rédigés en anglais.* Nevertheless, a French translation of the Settlement Agreement will be prepared, the cost of which shall be paid from the Settlement Amount. In the event of any dispute as to the interpretation or application of the Settlement Agreement, the English version shall govern.

#### **16.18 Notice**

Any notice, instruction, motion for court approval or motion for directions or court orders sought in connection with the Settlement Agreement or any other report or document to be given by any of the Parties to any of the other Parties shall be in writing and delivered personally, by facsimile or e-mail during normal business hours, or sent by registered or certified mail, or courier postage, to be paid as follows:

#### **For the Plaintiff and Class Counsel**

##### **SYLVESTRE PAINCHAUD ET ASSOCIÉS S.E.N.C.R.L.**

740, avenue Atwater  
Montreal, QC H4C 2G9

##### **NORMAND PAINCHAUD**

Tel.: 514.937.2881 x228  
Fax: 514.937.6529  
Email: [n.painchaud@spavocats.ca](mailto:n.painchaud@spavocats.ca)

##### **VINCENT BLAIS-FORTIN**

Tel.: 514.937.2881 x235  
Fax: 514.937.6529  
Email: [v.blais-fortin@spavocats.ca](mailto:v.blais-fortin@spavocats.ca)

**For Defendants**

**OSLER, HOSKIN & HARCOURT LLP**

1000 De La Gauchetière Street West, Suite 2100  
Montréal, QC H3B 4W5

**SHAWN IRVING**

Tel.: 416.862.4733

Fax: 416.862.6666

Email: [sirving@osler.com](mailto:sirving@osler.com)

**FREDERIC PLAMONDON**

Tel.: 514.904.8109

Fax: 514.904.8101

Email: [fplamondon@osler.com](mailto:fplamondon@osler.com)

**16.19 Date of Execution**

The Parties have executed the Settlement Agreement of the date on the cover page.

*Sylvestre Painchaud et associés s.e.n.c.r.l.*

**SYLVESTRE PAINCHAUD ET ASSOCIÉS S.E.N.C.R.L.**

**(For Plaintiff Sheila Calder)**

*Osler Hoskin & Harcourt LLP*

**OSLER, HOSKIN & HARCOURT LLP**

**(For Defendants)**

# **Schedule-A**

C A N A D A  
PROVINCE OF QUÉBEC  
DISTRICT OF MONTRÉAL  
N° : 500-06-000435-087

SUPERIOR COURT  
(Class Action Division)

---

SHEILA CALDER

Plaintiff

v.

ROYAL BANK OF CANADA

-and-

RBC CAPITAL MARKETS  
CORPORATION

Defendants

-and-

LE FONDS D'AIDE AUX ACTIONS  
COLLECTIVES

Mis en cause

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JUDGMENT

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- (1) **CONSIDERING** that the Plaintiff was authorized on October 30, 2013 to commence a class action against the Defendants on behalf of the following class:

“All Canadian retail investors who purchased one of the Olympus United Funds Corporation shares (formerly First Horizon Holdings Ltd.) from June 27, 1999 to June 29, 2005, and who had outstanding shares in said corporations as of June 29, 2005, but to the exclusion of any person who is or was in any way related to John Xanthoudakis or any former director, administrator, representative or employee of the Norshield Financial Group.”

- (2) **CONSIDERING** that settlement discussions between the parties resulted in a settlement agreement dated August 1, 2020 (the “**Settlement Agreement**”);

- (3) **CONSIDERING** that by the Application, the Plaintiff seeks an order *inter alia*:

- a. Approving the form and content of the Notice to Class Members;
- b. Approving the Plan of Notice;

- c. Appointing Richter Advisory Group Inc. ("**Richter**") as Administrator of the Settlement Agreement;
- d. Appointing Sylvestre Painchaud et associés s.e.n.c.r.l. to manage the Escrow Account; and
- e. Setting the date, time and means of the hearing on the Settlement Agreement approval (the "**Approval Hearing**") and approving class counsels' fees and disbursements;

(4) **CONSIDERING** that, subject to court approval, the Parties have negotiated and entered into a Settlement Agreement, without admission of liability, a copy of which was appended to the Application as Exhibit R-1, to fully, definitively and permanently resolve, settle and release the Releasees from all Released Claims related to or connected with, directly or indirectly, whether known or unknown, the Action against the Defendants by the Plaintiff on his own behalf and/or on behalf of the Class she seeks to represent, to avoid the further expense, inconvenience, distraction of burdensome litigation and risks inherent to this uncertain, complex and protracted litigation, and thereby resolve this class action;

(5) **CONSIDERING** that the Defendants have denied and continue to deny each and all of the claims and allegations of wrongdoing and fault made by the Plaintiff in this class action;

(6) **CONSIDERING** the material filed in the Court record, including the Settlement Agreement, the proposed Notice and the proposed Plan of Notice;

(7) **CONSIDERING** that:

- a. all Parties consent to the Application; and
- b. Richter Advisory Group Inc. consents to act as Administrator of the Settlement Agreement;

(8) **CONSIDERING** that the proposed Notice and Plan of Notice respect the conditions set forth in articles 581 and 590 of the *Code of Civil Procedure*;

**WHEREFORE, THE COURT:**

- (9) **ORDERS** that for the purposes of this judgment, except to the extent that they are modified in this judgment, the definitions set out in the Settlement Agreement apply to and are incorporated into this judgment;
- (10) **APPOINTS** Richter as Administrator of the Settlement Agreement;
- (11) **APPROVES** the Notice, generally in the form attached as Schedule B to the Settlement Agreement in English and in French;
- (12) **APPROVES** the Plan of Notice, generally in the form attached as Schedule C to the Settlement Agreement, and **ORDERS** dissemination of the Notice in accordance with the Plan of Notice within fifteen (15) business days of the issuance of this judgment;
- (13) **AUTHORIZES** the use by ISB and Equifax of SIN Information to confirm or obtain residential addresses of Class Members for the dissemination of the Notice to Class Members and the distribution process of the Settlement Amount and **ORDERS** that the SIN Information may only be used by ISB and Equifax for those purposes;
- (14) **PRAYS ACT** of ISB and Equifax undertaking to destroy the SIN Information once their mandate is completed and **ORDERS** to confirm said destruction in an affidavit to be filed with this Court;
- (15) **DECLARES** that, subject to further judgments to be rendered by this Court and/or with the express consent of the person to whom the SIN Information relates, ISB and Equifax shall not disclose the SIN Information to anyone other than the person to whom the SIN Information relates;
- (16) **ORDERS** Richter to share the SIN Information with ISB for the purposes described above, in accordance with section 7(3)(c) of the *Personal Information Protection and Electronic Documents Act*, S.C. 2000, c. 5 and the section 18(6) *Act respecting the Protection of Personal Information in the Private Sector*, CQLR c. P-39.1;
- (17) **ALLOWS** ISB to share the SIN Information with Equifax for the purposes describe above;
- (18) **RELEASES** Richter from any statutory obligations regarding the protection of privacy of personal information of the Class Members for the communication of the SIN Information ordered by the judgment on this Application;
- (19) **ORDERS** that the Administrator shall, five (5) days prior to the Approval Hearing, file an affidavit with the Court confirming compliance with the provisions of paragraph 12 of this judgment.
- (20) **ORDERS** that it will decide whether to:



- a) approve the Settlement Agreement;
- b) approve the Class Counsel Fees; and
- c) deal with any related matters;

at the Approval Hearing to be held on ●, 2020, beginning at 9:30 a.m. at the Superior Court of Québec, 1 Notre Dame St. East, Montreal, Québec [in person or by videoconference];

- (21) **ORDERS** that the deadline for asserting contentions in writing shall be ● days after the date of this judgment;
- (22) **ORDERS** that Class Counsel shall, five (5) days prior to the Approval Hearing, file an affidavit with the Court about any contention received;
- (23) **APPOINTS** Sylvestre Painchaud et associés s.e.n.c.r.l., until further order of the Court, to manage the Escrow Account in accordance with the Settlement Agreement, and **ORDERS** that it accounts to the Court and to the Defendants for all payments it makes from the Escrow Account in accordance with the Settlement Agreement;
- (24) **ORDERS** that the Parties and/or the Administrator may apply to this Court for directions in respect of the implementation of this Order.
- (25) **THE WHOLE**, without costs.

\_\_\_\_\_ 2020

\_\_\_\_\_  
THE HONOURABLE JUSTICE THOMAS M. DAVIS

# **Schedule-B**

# CLASS ACTION AGAINST ROYAL BANK OF CANADA

## IN RELATION TO OLYMPUS UNITED FUNDS CORPORATION

### AN AGREEMENT HAS BEEN REACHED

THE COURT WILL BE ASKED TO APPROVE IT.

#### What is the purpose of this notice?

The present notice is to inform you that Mrs. Sheila Calder (the "**Plaintiff**") and Royal Bank of Canada and RBC Capital Markets Corporation (collectively hereinafter "**RBC**"), the defendants in this case, have entered into a settlement agreement (the "**Settlement Agreement**") in the matter of the class action lawsuit filed in Québec, in the district of Montreal, against RBC bearing Court file no. 500-06-000435-087 (the "**Class Action**"). If the Settlement Agreement is approved, it will end the Class Action.

The Plaintiff and its counsel ("**Plaintiff's Counsel**") believe that the Settlement Agreement is fair and reasonable and in the best interests of the class members considering, *inter alia*, the particular facts of the case, the inherent risks of litigation, uncertainty of result, and the quantum of the settlement entered into between KPMG LLP and the Norshield Receiver in July 2011 (the "**KPMG Settlement**"). The parties will ask the Superior Court to approve the Settlement Agreement.

The Superior Court will hold a hearing ("**Approval Hearing**") to decide whether the Settlement Agreement should be approved. Class Members who wish to participate or view the Settlement Approval Hearing may do so via WEBRTC by clicking on the following link: **[link to be added/provided by the Court]**. The userID **[to be provided by the Court]**. No password is required to login. Should Internet access be unavailable, Class Members may also join by dialing **[to be provided by the Court]**, followed by conference number **[to be provided by the Court]**. Class Members may reach the Court clerk at **[to be provided by the Court]** for assistance.

#### Who is impacted by this notice?

The Class Action was authorized by the Superior Court on October 30, 2013 for the benefit of the following persons (the "**Class**"):

*All Canadian retail investors who purchased one of the Olympus United Funds Corporation shares (formally First Horizon Holdings Ltd.) from June 27, 1999 to June 29, 2005, and who had outstanding shares in said corporations as of June 29, 2005, but to the exclusion of any person who is or was in any way related to Jon Xanthoudakis or any other former director, administrator, representative of employee of the Norshield Financial Group.*

You are being provided the present notice if you are a member of the Class or an heir of a member of the Class.

### What is the purpose of the Class Action?

Mrs. Calder, as class representative, alleges that RBC participated in the creation of a fraudulent investment scheme by Norshield Asset Management Ltd. ("Norshield"), and that RBC knew or ought to have known that Norshield was defrauding the owners of shares of Olympus United Funds Corporation ("**OUFC**"). The Class Action sought to retrieve from RBC an amount of approximately \$140 Million plus the legal interest and the special indemnity provided by Article 1619 of the *Civil Code of Québec*.

RBC has denied and continues to deny having committed any fault or wrongdoing, denies responsibility, and challenges the validity of the claims and damages set forth in the Class Action.

### What is the settlement amount offered by the Agreement?

Without admission of liability, and in full and final settlement of the claims of the Class, RBC has agreed to pay a settlement of \$6,000,000 ("**Settlement Amount**").

### How will the Settlement Amount be calculated?

The Superior Court appointed Richter Advisory Group Inc. as the administrator of the settlement ("**Administrator**") to, among other things, distribute the share of the Settlement Amount to eligible Class members as determined by the Administrator ("**Authorized Claimants**").

After deducting Court approved Plaintiff Counsels' fees and disbursements, Administration fees and applicable taxes, the Settlement Amount will be distributed on a *pro rata* basis to the Authorized Claimants by the Administrator.

The share of the Settlement Amount of each Authorized Claimant will be calculated by dividing the listed market value of their investment in OUFC shares as of June 29, 2005, by the total market value of the investment of all Authorized Claimants in said shares at the same date.

The legal fees for which the Plaintiff's Counsels will seek the approval of the Court correspond to 25% of the Settlement Amount, plus applicable taxes, in accordance with the fee agreements entered into by Mrs. Calder and Plaintiff's Counsel on August 24, 2011. The estimated disbursements, most of which are expert fees, is \$200,000.

The Administration fees, including notice distribution, claim form processing and cheques distribution is estimated at \$66,000, plus applicable taxes.

As an example, and if the Court approves the above mentioned fees and if your investment in OUFC shares' market value was \$100 000 as of June 29, 2005, and the total market value of all Authorised Claimants' shares in OUFC was \$125 Million, your estimated share of the distribution would be \$3,000.

<b>How will the Settlement Amount be distributed?</b>
---

Authorized Claimants will receive their share of the Settlement Amount by cheque, which will be mailed to their last known address:

- **Directly and without further process if you filed a proof of claim and received a portion of the KPMG Settlement distributed by RSM Richter Inc. in 2012 and 2013.**

**or**

- **After receipt and approval by the Administrator of the claim form attached to this Notice.**

**If a claim form is attached to the present Notice, you are deemed not to have submitted a proof of claim nor received a portion of the settlement proceeds from the KPMG Settlement. You are therefore required to complete, sign and submit the claims form to the Administrator by ● (the "Claims Bar Date"). Failing to submit a claims form on or before the Claims Bar Date will preclude you from receiving any part of the Settlement Amount.**

<b>Will this Settlement Agreement have an impact on the receivership proceedings or the CCAA proceedings regarding OUFC?</b>
--

No. The Distribution of the Settlement Amount, and your rights to receive same, will not impact your right for further distributions, if any, under the receivership proceedings or the CCAA proceedings. However, if you are a retail investor without proven claim within the receivership or the CCAA proceedings, this Distribution will not generate a new right to claim under those separate and distinct proceedings, which are under the jurisdiction of the Ontario Superior Court of Justice.

<b>How can I obtain additional information?</b>
---

**For information regarding the Settlement Agreement:** you can consult the following websites: <https://www.richter.ca/insolvencycase/norshield/>, or <https://spavocats.ca/class-actions/rbc/>. The latter website contains downloadable .pdf versions of the claim form and the full text of the Settlement Agreement.

You can also contact the Administrator at [1-800-ADMINISTRATOR](tel:1-800-ADMINISTRATOR) or Class Counsel at [514-937-2881](tel:514-937-2881) ext. 228; fax [514-937-6529](tel:514-937-6529); email [rbcsettlement@spavocats.ca](mailto:rbcsettlement@spavocats.ca).

<b>How can I express my disagreement with the Settlement Agreement?</b>
---

To assert contentions regarding the Settlement Agreement to the Court, you may attend the Approval Hearing or send your written contentions to Class Counsel prior to the Approval Hearing. Any written contentions must be submitted by no later than one week prior to the Approval Hearing. All written contentions received prior to the Approval Hearing will be shared with the Court. You do not need a lawyer to assert contentions. Asserting contentions to the Settlement Agreement will not bar you from receiving your share of the compensation, should the Settlement Agreement be approved by the Court.

No other notice will be published if the Settlement Agreement is approved.

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

# **ACTION COLLECTIVE CONTRE LA BANQUE ROYALE DU CANADA**

**EN LIEN AVEC LA CORPORATION DE FONDS UNIS OLYMPUS**

## **UN RÈGLEMENT A ÉTÉ CONCLU**

**LE TRIBUNAL SERA APPELÉ À L'APPROUVER.**

### **Quel est l'objet de cet avis?**

Le présent avis a pour objet de vous informer que Mme Sheila Calder (la « **demanderesse** »), et la Banque Royale du Canada et RBC Marchés des Capitaux (collectivement ci-après « **RBC** »), les défenderesses, se sont entendus sur un règlement proposé (le « **règlement** ») dans le cadre de l'action collective intentée contre RBC au Québec, dans le district de Montréal, portant le numéro de dossier 500-06-000435-087 (l'« **action collective** »). Si le règlement est approuvé, l'action collective prendra fin.

La demanderesse et ses avocats (les « **avocats de la demanderesse** ») estiment que le règlement est juste, raisonnable et dans le meilleur intérêt des membres du groupe, compte tenu, entre autres, des faits particuliers du dossier, des risques inhérents au litige, de l'incertitude du résultat et du montant du règlement conclu entre KPMG LLP et le séquestre Norshield en juillet 2011 (le « **règlement KPMG** »). Les parties demanderont à la Cour supérieure d'approuver le règlement.

La Cour supérieure tiendra une audience pour déterminer si le règlement doit être approuvé (l'« **audience d'approbation** »). Les membres du groupe qui souhaitent participer ou assister à l'audience d'approbation du règlement peuvent le faire par l'intermédiaire de la technologie WebRTC en cliquant sur le lien suivant : **[lien à ajouter/apporté par la Cour]**. Le code d'identification **[à fournir par la Cour]**. Aucun mot de passe n'est nécessaire pour se connecter. Si aucun accès Internet n'est disponible, les membres du groupe peuvent également se joindre à l'audience en composant le numéro **[à fournir par la Cour]**, suivi du numéro de conférence **[à fournir par la Cour]**. Les membres du groupe peuvent contacter le greffe de la Cour supérieure au **[à fournir par la Cour]** pour obtenir de l'aide.

### **Qui est concerné par cet avis?**

L'action collective a été autorisée par la Cour supérieure le 30 octobre 2013 en faveur des personnes suivantes (le « **groupe** ») :

*Tous les investisseurs particuliers canadiens qui ont acheté l'une des actions de la Corporation de Fonds Unis Olympus (anciennement Gestion First Horizon Ltée) entre le 27 juin 1999 et le 29 juin 2005, et qui détenaient des actions en circulation dans lesdites sociétés au 29 juin 2005, à l'exclusion de toute personne qui est ou était liée d'une manière quelconque à Jon Xanthoudakis ou à tout autre ancien directeur, administrateur, représentant ou employé du Norshield Financial Group.*

Le présent avis vous est transmis si vous êtes un membre du groupe ou un héritier d'un membre du groupe.

### Quel est l'objet de l'action collective?

Mme Calder, en tant que représentante du groupe, allègue que RBC a participé à la création d'un montage financier frauduleux par Gestion de Placements Norshield Ltée (« **Norshield** »), et que RBC savait ou aurait dû savoir que Norshield fraudait les détenteurs d'actions de la Corporation de Fonds Unis Olympus (la « **CFUO** »). L'action collective visait à récupérer auprès de RBC un montant d'environ 140\$ millions, plus les intérêts légaux et l'indemnité additionnelle prévue par l'article 1619 du *Code civil du Québec*.

RBC a nié et continue de nier toute allégation de faute ou d'acte répréhensible, nie toute responsabilité et conteste la validité des réclamations et des dommages-intérêts formulés dans l'action collective.

### Quel est le montant offert en vertu du règlement?

Sans aucune admission de responsabilité, et en règlement complet et définitif des réclamations du groupe, RBC a accepté de payer un règlement de 6 000 000 \$ (le « **montant du règlement** »).

### Comment le montant du règlement sera-t-il calculé?

La Cour supérieure a désigné Richter Groupe Conseil Inc. comme administrateur du règlement (l'« **administrateur** ») pour, notamment, distribuer la part du montant du règlement aux membres du groupe éligibles, tels que déterminés par l'administrateur (les « **réclamants autorisés** »).

Après déduction des honoraires et débours des avocats de la demanderesse approuvés par la Cour, des frais d'administration et des taxes applicables, le montant du règlement sera distribué par l'administrateur aux réclamants autorisés au *pro rata*.

La part du montant du règlement de chaque réclamant autorisé sera calculée en divisant la valeur marchande cotée de leur investissement dans les actions de la CFUO au 29 juin 2005 par la valeur marchande totale de l'investissement de tous les réclamants autorisés dans lesdites actions à la même date.

Les honoraires juridiques pour lesquels les avocats de la demanderesse demanderont l'approbation de la Cour correspondent à 25 % du montant du règlement, plus les taxes applicables, conformément aux conventions d'honoraires conclues par Mme Calder et les avocats de la demanderesse le 24 août 2011. Les débours estimés, dont la plupart sont des honoraires d'experts, s'élèvent à 200 000\$.



Les frais d'administration, y compris la distribution des avis, le traitement des formulaires de réclamation et la distribution des chèques, sont estimés à 66 000\$, plus les taxes applicables.

À titre d'exemple, si la Cour approuve les frais mentionnés ci-dessus, et si votre investissement dans les actions de la CFUO était de 100 000\$ au 29 juin 2005 et que la valeur totale du marché de toutes les actions des réclamants autorisés dans la CFUO était de 125 millions de dollars, votre part estimée de la distribution serait de 3 000\$.

<b>Comment le montant du règlement sera-t-il distribué?</b>
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Les réclamants autorisés recevront leur part du montant du règlement par chèque, qui sera envoyé à leur dernière adresse connue :

- **Directement et sans autre procédure si vous avez déposé une preuve de réclamation et avez reçu une part dans le règlement KPMG distribué par RSM Richter Inc. en 2012 et 2013.**

**ou**

- **Après réception et approbation par l'administrateur du formulaire de réclamation joint au présent avis.**

**Si un formulaire de réclamation est joint au présent avis, vous êtes réputé ne pas avoir présenté de preuve de réclamation ni reçu de part dans le règlement KPMG. Vous êtes donc tenu de compléter, signer et retourner le formulaire de réclamation à l'administrateur avant le ● (la « date limite de réclamation »). Si vous ne soumettez pas le formulaire de réclamation au plus tard à la date limite de réclamation, vous ne pourrez pas recevoir votre part du montant du règlement.**

<b>Ce règlement aura-t-il un impact sur la procédure de mise sous séquestre ou la procédure de la LACC concernant la CFUO ?</b>
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Non. La distribution du montant du règlement et vos droits à recevoir une part de ce montant n'auront aucune influence sur votre droit à d'autres sommes distribuées, le cas échéant, dans le cadre de la procédure de mise sous séquestre ou de la procédure en vertu de la LACC. Toutefois, si vous êtes un investisseur particulier sans aucune réclamation qui a été prouvée dans le cadre de la procédure de mise sous séquestre ou de la procédure de LACC, cette distribution ne générera pas un nouveau droit de réclamation dans le cadre de ces procédures séparées et distinctes, qui relèvent de la compétence de la Cour supérieure de justice de l'Ontario.

### **Comment puis-je obtenir des informations supplémentaires?**

**Pour toute information concernant le règlement** : vous pouvez consulter les sites web suivants : <https://www.richter.ca/insolvencycase/norshield/>, ou <https://spavocats.ca/class-actions/rbc/>. Ce dernier site contient des versions téléchargeables au format .PDF du formulaire de réclamation et du texte complet du règlement.

Vous pouvez également contacter l'administrateur au **1-800-ADMINISTRATEUR** ou les avocats du groupe au 514-937-2881 poste 228; fax 514-937-6529; courriel [rbcsettlement@spavocats.ca](mailto:rbcsettlement@spavocats.ca).

### **Comment puis-je exprimer mon désaccord avec le règlement?**

Pour faire valoir vos arguments concernant le règlement devant la Cour, vous pouvez assister à l'audience d'approbation ou envoyer vos arguments écrits à l'avocat du groupe avant la tenue de l'audience d'approbation. Toute contestation écrite doit être soumise au plus tard une semaine avant l'audition d'approbation. Tous les arguments écrits reçus avant l'audience d'approbation seront communiqués à la Cour. Vous n'avez pas besoin d'un avocat pour faire valoir vos arguments. Le fait de faire valoir des arguments concernant le règlement ne vous empêchera pas de recevoir votre part de l'indemnisation, si le règlement est approuvé par la Cour.

Aucun autre avis ne sera publié si le règlement est approuvé.

**La publication de cet avis a été approuvée par la Cour supérieure.**

# **Schedule-C**

C A N A D A  
PROVINCE OF QUÉBEC  
DISTRICT OF MONTRÉAL  
N° : 500-06-000435-087

SUPERIOR COURT  
(Class Action Division)

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SHEILA CALDER

Plaintiff

v.

ROYAL BANK OF CANADA

-and-

RBC CAPITAL  
CORPORATION

MARKETS

Defendants

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PLAN OF NOTICE  
(article 590 CCP)

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1. For the purposes of this plan of notice ("**Plan of Notice**"), except to the extent that they are modified in this Plan of Notice, the definitions set out in the Settlement Agreement and in the Plan of Allocation apply to and are incorporated into this Plan of Notice.
2. Class Counsel has posted information about the nature and status of the Action in both English and French at <https://spavocats.ca/fr/actions-collectives/rbc/> ("**Website**") for general information purposes. The information posted on the Website will be updated regularly. Copies of important publicly available court documents, decisions, notices and other information relating to the Class Action are or will be accessible on the Website.

**NOTICE OF SETTLEMENT AND SETTLEMENT APPROVAL HEARING**

3. A bilingual notice informing Class Members of the Settlement Agreement and of the Settlement approval hearing (the "**Notice**"), attached as Schedule B to the Settlement Agreement, will be directly mailed by the Administrator to each Class Member to their last known and updated addresses.
4. The Notice shall be communicated to Class Members as per the following process:

- (a) The Administrator will review an original third-party list of OUFC investors as of June 29, 2005 obtained at the beginning of its investigation as Receiver of OUFC (the “**Citifund List**”);
  - (b) The Administrator will remove from the Citifund List the members who excluded themselves from the Action;
  - (c) The Administrator will make a determination as to the persons or entities on the Citifund List which are not Class Members as per the Class Member definition, with reasons submitted to Class Counsel;
  - (d) The Administrator will submit to Class Counsel the list on investors that are deemed not to be part of the Class and Class Counsel will inform Defendants’ counsel of said list. If any disagreement arise that are not solvable, Class Counsel will submit the dispute to the Court for adjudication;
  - (e) The ensuing list will be the “**Class Members List**”;
  - (f) The Administrator will update the Class Members List with any more current address information available to the Administrator;
  - (g) The Class Members List then will be provided to ISB Global Services for ultimate updating of the addresses (the “**Updated Mailing Addresses**”);
  - (h) The Administrator will then mail, at the Updated Mailing Address:
    - i. The Notice only to all CCAA Proven Claim Creditors;
    - ii. The Notice and the Claim Form to all other Class Members;
  - (i) Class Counsel will post the Notice and the Claim Form in English and French on their website <https://spavocats.ca/fr/actions-collectives/rbc/>; and
  - (j) Class Counsel will also publish the Notice on the *Registre des actions collectives*.
5. If the approval of the Settlement Agreement is not granted, a notice of non-approval will be sent by mail to the Updated Mailing Addresses.

# **Schedule-D**

C A N A D A  
PROVINCE OF QUÉBEC  
DISTRICT OF MONTRÉAL  
N° : 500-06-000435-087

SUPERIOR COURT  
(Class Action Division)

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SHEILA CALDER

Plaintiff  
v.

ROYAL BANK OF CANADA  
-and-  
RBC CAPITAL MARKETS  
CORPORATION

Defendants

-and-

LE FONDS D'AIDE AUX ACTIONS  
COLLECTIVES

Mis en cause

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JUDGMENT

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- (1) **CONSIDERING** that the Plaintiff was authorized on October 30, 2013 to commence a class action against Royal Bank of Canada and RBC Capital Markets Corporation (together, the “**Defendants**”) on behalf of the following class (the “**Authorization Judgment**”):

“All Canadian retail investors who purchased one of the Olympus United Funds Corporation shares (formerly First Horizon Holdings Ltd.) from June 27, 1999 to June 29, 2005, and who had outstanding shares in said corporations as of June 29, 2005, but to the exclusion of any person who is or was in any way related to John Xanthoudakis or any former director, administrator, representative or employee of the Norshield Financial Group.”;

- (2) **CONSIDERING** that in this class action, Plaintiff alleges, among others things, that the Norshield Financial Group offered OUFC shares to Canadian retail investors, founding the value of said shares on leveraged assets acquired by way of a structured financial product offered by Royal Bank of Canada; said structured financial product was obtained by an affiliate of Norshield through RBC’s agent RBC Capital Markets Corporation (then RBC Dominion Securities Corporation);

- (3) **CONSIDERING** that Plaintiff also alleges that the Norshield Financial Group, through the OUFC offer, defrauded the Plaintiff and Class Members of the total value of their unredeemable shares of OUFC as of June 29<sup>th</sup>, 2005 (approximately 159 Million \$), and that the Defendants knew or ought to have known of the fraudulent investment scheme but failed to act accordingly;
- (4) **CONSIDERING** that the Defendants have denied and continue to deny having committed any fault or wrongdoing, denies responsibility, and challenges the validity of the claims and damages set forth in the Action;
- (5) **CONSIDERING** that the principal questions of fact and law to be dealt with on a collective basis identified in the Authorization Judgment were:
- a. Did RBC participate in the creation of a financial product that was used to defraud the class members?
  - b. Did RBC allow this fraudulent structure to evolve, strive, and survive until \$159 million were lost by Class members?
  - c. Did RBC know or ought to have known that the class members were being defrauded or at serious risk of losing their investments within that structure?
  - d. Did RBC voluntarily blind itself because of the financial benefits it derived from the fraudulent structure?
  - e. Did RBC omit to refrain from continuing its collaboration with *Norshield Financial Group*?
  - f. Did RBC omit to inform authorities of obvious risks and irregularities they knew or should have known about within *Norshield Financial Group* and the *Olympus investment structure*?
  - g. Did RBC lend their credibility to *Norshield Financial Group* and the *Olympus investment structure*, first by providing hundreds of millions of dollars in financing, and then by offering a principal protected financial product to the Canadian public which was directly based on the fraudulent structure?
  - h. Did RBC authorize transfers of funds and/or assets from the *Norshield Financial structure* that caused such assets to be diverted from assets that would have benefited the Group?
  - i. Does a positive answer to one or more of the questions above equate to an extra-contractual fault on the part of RBC?



- j. If so, did RBC fault(s) cause the losses incurred by Class members
- (6) **CONSIDERING** that settlement discussions between the parties commenced in August 2018 and resulted in a settlement agreement dated August 1, 2020 (the “**Settlement Agreement**”), exhibit R-1;
- (7) **CONSIDERING** that, subject to court approval, the Parties have negotiated and entered into the Settlement Agreement, without any admission of liability, to fully, definitively and permanently resolve, settle and release the Releasees from all Released Claims related to or connected with, directly or indirectly, whether known or unknown, the Action against the Defendants by the Plaintiff on her own behalf and/or on behalf of the Class she seeks to represent, to avoid the further expense, inconvenience, distraction of burdensome litigation and risks inherent to this uncertain, complex and protracted litigation, and thereby resolve this class action;
- (8) **CONSIDERING** that the Settlement Agreement provides for an all-inclusive monetary payment by the Defendants of \$6,000,000 (the “**Settlement Amount**”);
- (9) **CONSIDERING** that by way of the Application to Approve a Settlement Agreement, Approve Counsel’s Fees and for Other Relief (the “**Motion**”), the Plaintiff seeks an order *inter alia*:
- a. Approving the Settlement Agreement;
  - b. Approving the Plan of Allocation;
  - c. Approving the Claim Form;
  - d. Setting the Claims Bar Deadline; and
  - e. Approving the Class Counsel Fees.
- (10) **CONSIDERING** articles 590 and 596 of the *Code of civil Procedure*;

#### **The Settlement Agreement**

- (11) **CONSIDERING** the applicable criteria to determine the reasonableness and fairness of a proposed settlement of a class action;
- (12) **CONSIDERING** the material filed in the Court record, including the Settlement Agreement, **Exhibit R-1**, the facts alleged in the Motion, the sworn declaration of Normand Painchaud, sworn 1, 2020, and the

Declarations of Raymond Massi sworn ●, 2020, and ●, 2020, and the representations made to the Court;

- (13) **CONSIDERING** that the Plaintiff and the Defendants, through counsel, have engaged in extensive arm's-length settlement negotiations in respect of the Action, the whole resulting in the Settlement Agreement;
- (14) **CONSIDERING** the litigation risks specific to this class action and Plaintiff's burden of establishing the liability of one or both of the Defendants with regards to the allegations and damages to the Class Members;
- (15) **CONSIDERING** the KMPG Settlement, which was approved by the Ontario Superior Court of Justice (Commercial List), and by the vast majority of the retail investors of OUFC and by the Québec Superior Court (Class Action division);
- (16) **CONSIDERING** that the proposed Plan of Allocation constitutes an effective, efficient and comprehensive means of distribution, relying on information collected by the Administrator, as Receiver and/or Monitor during the Norshield Receivership Proceedings and the KPMG Settlement;
- (17) **CONSIDERING** that the Class Members List was updated through a thorough third party update process;
- (18) **CONSIDERING** the anticipated time and additional cost to obtain recovery for the Class Members had the parties not agreed to the proposed settlement;
- (19) **CONSIDERING** Class Counsel's experience and expertise in class action matters and their recommendation that the Plaintiff accept the proposed settlement;
- (20) **CONSIDERING** that ● Class Members have submitted contentions regarding the Settlement Agreement;
- (21) **CONSIDERING** that the Court is satisfied, in light of the foregoing, that the Settlement Agreement is fair, reasonable and in the best interests of the Class Members;

#### **The Class Counsel Fees**

- (22) **CONSIDERING** that Class Counsel seek the Court's approval of their fees, plus applicable taxes and payment of disbursements, totalling ●;
- (23) **CONSIDERING** the declaration of Mtre Normand Painchaud, sworn on ●, 2020, the material filed in the Court record and representations made by Class Counsel;

- (24) **CONSIDERING** the factors that the Court must take into account to assess the fairness and reasonableness of counsel fees;
- (25) **CONSIDERING** the Professional Mandate and Agreement on Fees (the “**Professional Mandate**”) signed by Plaintiff and Class Counsel on August 24, 2011;
- (26) **CONSIDERING** that, pursuant to Section 3 of the Professional Mandate, Class Counsel is entitled to request the approval, as counsel fees, of an amount of 25% of the Settlement Amount, plus applicable taxes;
- (27) **CONSIDERING** that the Fonds d’aide aux actions collectives (“**FAAC**”) paid \$ ● to fund fees and disbursements and that Class Counsel undertook to reimburse such amount to the FAAC;
- (28) **CONSIDERING** that the issues raised in this Action are complex and took place many years ago;
- (29) **CONSIDERING** that Class Counsel financially supported this case for over 9 years, invested more than 3 000 hours, undertook significant risk, and committed significant efforts and resources in this case;
- (30) **CONSIDERING** Class Counsel’s experience and expertise and the time devoted to this Action;
- (31) **CONSIDERING** the result achieved for the Class Members in light of the significant litigation risk and in relation to the KPMG Settlement;
- (32) **CONSIDERING** that additional time will be required for post-settlement approval work;
- (33) **CONSIDERING** that the Court considers that Class Counsel Fees and disbursements are fair and reasonable;

**WHEREFORE, THE COURT:**

- (34) **ORDERS** that for the purposes of this judgment, except to the extent that they are modified in this judgment, the definitions set out in the Settlement Agreement, exhibit R-1, and its schedules apply to and are incorporated into this judgment;
- (35) **DECLARES** that the Settlement Agreement is fair and reasonable and in the best interests of the Class Members and **APPROVES** the Settlement Agreement;

- (36) **ORDERS AND DECLARES** that all provisions of the Settlement Agreement (including the Recitals and Definitions) form part of this judgment and are binding upon the Parties in accordance with the terms thereof;
- (37) **ORDERS** that the Settlement Agreement be implemented according to its terms;
- (38) **ORDERS** that:
- a. the Plan of Allocation, schedule E to the Settlement Agreement, is approved;
  - b. the Claim Form, schedule F to the Settlement Agreement, is approved; and
  - c. the Claims Bar Deadline shall be seventy-five (75) days following the First Order;
- (39) **ORDERS AND DECLARES** that in the event of a conflict between this judgment and the Settlement Agreement, this judgment shall prevail;
- (40) **DECLARES** that the Defendants have no responsibility for the administration and management of the Settlement Agreement;
- (41) **ORDERS** the Administrator to withhold the sum of \$75,000 plus taxes on the Settlement Amount for payment of administration fees;
- (42) **ORDERS** that if the Defendants do not elect to terminate the Settlement Agreement pursuant to the terms in the Settlement Agreement, the Administrator shall be paid from the Escrow Account a fee in an amount to be approved by the Superior Court;
- (43) **ORDERS** that if the Settlement Agreement is terminated, the Administrator may apply to the Superior Court pursuant to the terms of the Settlement Agreement for directions relating to the amount it is to be paid for the services it rendered to the date of termination;
- (44) **ORDERS AND DECLARES** that each Releasor has fully, definitively and permanently resolved, settled and released the Releasees from all Released Claims related to or connected with, directly or indirectly, the Action against the Defendants by the Plaintiff on her own behalf and/or on behalf of the Class she sought to represent, to avoid the further expense, inconvenience, distraction of burdensome litigation and risks inherent to this uncertain, complex and protracted litigation, and thereby conclude this class action;
- (45) **ORDERS** that the Class Counsel and Releasors shall not now or hereafter institute, continue, maintain or assert, either directly or indirectly, whether in

Canada, the United States or elsewhere, on their own behalf or on behalf of any class or any other person, any action, suit, cause of action, claim or demand against any Releasee or any other person who may claim contribution or indemnity from any Releasee in respect of any Released Claim or any matter related thereto;

- (46) **ORDERS**, unless the Class Member is a CCAA Proven Claim Creditor or the Court orders otherwise, that in order to participate in the Settlement Agreement, a Class Member must submit a properly completed Claim Form and the required supporting documentation with the Administrator on or before the Claims Bar Deadline;
- (47) **DECLARES** that the Distribution of the Settlement Amount does not generate a new right to claim under the Norshield Receivership Proceedings or the CCAA proceedings;
- (48) **DECLARES** that the Distribution of the Settlement Amount does not affect the rights of CCAA Proven Claim Creditor to receive additional distributions, if any, under either the Norshield Receivership Proceedings or the CCAA proceedings;
- (49) **ORDERS** the Administrator to file with the Superior Court a report on the administration of the Settlement Agreement once the distribution is completed;
- (50) **ORDERS** that any one or more of the Parties, Class Counsel or the Administrator may apply to the Superior Court for directions in respect of any matter in relation to the Settlement Agreement and/or Plan of Allocation;
- (51) **ORDERS** that no person may bring any action or take any proceedings against the Plaintiff, the Defendants, the Administrator or their employees, insurers, reinsurers, directors, officers, partners, employees, agents, trustees, servants, parents, consultants, underwriters, lenders, advisors, lawyers, representatives, successors, predecessors, assigns and each of their respective heirs, executors, attorneys, administrators, guardians, estates, trustees, successors and assigns for any matter in any way relating to the administration of the Plan of Allocation or the implementation of this judgment except with leave of the Superior Court;
- (52) **ORDERS** that:
  - a. the Professional Mandate between Sheila Calder and Class Counsel signed on August 24, 2011, exhibit R-●, is approved;
  - b. Class Counsel Fees in the amount of twenty-five (25) percent of CDN \$6,000,000, plus disbursements of \$ ●, plus applicable taxes on fees

and disbursements, shall be paid from the Escrow Account forthwith after the Effective Date;

- (53) **PRAYS ACT** of Class Counsel's undertaking to reimburse the *Fonds d'aide aux actions collectives* in the sum of \$ ●;
- (54) **ORDERS** that the levy payable to the Fonds d'aide aux actions collectives shall be paid according to the applicable regulations;
- (55) **ORDERS** that in the event that the Settlement Agreement is terminated in accordance with its terms, this judgment shall be declared null and void;
- (56) **ORDERS AND DECLARES** that all persons and entities provided with notice of this motion shall be bound by the declarations made in, and the terms of, this judgment;
- (57) **REMINDS** that a judgment closing this Action needs to be delivered after the Administrator files a final report of the administration of the Settlement Agreement;
- (58) **THE WHOLE**, without costs.

\_\_\_\_\_ 2020 \_\_\_\_\_

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THE HONOURABLE JUSTICE THOMAS M. DAVIS

# **Schedule-E**

C A N A D A  
PROVINCE OF QUÉBEC  
DISTRICT OF MONTRÉAL  
N° : 500-06-000435-087

SUPERIOR COURT  
(Class Action Division)

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**SHEILA CALDER**

Plaintiff

v.

**ROYAL BANK OF CANADA**

-and-

**RBC CAPITAL  
CORPORATION**

**MARKETS**

Defendants

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**PLAN OF ALLOCATION**

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**THE DEFINED TERMS**

1. The definitions set out in the Settlement Agreement reached between the Plaintiff and Defendants dated August 1, 2020, except as modified or defined herein, apply to and are incorporated into this Plan of Allocation:
  - (a) “**Authorized Claimant**” means a Class Member who is a CCAA Proven Claim Creditor or a Class Member who submitted a completed Claim Form with required supporting documentation on or before the Claims Bar Deadline and whose claim was accepted by the Administrator.
  - (b) “**CCAA Proven Claim Creditor**” means a Class Member who filed a proof of claim with the Receiver in connection with the Norshield Receivership Proceedings, or with the Monitor in connection with the KPMG Settlement, and which proof of claim was accepted by the Receiver or the Monitor.



- (c) **"Claims"** means a claim by a Class Member for Distribution.
- (d) **"Claim Form"** means a claim form as attached as Schedule F of the Settlement Agreement.
- (e) **"Compensation Fund"** means the Settlement Amount less Class Counsel Fees and Administration Expenses approved by the Court.
- (f) **"Distribution"** means a payment by cheque to Authorized Claimants in accordance with this Plan of Allocation, the Settlement Agreement and any order of the Court.
- (g) **"Escrow Account"** means the trust account holding the Compensation Fund and used by the Administrator to make the Distribution in accordance with this Plan of Allocation.
- (h) **"Investment Balance"** means the balance of investment of each Authorized Claimant in OUFC shares as of June 29, 2005.

## **ELIGIBILITY**

- 3. CCAA Proven Claim Creditors are not required to submit a Claim Form; they are deemed to be *de facto* Authorized Claimants for the same amount as was contained in the proof of claim submitted to Richter pursuant to the Norshield Receivership Proceedings, or in connection with the KPMG Settlement.
- 4. Class Members who are not CCAA Proven Claim Creditors are required to submit to the Administrator a duly completed Claim Form, with required supporting documentation, before the Claims Bar Deadline. Class Members whose Claim Forms are accepted by the Administrator will be deemed to be Authorized Claimants.

## **CALCULATION OF DISTRIBUTION**

5. The Compensation Fund will be distributed to each Authorized Claimant on a *pro rata* basis calculated by dividing the value of each Authorized Claimant's Investment Balance by the total value of all Authorized Claimants' Investment Balance.

## **THE ADMINISTRATOR**

6. The Administrator shall have such powers and rights reasonably necessary to discharge its duties and obligations to implement and administer the Escrow Account, the Plan of Notice and the Plan of Allocation in accordance with their respective terms, subject to the direction of the Court.
7. The Administrator shall act as trustee in respect of the monies held within the Escrow Account upon receipt from Class Counsel.
8. The Administrator's duties and responsibilities shall include the following:
  - (a) Determine, from the OUFC list of investors maintained by the Receiver, as of June 29, 2005, which investors are included as Class Members as per the Class Member definition.
  - (b) Remove from the OUFC list of investors the Class Members who excluded themselves from the Action.
  - (c) Deliver the Notice to all Class Members.
  - (d) Deliver a Claim Form to all Class Members who are not CCAA Proven Claim Creditors.
  - (e) Receive the monies in the Escrow Account and administer them in trust in accordance with the Settlement Agreement and the Plan of Allocation.

- (f) Provide training and instructing personnel in such reasonable numbers as are required for the performance of its duties in the most expedient and commercially reasonable manner.
- (g) Develop, implement and operate systems and procedures for receiving, processing, evaluating and decision-making respecting any Claims Forms delivered by Class Members, including making all necessary inquiries to determine the validity of such Claims.
- (h) If practicable, provide any Class Member whose Claim Form is not properly completed or needs supporting documentation, a reasonable opportunity to remedy the deficiency.
- (i) Make timely assessments of the validity of Claims and eligibility for Distribution from the Compensation Fund.
- (j) Dedicate sufficient personnel to communicate with Authorized Claimants and Class Members in English or French as required.
- (k) Use best efforts to ensure that its personnel provide timely assistance to Authorized Claimants and Class Members in completing the claims application process and in responding to inquiries respecting Claims.
- (l) Maintain all information necessary to permit the Court to evaluate the progress of the administration, as may, from time to time, be required.
- (m) Calculate, once the Claims Bar Deadline is reached, the Distributions.
- (n) Make Distributions from the Compensation Fund in a timely fashion.
- (o) Report on any returned compensation cheques with Class Counsel for the determination, if any, of a second distribution.

- (p) Pay the levy to the *Fonds d'aide aux actions collectives* in accordance with the applicable regulation.
  - (q) Report to the Court respecting claims received and administered, and Administration Expenses as directed by the Court.
- 9. Preparation of any tax return is not part of the scope of the Administrator's responsibilities and duties.
- 10. A decision of the Administrator in respect of a Claim and/or the entitlement of any Class Member to participate in or receive a share of the Distribution, subject to such claimant's right to refer the decision to the Court for review, will be final and binding upon the claimant and the Administrator.

#### **ADMINISTRATION EXPENSES**

- 11. The Administrator shall pay the fees, disbursements, taxes, levies, and other costs of:
    - (a) the Administrator;
    - (b) the *Fonds d'aide aux actions collectives*; and
    - (c) such other persons at the direction of the Court.
- out of the Escrow Settlement Amount in accordance with the provisions of the Settlement Agreement, the Second Order and any other orders of the Court.

#### **DISTRIBUTION TO AUTHORIZED CLAIMANTS**

- 12. As soon as practicable after the completion of the Claims application process, the Administrator will proceed with the Distribution. A confidential copy of the list of all Authorized Claimants will be transmitted to Class Counsel.
- 13. The Administrator may make interim Distributions if authorized by the Court.

### **RESTRICTION ON CLAIMS**

14. Except for a CCAA Proven Claim Creditor, any Class Member who does not submit a Claim Form and required supporting documentation with the Administrator on or before the Claims Bar Deadline, will not be permitted to participate in the Distribution without permission of the Court. The Administrator will not accept or process any Claim Form received after the Claims Bar Deadline unless directed to do so by the Court.

### **NO ASSIGNMENT**

15. No amount payable under this Plan of Allocation may be assigned without the written consent of the Administrator.

### **ADMINISTRATOR'S FINAL REPORT TO THE COURT**

16. Upon the conclusion of the administration, or at such other time as the Court may direct, the Administrator shall report to the Court on the administration and shall account for all monies it has received, administered and disbursed by Distribution or otherwise, and may obtain an order from the Court discharging it as Administrator.

# Schedule-F

C A N A D A

PROVINCE OF QUÉBEC  
DISTRICT OF MONTRÉAL

SUPERIOR COURT  
(Class Action Division)

N° : 500-06-000435-087

SHEILA CALDER

Plaintiff

v.

ROYAL BANK OF CANADA

-and-

RBC CAPITAL MARKETS CORPORATION

Defendants

## **SETTLEMENT AGREEMENT CLAIM FORM**

Mr. or Mrs. XX  
[Corporation name]  
Mailing address  
Mailing address  
Mailing address

Mrs. Sheila Calder, as class representative, and Royal Bank of Canada and RBC Capital Markets Corporation, as defendants, have entered into a settlement agreement (the "**Settlement Agreement**") in connection with the above-noted class action lawsuit (the "**Class Action**"). If the Settlement Agreement is approved by the Court, it will end the Class Action. Please review the notice to members for details about the Settlement Agreement and the distribution.

Richter Advisory Group Inc. was appointed as the administrator (the "**Administrator**") of the Settlement Agreement to, among other things, distribute the settlement amount to class members.

*You/The abovementioned corporation* have been identified by the Administrator, from third party records available. As per those records and the Class Member definition, you are a member of the class in the Class Action.

You are receiving this claim form because you either did not receive previous communications or did not reply to previous communications from RSM Richter Inc. (now Richter Advisory Group Inc.) in its capacity as court-appointed receiver (the "**Receiver**") or monitor of Olympus United Funds Corporation/Corporation de Fonds Unis Olympus ("**OUFC**"), in relation to a settlement entered into between the Receiver and KPMG LLP. Those communications occurred in or around 2012.

**In order to participate in the Settlement Agreement, and receive your share of the settlement amount, you must review, complete if necessary, sign and return the enclosed claim form, which must be received by the Administrator on or before the claims bar date**

**(XX October 2020).** Please review the attached schedule showing your individual investments in OUFC as of June 29, 2005, as per the records available to the Administrator.

**CLAIM**

I, \_\_\_\_\_ of \_\_\_\_\_, do hereby certify :

(Name)

(City and Province)

1. I am the Claimant / or I am the \_\_\_\_\_ of the Claimant.

(Position or Title)

2. As at June 29, 2005, the Claimant had shares of OUFC which were valued in the amount of CAD \$ \_\_\_\_\_, as shown:

☐ by the schedule attached to the present form;

**Or, if you do not agree with the attached statement, please fill the following table and attached supporting documentation to this form**

☐ by the following table of shares and values of the OUFC shares owned by the Claimant as at June 29, 2005:

Share Class	OUFC Fund Description	Number of Share held on June 29, 2005	Net Asset value per Share as at April 29, 2005	Claim (Number of Shares X Net Asset Value)

**C. ATTESTATION**

I hereby attest that the information contained in this document, and in any and all documents annexed hereto, is true and accurate.

SIGNED on \_\_\_\_\_, 2020.

\_\_\_\_\_

(Signature of Claimant or Claimant Representative)



C A N A D A

PROVINCE DE QUÉBEC  
DISTRICT DE MONTRÉAL

C O U R S U P É R I E U R E  
(Chambre des actions collectives)

N° : 500-06-000435-087

SHEILA CALDER

Demanderesse

c.

BANQUE ROYALE DU CANADA

-et-

RBC MARCHÉS DES CAPITAUX

Défenderesses

## **FORMULAIRE DE RÉCLAMATION EN VERTU DU RÈGLEMENT**

M. ou Mme XX  
[Nom de la société]  
Adresse postale  
Adresse postale  
Adresse postale

Mme Sheila Calder, en tant que représentante du groupe, et la Banque Royale du Canada et RBC Marchés des Capitaux, à titre de défenderesses, se sont entendus sur un règlement proposé (le « **règlement** ») dans le cadre de l'action collective susmentionnée (l' « **action collective** »). Si le règlement est approuvé par la Cour, l'action collective prendra fin. Veuillez consulter l'avis aux membres pour plus de détails sur le règlement et la distribution.

Richter Groupe Conseil Inc. a été désigné administrateur du règlement (l' « **administrateur** ») pour, notamment, distribuer le montant du règlement aux membres du groupe.

*Vous/La société susmentionnée* avez été identifié par l'administrateur sur la base des dossiers disponibles provenant de tiers. Conformément à ces dossiers et à la définition des membres du groupe, vous êtes membre du groupe dans le cadre de l'action collective.

Vous recevez ce formulaire de réclamation parce que vous n'avez pas reçu ou que vous n'avez pas répondu à des communications antérieures de RSM Richter Inc. (aujourd'hui Richter Groupe Conseil Inc.) en sa qualité de séquestre judiciaire (le « **séquestre** ») ou de contrôleur de la société Corporation de Fonds Unis Olympus/Olympus United Funds Corporation (la « **CFUO** »), en relation avec un règlement conclu entre le séquestre et KPMG LLP. Ces communications ont eu lieu en ou vers 2012.

**Afin de participer au règlement et de recevoir votre part du montant du règlement, vous devez prendre connaissance, compléter si nécessaire, signer et retourner le formulaire de réclamation ci-joint, qui doit être reçu par l'administrateur au plus tard à la date limite de**

**réclamation (XX octobre 2020).** Veuillez prendre connaissance et réviser l'annexe ci-jointe qui liste vos investissements individuels dans la CFUO en date du 29 juin 2005, selon les dossiers dont dispose l'administrateur.

## RÉCLAMATION

Je, \_\_\_\_\_ de \_\_\_\_\_, certifie par la présente :  
(Nom) (Ville et Province)

1. Je suis le demandeur / Je suis le \_\_\_\_\_ de la société demanderesse.  
(Position ou Titre)

2. Au 29 juin 2005, le demandeur détenait des actions de la CFUO qui étaient évaluées à \_\_\_\_\_ \$ CAD, comme indiqué :

☐ par l'annexe jointe au présent formulaire;

***Ou, si vous n'êtes pas d'accord avec la déclaration ci-jointe, veuillez remplir le tableau suivant et joindre les pièces justificatives au présent formulaire***

☐ par le tableau suivant listant les parts et valeurs des actions de la CFUO détenues par le demandeur au 29 juin 2005 :

Catégorie d'actions	Description du fonds CFUO	Nombre d'actions détenues au 29 juin 2005	Valeur de l'actif net par action au 29 juin 2005	Réclamation (nombre d'actions X valeur de l'actif net)

## C. ATTESTATION

J'atteste par la présente que les informations contenues dans le présent document, ainsi que dans tous les documents qui y sont annexés, sont véridiques et exactes.

SIGNÉ le \_\_\_\_\_ 2020.

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*(Signature du demandeur / du représentant du demandeur)*