

***Rorison and Methot v. Insurance Corporation of British Columbia and
His Majesty the King in Right of the Province of British Columbia***

(Supreme Court of British Columbia Docket No. S202406; Vancouver Registry)

SETTLEMENT AGREEMENT

Between:

BRAYDEN METHOT

and

INSURANCE CORPORATION OF BRITISH COLUMBIA

Amended March 3, 2026

SETTLEMENT AGREEMENT

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SETTLEMENT AGREEMENT

RECITALS

- A. WHEREAS on March 3, 2020, the Plaintiffs commenced the Proceeding against the Defendants by filing of a Notice of Civil Claim as a proposed class proceeding under the *CPA*.
- B. WHEREAS on February 11, 2022, the Plaintiffs filed an Amended Notice of Civil Claim in the Proceeding.
- C. WHEREAS, pursuant to the Amended Notice of Civil Claim, the Proceeding is brought on behalf of:
- i. The Ratepayer Class, as represented by Mr. Rorison; and
 - ii. The Accident Victim Class, as represented by Mr. Methot.
- D. WHEREAS the Amended Notice of Civil Claim filed on February 11, 2022 alleges, among other things, that certain Payments ICBC made to the Province, from 1973 to the present, as Medical Services Plan reimbursements for medical services provided to individuals injured in motor vehicle accidents, are unlawful.
- E. WHEREAS the Amended Notice of Civil Claim filed on February 11, 2022 also alleges, among other things, that ICBC's deduction of certain Payments unlawfully reduced the Accident Benefits payable to members of the Accident Victim Class.
- F. WHEREAS on April 22, 2022, the Court certified the Proceeding as a class proceeding under the *CPA* in respect of the Accident Victim Class.

- G. WHEREAS on May 15, 2024, the Court, following an appeal to the Court of Appeal for British Columbia, made an Order, which, among other things, certified the Proceeding as a class proceeding under the *CPA* in respect of the Ratepayer Class.
- H. WHEREAS ICBC denies the claims in the Proceeding, denies all allegations of wrongdoing, fault, liability, or damage of any kind in the Proceeding, and does not admit, through the execution of this Settlement Agreement or otherwise, any allegation of unlawful conduct alleged in the Proceeding, or otherwise.
- I. WHEREAS the Plaintiff and ICBC 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 ICBC, or evidence of the truth of any of the Plaintiff's allegations against ICBC, which allegations are expressly denied by ICBC.
- J. WHEREAS ICBC is entering into this Settlement Agreement in order to achieve a full and final resolution of all claims asserted or which could have been asserted against the Releasees by the Plaintiff and the Settlement Class in the Proceeding, and to avoid further expense, inconvenience and the distraction of burdensome and protracted litigation.
- K. WHEREAS counsel for ICBC and Class Counsel have engaged in extensive arm's-length settlement discussions and negotiations, resulting in this Settlement Agreement.

- L. WHEREAS as a result of these settlement discussions and negotiations, ICBC and the Plaintiff have entered into this Settlement Agreement, which embodies all of the terms and conditions of the settlement between ICBC and the Plaintiff, both individually and on behalf of the class the Plaintiff represents, subject to approval of the Court.
- M. WHEREAS the Plaintiffs have executed a settlement agreement with the Province dated January 22, 2026, subject to the Court's approval under the CPA, on behalf of the Ratepayer Class.
- N. WHEREAS the Plaintiff has reviewed and fully understands the terms of this Settlement Agreement and, having been advised of the applicable facts and law, and having regard to the proposed dismissal of the Proceeding in its entirety, the value of the Settlement Amount to be provided by ICBC, the burdens and expense in prosecuting the Proceeding, including the risks and uncertainties associated with trials and appeals, the Plaintiff has concluded that this Settlement Agreement is fair, reasonable and in the best interests of the Accident Victim Class.
- O. WHEREAS the Parties therefore wish to and hereby finally resolve, without admission of liability, the Proceeding as against the Settling Defendant.

NOW THEREFORE, in consideration of the covenants, agreements and releases set forth and for other good and valuable consideration, the receipt and sufficiency of which are acknowledged, it is agreed by the Parties that the Proceeding be settled and dismissed on behalf of the Settlement Class, with prejudice, without costs, and subject to the approval of the Court on the following terms and conditions:

SECTION 1 - DEFINITIONS

The following terms will have the meanings set out below throughout this Settlement Agreement, including the Recitals and Appendices hereto:

- (a) **Accident Benefits** means benefits payable as provided by law to a Person insured by ICBC who is injured in a motor vehicle accident.
- (b) **Accident Victim Certification Order** means the order of the Court, pronounced in the Proceeding on April 22, 2022, certifying the Proceeding as a class proceeding in respect of the Accident Victim Class, among other things.
- (c) **Accident Victim Class** means a class consisting of all persons who were injured in a motor vehicle accident on or after January 1, 1994 while insured by ICBC and received Accident Benefits up to the legal limit of ICBC's liability to pay.
- (d) **Accident Victim Class Member(s)** means a member of the Accident Victim Class.
- (e) **Administration Expenses** means all fees, disbursements, expenses, costs, taxes and any other amounts incurred or payable by the Plaintiff, Class Counsel or otherwise for the approval, implementation and operation of this Settlement Agreement, including the costs of notices and the costs of claims administration, but excluding Class Counsel Fees.
- (f) **Appendices** means the appendices to this Settlement Agreement.
- (g) **Class Counsel** means Murphy Battista LLP.

- (h) **Class Counsel Fees** include the fees, disbursements, costs, interest, other applicable taxes or charges of Class Counsel, plus any applicable GST or other taxes thereon.
- (i) **Class Period** means from and including 1994 to February 27, 2026.
- (j) **CPA** means the *Class Proceedings Act*, R.S.B.C. 1996, c. 50 as amended.
- (k) **Court** means the Supreme Court of British Columbia.
- (l) **Defendants** means ICBC and the Province.
- (m) **Distribution Protocol** means the protocol attached as Appendix 2 for distributing the Settlement Amount, as approved by the Court.
- (n) **Effective Date** means the date of the Final Order approving this Settlement Agreement.
- (o) **Execution Date** means the date of the execution of this Settlement Agreement by all Parties.
- (p) **Final Order** means the later of a final judgment made by the Court approving this Settlement Agreement in accordance with its terms pursuant to s. 35 of the *CPA*, once the time to appeal such judgment has expired without any appeal being taken, if an appeal lies, or once there has been affirmation of the approval of this Settlement Agreement in accordance with its terms, upon a final disposition of all appeals.
- (q) **ICBC** means Insurance Corporation of British Columbia.

- (r) **Levies** means, as alleged in the Proceeding, increases to compulsory auto insurance rates paid by the Ratepayer Class to ICBC as a result of the Payments, that are alleged to be an unlawful tax.
- (s) **Mr. Methot** means the plaintiff, Brayden Methot.
- (t) **Mr. Rorison** means the plaintiff, Robert Rorison.
- (u) **Notice Approval Order** means an order of the Court, substantially in the form of Appendix 1 to this Settlement Agreement which, if granted, will (i) approve the form, content, and manner of distribution of the Notice of Settlement Approval Hearing; and (ii) set the procedure and deadline for any member of the Settlement Class to object to the Settlement Agreement, and (iii) schedule the Settlement Approval Hearing.
- (v) **Notice of Settlement Approval Hearing** means the form or forms of notice, agreed to by the Plaintiff and ICBC, or such other form or forms of notice as may be approved by the Court, which informs the Accident Victim Class of: (i) the principal elements of this Settlement Agreement; (ii) the date and location of the Settlement Approval Hearing; and (iii) the process and deadline by which Settlement Class Members may object to the settlement.
- (w) **Notice of Settlement Approval** means the form or forms of notice, agreed to by the Plaintiff and ICBC, or such other form or forms of notice as may be approved by the Court, which informs the Settlement Class of (i) the Court's approval of this Settlement Agreement; and (ii) the distribution of the Settlement Amount pursuant to the Distribution Protocol.

- (x) **Notices** means (i) Notice of Settlement Approval Hearing; (ii) Notice of Settlement Approval; (iii) notice of termination of this Settlement Agreement if it is terminated after notice provided for in accordance with (i) above or otherwise ordered by the Court; and (iv) any other notice that may be required by the Court.
- (y) **Objection Deadline** means the date which is sixty (60) days after the date on which the Notice of Settlement Approval Hearing is first published.
- (z) **Other Actions** means any other actions or proceedings asserting Released Claims commenced by a Settlement Class Member either before or after the Effective Date.
- (aa) **Party and Parties** means ICBC, the Plaintiff, and, where necessary, the Settlement Class Members.
- (bb) **Payments** means, as alleged in the Proceeding, payments ICBC has made to the Province as reimbursements for health-related services related to motor vehicle accidents pursuant to the Payments Agreement.
- (cc) **Payments Agreement** means, as alleged in the Proceeding, an agreement, whether in written form or not, providing for the making of Payments by ICBC.
- (dd) **Person(s)** means an individual, corporation, partnership, limited partnership, limited liability company, association, joint stock company, estate, legal representative, trust, trustee, executor, beneficiary, unincorporated association, government or any political subdivision or agency thereof, and any other business or legal entity and their heirs, predecessors, successors, representatives, or assignees.

- (ee) **Plaintiff** means the plaintiff, Mr. Methot.
- (ff) **Plaintiffs** mean the plaintiffs, Mr. Rorison and Mr. Methot.
- (gg) **Proceeding** means the proceeding commenced by the Plaintiffs against the Defendants in the form of an action filed in the Court's Vancouver Registry, Court File No. S202406, filed on March 3, 2020, as amended.
- (hh) **Province** means His Majesty the King in right of the Province of British Columbia.
- (ii) **Ratepayer Class** means a class consisting of Mr. Rorison and all other Persons who purchased compulsory auto insurance from ICBC since 1973 to January 26, 2026.
- (jj) **Recitals** means the recitals to this Settlement Agreement.
- (kk) **Released Claims** means any and all manner of claims, demands, actions, suits, causes of action, whether class, individual or otherwise in nature, whether personal or subrogated, whether in contract, tort, or equity, damages whenever incurred, damages of any kind, including compensatory, punitive or other damages, liabilities of any nature whatsoever, including interest, costs, expenses, class administration expenses (including Administration Expenses), penalties, and lawyers' fees (including Class Counsel Fees), known or unknown, suspected or unsuspected, foreseen or unforeseen, actual or contingent, and liquidated or unliquidated, whether in law, under statute, pursuant to Part 7 of the *Insurance (Vehicle) Regulation*, B.C. Reg. 447/83, pursuant to the *Constitution Act, 1867*, the *Constitution Act, 1982*, the *British Columbia Terms of Union, 1871*, in equity or otherwise (all of the foregoing, collectively, "Claims" or, individually, a "Claim"), that

the Releasors, or any of them, whether directly, indirectly, derivatively, or in any other capacity, ever had, now have, or hereafter can, shall or may have, relating in any way to any conduct anywhere, from the beginning of time to the date hereof, in respect of the Payments, the Levies, the alleged unconstitutional tax on the Ratepayer Class, the Payments Agreement, the Accident Benefits or relating to any acts or omissions of the Settling Defendant alleged (or which could have been alleged) in the Proceeding, whether directly or indirectly, during the Class Period, including, without limitation, any claims for consequential, subsequent or follow on harm or restitution that arise after the date hereof in respect of any acts or omissions that occurred prior to the date hereof.

- (ll) **Releasees** means jointly and severally, individually and collectively, ICBC, its employees, its agents and its delegates and the predecessors, successors, representatives, directors, officers, insurers, purchasers, heirs, executors, administrators and assignees of each of the foregoing.
- (mm) **Releasors** means jointly and severally, individually and collectively, the Plaintiff and the Settlement Class Members, on behalf of themselves and any Person or entity claiming by or through them as a present or former, direct or indirect, parent, subsidiary, affiliate, division or department, predecessor, successor, shareholder, partner, director, owner of any kind, agent, principal, officer, employee, contractor, attorney, heir, executor, administrator, insurer, devisee, assignee, trustee, servant, contractor or representative of any kind.
- (nn) **Settlement Agreement** means this agreement, including the Recitals and Appendices.

- (oo) **Settlement Amount** means the all-inclusive sum of \$657,000.00 CAD, less any amounts applicable to Accident Victim Class Members who have validly opted-out of the Proceeding.
- (pp) **Settlement Approval Hearing** means the hearing at which the Parties seek approval of the Settlement Agreement and, if he elects to do so, the Plaintiff seeks approval of Class Counsel Fees.
- (qq) **Settlement Approval Order** means an order of the Court substantially in the form of Appendix 3 which, if granted, will approve of the Settlement, the form, content, and manner of distribution of the Notice of Settlement Approval, and the with prejudice and without costs dismissal of the Proceeding as against ICBC.
- (rr) **Settlement Class** means the Plaintiff, Mr. Methot, and all Accident Victim Class Members who do not validly opt-out of the Proceeding.
- (ss) **Settlement Class Member(s)** means a member of the Settlement Class.
- (tt) **Settling Defendant** means ICBC.

SECTION 2 - SETTLEMENT APPROVAL

2.1 Best Efforts

- (1) The Parties shall use their best efforts to implement this Settlement Agreement, including obtaining the Final Order.

2.2 Application Seeking Notice Approval Order

- (1) As soon as practicable after the Execution Date, the Plaintiff shall bring an application before the Court for the Notice Approval Order.

- (2) The Court's Notice Approval Order shall be substantially in the form attached as Appendix 1.
- (3) At the hearing of the application seeking the Notice Approval Order, the Parties shall make submissions to the Court with a view to obtaining the Notice Approval Order.
- (4) The Parties shall bear their own costs of the application seeking the Notice Approval Order.
- (5) This Settlement Agreement shall only become final on the Effective Date.

2.3 Application Seeking Approval of the Settlement

- (1) As soon as practicable after (a) the Court has granted the Notice Approval Order; (b) the Notice of Settlement Approval Hearing has been published; (c) the Objection Deadline has passed, the Plaintiff shall bring an application before the Court for the Settlement Approval Order.
- (2) The Court's Settlement Approval Order shall be substantially in the form attached as Appendix 3.
- (3) At the hearing of the application seeking the Settlement Approval Order, the Parties shall make submissions to the Court with a view to obtaining the Settlement Approval Order.
- (4) The parties shall bear their own costs of the application seeking the Settlement Approval Order.
- (5) The Settlement Agreement shall only become final on the Effective Date.

2.4 Objections to or Comments on the Settlement Agreement

- (1) All Settlement Class Members shall have the right to provide comment on or objections to this Settlement Agreement to the Court, but only in accordance with the terms of this Settlement Agreement and the process approved by the Court pursuant to the Notice Approval Order.

- (2) Any Settlement Class Member who wishes to comment on or object to this Settlement Agreement must, before 4:00 pm Pacific Time on or before the Objection Deadline, deliver the comment or objection in writing to Class Counsel by email at an address to be identified in the Notice of Settlement Approval Hearing. Class Counsel will provide a copy of any written comment or objection received to ICBC within ten (10) business days following the Objection Deadline. Class Counsel must also provide a copy of any written comment or objection to the Court prior to the hearing of the application for Settlement Approval.

- (3) Subject to the Court's approval, any comment or objection to this Settlement Agreement delivered pursuant to section 2.4(2) must be signed by the Settlement Class Member submitting it or, if the Settlement Class Member is an entity not an individual, by an officer, director, or other authorized representative, and must include the following information:
 - (a) The full name, address, telephone number, and email address of the Settlement Class Member submitting the comment or objection;

- (b) An attestation that the Person submitting the comment or objection, or the entity the Person represents, is a Settlement Class Member and has not opted-out of the Proceeding;
- (c) A brief written statement of all grounds or reasons for the comment or objection, together with any legal basis in support;
- (d) The name, address, telephone number, and email address of any lawyer representing or assisting the Settlement Class Member with the comment or objection;
- (e) A statement indicating whether the Person submitting the comment or objection, and/or the Person or Settlement Class Member's legal counsel intends to appear at the hearing of the application for the Settlement Approval Order.

2.5 Pre-Application Confidentiality

- (1) Until the application required by section 2.2 is brought, the Parties shall keep all of the terms of the Settlement Agreement confidential and shall not disclose them without the prior written consent of counsel for ICBC and Class Counsel, as the case may be, except to legal counsel and to the defendant, the Province, or as required for the purposes of financial reporting, annual reports or the preparation of financial records (including tax returns and financial statements), as necessary to give effect to the terms of this Settlement Agreement, or as otherwise required by law.

- (2) Upon the Execution Date, Class Counsel may provide a copy of this Settlement Agreement to the Court.

SECTION 3 - SETTLEMENT BENEFITS

3.1 Payment of Settlement Amount

- (1) Within sixty (60) days of the Effective Date, the Settling Defendant shall pay the Settlement Amount directly to Settlement Class Members by cheque at their last known address with ICBC, in accordance with the Distribution Protocol set out in Appendix 2, less any Class Counsel Fees and Administration Expenses requested by Class Counsel and approved by the Court which shall be paid by the Settling Defendant to Class Counsel prior to distributing funds to Settlement Class Members in accordance with Appendix 2 and on a pro-rata basis.
- (2) The Settlement Amount is based on amounts owed to Accident Victim Class Members, as follows:
 - (a) \$265,475.37 in respect of principal amounts still owing;
 - (b) \$129,420.39 in respect of interest calculated on principal amounts still owing to October 31, 2025; and
 - (c) \$1,000.00 per Accident Victim Class Member in respect of general damages.
- (3) The Settlement Amount shall be all-inclusive of all payment obligations under this Settlement Agreement, including interest and costs, as approved by the Court, and shall be paid in full satisfaction of the Released Claims against the Releasees.

- (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 Proceeding.
- (5) Subject to s. 3.1(6), in the event a cheque sent to any Settlement Class Member is returned to ICBC or is not deposited and becomes stale dated, ICBC shall distribute 50% of any such unclaimed funds to the Law Foundation of British Columbia and shall distribute the remaining 50% of such unclaimed funds to the ICBC Community Grants Program, in accordance with s. 36.2 of the *CPA*.
- (6) In the event a cheque sent to any Settlement Class Member is returned to ICBC, ICBC shall make reasonable efforts to determine if such Settlement Class Member can be located at a different address in which case the cheque shall be sent to that address. In the event a second cheque sent to any Settlement Class Member is returned to ICBC or is not deposited and becomes stale dated, ICBC shall distribute those funds in accordance with s. 3.1(5).

SECTION 4 - RELEASE AND DISMISSALS

4.1 Release of Releasees

- (1) Upon the Effective Date, in consideration of payment of the Settlement Amount, the with prejudice and without costs dismissal of the Proceeding as against the Settling Defendant, and for other valuable consideration set forth in this Settlement Agreement, the Releasers forever and absolutely release and forever discharge the Releasees from the Released Claims that any of the Releasers, whether

directly, indirectly, derivatively, or in any other capacity, ever had, now have, or hereafter can, shall, or may have.

- (2) The Releasors are aware that they may hereafter discover claims or facts in addition to or different from those they now know or believe to be true with respect to the matters giving rise to the Released Claims. Nevertheless, it is the intention of the Releasors to fully, finally and forever settle and release the Released Claims. In furtherance of such intention, the release given herein shall be and remain in effect as a full and complete release of all Released Claims, notwithstanding the discovery or existence of any additional or different claims or facts relative thereto.

4.2 No Further Claims or Litigation

- (1) The Releasors shall not now or hereafter institute, continue, or maintain or assert, either directly or indirectly, 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 against any other Person who may claim contribution or indemnity or other claims over relief from any Releasee, in respect of any Released Claim, except for the continuation of the Proceeding against the Province or, if the Proceeding is decertified under the *CPA*, the continuation of the claims asserted against the Province in the Proceeding on an individual basis or otherwise.
- (2) Except as provided in section 4.2(3), no Plaintiff or Settlement Class Member may directly or indirectly participate or be involved in any claim made, or action or proceeding commenced by any Person that relates to or arises from the Released Claims.

- (3) Section 4.2(2) does not apply to the involvement of any Person in the continued prosecution of the Proceeding against the Province.

4.3 Dismissal of the Proceeding

- (1) Upon the Effective Date, the Proceeding shall be dismissed, with prejudice and without costs, as against the Settling Defendant.

4.4 Dismissal of Other Actions

- (1) Upon the Effective Date, each Settlement Class Member shall be deemed to irrevocably consent to the dismissal, without costs and with prejudice, of his, her or its Other Actions against the Releasees.
- (2) Upon the Effective Date, all Other Actions commenced by, or on behalf of, any Settlement Class Member shall be dismissed against the Releasees, without costs and with prejudice.

SECTION 5 - EFFECT OF SETTLEMENT

5.1 No Admission of Liability

- (1) The Plaintiff and the Settling Defendant expressly reserve all of their rights if this Settlement Agreement is not approved, is terminated or otherwise fails to take effect for any reason. The Plaintiff and the Settling Defendant further agree that, whether or not this Settlement Agreement is finally approved, is terminated, or otherwise fails to take effect for any reason, this Settlement Agreement and anything contained herein, and any and all negotiations, documents, discussions and proceedings associated with this Settlement Agreement, and any action taken to carry out this Settlement Agreement, shall not be deemed, construed, or

interpreted to be an admission of any violation of any statute or law or equitable principle or constitutional provision or principle, or of any wrongdoing or liability by any of the Releasees, or of the truth of any of the claims or allegations contained in the Proceeding, or any other pleading filed by the Plaintiff or any other Settlement Class Member.

5.2 Agreement Not Evidence

- (1) The Plaintiff and the Settling Defendant agree whether or not it is approved, is terminated or otherwise fails to take effect for any reason, this Settlement Agreement and anything contained herein, and any and all negotiations, documents, discussions and proceedings associated with this Settlement Agreement, and any action taken to carry out this Settlement Agreement, shall not be referred to, offered as evidence or received in evidence in any pending or future civil, criminal or administrative action or proceeding, except in a proceeding to approve and/or enforce this Settlement Agreement, or to defend against the assertion of Released Claims, or as otherwise required by law or as provided in this Settlement Agreement.

SECTION 6 - NOTICE TO SETTLEMENT CLASS

6.1 Notices Required

- (1) The proposed Settlement Class shall be given the following notice: (i) Notice of Settlement Approval Hearing; (ii) Notice of Settlement Approval; and/or (iii) notice of termination (if the Settlement Agreement is terminated or otherwise fails to take effect after the application required by section 2.2 is brought).

6.2 Form and Distribution of Notices

- (1) The form of the Notices referred to in section 6.1 and how and where they are published and distributed shall be as agreed to by the Plaintiff and the Settling Defendant, such agreement not to be unreasonably withheld, and approved by the Court.

SECTION 7 - ADMINISTRATION AND IMPLEMENTATION

7.1 Mechanics of Administration

- (1) Except to the extent provided for in this Settlement Agreement, the mechanics of the implementation and administration of this Settlement Agreement and the Distribution Protocol shall be determined by the Court on application(s) brought by Class Counsel at a time or times determined in consultation with the Settling Defendant and subject to section 2.2.

SECTION 8 - CLASS COUNSEL FEES, DISBURSEMENTS AND ADMINISTRATION EXPENSES

8.1 Class Counsel Fees and Administration Expenses

- (1) Class Counsel shall pay the costs of the Notices required by section 6.1, if any, as they become due and will be entitled to reimbursement for such costs as Administration Expenses, subject to approval of the Court, in accordance with the terms of this Settlement Agreement.
- (2) Class Counsel may seek the Court's approval to pay Class Counsel Fees and Administration Expenses contemporaneously with seeking approval of this Settlement Agreement, or at such other time as they shall determine in their sole

discretion. The Settling Defendant will not oppose or make submissions in respect of any application seeking the Court's approval of Class Counsel Fees.

- (3) Administration Expenses and Court-approved Class Counsel Fees shall be paid after the Effective Date.
- (4) The Releasees shall not be liable for any fees, disbursements or taxes, including but not limited to any fees, disbursements or taxes of Class Counsel, the Plaintiff, or any Settlement Class Member's respective lawyers, experts, advisors, agents, or representatives.

SECTION 9 - NON-APPROVAL OR TERMINATION OF SETTLEMENT AGREEMENT

9.1 Right of Termination

- (1) In the event that:
 - (a) the Court declines to dismiss the Proceeding, with prejudice and without costs, as against ICBC;
 - (b) the Court declines to approve this Settlement Agreement or any material term (for clarity, the Parties agree that the releases contemplated by and other terms provided for in section 4 of this Settlement Agreement are material terms);
 - (c) the Court approves this Settlement Agreement in a materially modified form;
 - (d) the Parties acting reasonably do not reach agreement on the form and content of any order required by this Settlement Agreement, or any order agreed by the Parties is approved by a Court in a materially modified form;

- (e) the Settlement Amount is not paid in accordance with this Settlement Agreement;
- (f) the order approving this Settlement Agreement made by the Court does not become a Final Order; or,
- (g) the Settlement Agreement otherwise fails to take effect for any reason,

the Settling Defendant or the Plaintiff shall have the right to terminate this Settlement Agreement by delivering a written notice pursuant to section 10.17(1), within thirty (30) days following the event(s) described above. Except as provided for in section 9.3, if the Settling Defendant or the Plaintiff exercise their right to terminate, the Settlement Agreement shall be null and void and have no further force or effect, shall not be binding on the Parties, and shall not be used as evidence or otherwise in any civil action or administrative, or other proceeding. No Party may terminate the Settlement Agreement once the distribution of the Settlement Amount has begun in accordance with the Distribution Protocol.

- (2) Any order, ruling or determination made by the Court with respect to Class Counsel Fees shall not be deemed to be a material modification of all, or a part, of this Settlement Agreement and shall not provide any basis for the termination of this Settlement Agreement.

9.2 Effect of Non-Approval or Termination of Settlement Agreement

- (1) If this Settlement Agreement is not approved, is terminated in accordance with its terms or otherwise fails to take effect for any reason:

- (a) any order approving this Settlement Agreement shall be set aside and declared null and void and of no force or effect, and anyone shall be estopped from asserting otherwise; and,
- (b) the Parties shall negotiate in good faith to determine a new litigation timetable, if the Proceeding is to continue against the Settling Defendant or any Releasee.

9.3 Survival of Provisions After Termination

- (1) If this Settlement Agreement is terminated or otherwise fails to take effect for any reason, the provisions of sections 5.1, 5.2, 6.1 (as to notice of termination only), 6.2(1), 9.2, and this section 9.3, and the definitions and Appendices applicable thereto shall survive the termination and continue in full force and effect. The definitions and Appendices shall survive only for the limited purpose of the interpretation of sections 5.1, 5.2, 6.1, 6.2(1), 9.2, and this section 9.3, within the meaning of this Settlement Agreement, but for no other purposes. All other provisions of this Settlement Agreement and all other obligations pursuant to this Settlement Agreement shall cease immediately.

SECTION 10 - MISCELLANEOUS

10.1 Application for Directions

- (1) The Parties may apply to the Court as may be required for directions in respect of the interpretation, implementation and administration of this Settlement Agreement.
- (2) All applications contemplated by this Settlement Agreement shall be on notice to the Parties.

10.2 Class Counsel to Advise Settling Defendant of Status of Proceedings

- (1) In the event that the settlement of the Proceeding on behalf of the Ratepayer Class is not approved by the Court or otherwise fails to take effect, Class Counsel agree to provide information in response to reasonable requests made by the Settling Defendant from time to time as to the status of the Proceeding. Upon reasonable request, Class Counsel will promptly provide counsel for the Settling Defendant with electronic copies of all affidavit material, written submissions, or briefs publicly filed in the Proceeding, unless precluded from doing so by Court order.

10.3 Releasees Have No Liability for Administration

- (1) The Releasees have no responsibility for and no liability whatsoever with respect to the administration of the Settlement Agreement.

10.4 Headings, etc.

- (1) In this Settlement Agreement:
 - (a) the division of the Settlement Agreement into sections and subsections and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation of this Settlement Agreement;
 - (b) the terms "this Settlement Agreement," "the Settlement Agreement", "hereof," "hereunder," "herein," and similar expressions refer to this Settlement Agreement and not to any particular section, subsection, or other portion of this Settlement Agreement; and
 - (c) words importing the singular number only shall include the plural and vice versa and words importing the use of any gender shall include any other

gender, the word “or” is not exclusive and the word “including” is not limiting whether or not non-limiting language (such as “without limitation” or “but not limited to” or words of similar import) is used with reference thereto.

10.5 Computation of Time

- (1) In the computation of time in this 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 day that is not a business day, the act may be done on the next business day.

10.6 Ongoing Jurisdiction

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

10.7 Governing Law

- (1) This Settlement Agreement shall be governed by and construed and interpreted in accordance with the laws of the Province of British Columbia.

10.8 Entire Agreement

- (1) This 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 this Settlement Agreement, unless expressly incorporated herein.

10.9 Amendments

- (1) This 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.

10.10 Binding Effect

- (1) This Settlement Agreement shall be binding upon, and enure to the benefit of, the Plaintiff, the Settlement Class Members, the Settling Defendant, the Releasors, the Releasees and all of their successors and assigns.

10.11 Counterparts

- (1) This Settlement Agreement may be executed in counterparts, all of which taken together will be deemed to constitute one and the same agreement, and a facsimile or PDF signature shall be deemed an original signature for purposes of executing this Settlement Agreement.

10.12 Negotiated Agreement

- (1) This Settlement Agreement has been the subject of negotiations and discussions among the undersigned, each of which 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 drafter of this Settlement Agreement shall have no force and effect. The Parties further agree that the language contained in or not contained in previous drafts of this Settlement Agreement, or any agreement in principle, shall have no bearing upon the proper interpretation of this Settlement Agreement.

10.13 Recitals

- (1) The Recitals to this Settlement Agreement are true and form part of the Settlement Agreement.

10.14 Appendices

- (1) The Appendices annexed hereto form part of this Settlement Agreement.

10.15 Acknowledgements

- (1) Each of the Parties hereby affirms and acknowledges that:
 - (a) the Party or a representative of the Party with the authority to bind the Party with respect to the matters set forth herein has read and understood this Settlement Agreement;
 - (b) the terms of this Settlement Agreement and the effects thereof have been fully explained to the Party or the Party's representative by the Party's counsel;

- (c) the Party or the Party's representative fully understands each term of this Settlement Agreement and its effect; and,
- (d) no Party has relied upon any statement, representation or inducement (whether material, false, negligently made or otherwise) of any other Party, beyond the terms of this Settlement Agreement, with respect to the first Party's decision to execute this Settlement Agreement.

10.16 Authorized Signatures

- (1) Each of the undersigned represents that the undersigned is fully authorized to enter into the terms and conditions of, and to execute, this Settlement Agreement on behalf of the Parties identified above their respective signatures and their law firms.

10.17 Notice

- (1) Where this Settlement Agreement requires a Party to provide notice or any other communication or document to another, such notice, communication or document shall be provided by e-mail, facsimile or letter by overnight delivery to the representatives for the Party to whom notice is being provided, as identified below:

FOR THE PLAINTIFF AND CLASS COUNSEL:

Scott Stanley

Murphy Battista LLP
2020 – 650 West Georgia Street
Vancouver, BC V6B 4N7

stanley@murphybattista.com

FOR THE SETTLING DEFENDANT:

Joel Morris
Jordan Yonge

Harper Grey LLP
3200 – 650 West Georgia Street
Vancouver, BC V6B 4P7

jmorris@harpergrey.com
jyonge@harpergrey.com

10.18 Date of Execution

- (1) The Parties have executed this Settlement Agreement as of the date on the cover page.

FOR THE PLAINTIFF AND FOR CLASS COUNSEL



**Brayden Methot by his representative Murphy
Battista LLP**



**Scott Stanley
Murphy Battista LLP
Class Counsel**

Insurance Corporation of British Columbia

Name of Authorized Signatory

Brenda Adlem

Signature of Authorized Signatory:

Brenda Adlem

Insurance Corporation of British Columbia