

NO. S-202406  
VANCOUVER REGISTRY

IN THE SUPREME COURT OF BRITISH COLUMBIA

BETWEEN:

ROBERT RORISON AND BRAYDEN METHOT

PLAINTIFFS

AND:

INSURANCE CORPORATION OF BRITISH COLUMBIA and HIS MAJESTY THE KING  
IN RIGHT OF THE PROVINCE OF BRITISH COLUMBIA

DEFENDANTS

BROUGHT UNDER THE CLASS PROCEEDINGS ACT

**ORDER MADE AFTER APPLICATION**

Before ) The Honourable Justice Branch ) 15/May/2026  
) )  
) )

ON THE NOTICE OF APPLICATION of the Plaintiffs, coming on for hearing at Vancouver, British Columbia on 14/May/2026 and on hearing J. Scott Stanley, Michael Sobkin and Gib van Ert K.C., counsel for the plaintiffs, and Chantelle Rajotte K.C., Ludmilla Herbst K.C., Nicholas Hooge and Sergio Ortega, counsel for the Defendant His Majesty the King in Right of the Province of British Columbia, and Joel Morris and Jordan Yonge, counsel for the Defendant the Insurance Corporation of British Columbia, and upon reading the materials filed, and judgment being reserved to this date;

THIS COURT ORDERS that:

1. The Settlement Agreement dated January 22, 2026 between the Plaintiffs and the Defendant, His Majesty the King in Right of the Province of British Columbia appended hereto as **Schedule "A"**, as amended on March 5, 2026, which

amendment is appended hereto as **Schedule "B"** (collectively the "**Settlement Agreement**") are incorporated by reference into, and form part of this Order.

2. Except to the extent that they are modified in this Order, the definitions set out in the Settlement Agreement apply to and are incorporated into this Order.
3. In the event of a conflict between this Order and the Settlement Agreement, this Order shall prevail.
4. The Settlement Agreement is hereby approved pursuant to section 35 of the *Class Proceedings Act*, R.S.B.C. 1996, c. 50 and, subject to the terms of this Order, shall be implemented and enforced in accordance with its terms.
5. Mothers Against Drunk Driving (MADD Canada) and Parachute Leaders in Injury Prevention are approved as recipients of the *cy prês* donation in accordance with the Distribution Protocol at Appendix 2 to the Settlement Agreement. The other entities named in the Distribution Protocol at Appendix 2 to the Settlement Agreement are not approved.
6. The Settlement Agreement is declared to be fair, reasonable and in the best interests of the Settlement Class.
7. This Order, including the Settlement Agreement, is binding upon each member of the Settlement Class.
8. Upon the Effective Date, each member of the Settlement Class who has not validly opted out of this action shall be deemed to have irrevocably consented to the dismissal of any Other Actions as against the Settling Defendant and the Releasees, without costs, with prejudice and without reservation.
9. Upon the Effective Date, each Other Action commenced in British Columbia by any member of the Settlement Class who has not validly opted out shall be and is hereby dismissed in respect of Released Claims against the Settling Defendants and the Releasees, without costs, with prejudice and without reservation.

10. Upon the Effective Date, each Releasor who has not validly opted out has released and shall be conclusively deemed to have forever and absolutely released the Releasees from the Released Claims.
11. Upon the Effective Date, each Releasor who has not validly opted out of this action shall not now or hereafter institute, continue, intervene in, or maintain or assert, either directly or indirectly, whether in Canada or elsewhere, on their own behalf or on behalf of any class or any other Person, any proceeding, action, suit, cause of action, claim or demand against any Releasee, or any other Person who may claim contribution or indemnity or other claims over relief from any Releasee, in respect of any Released Claims, except for the continuation of the Proceeding against ICBC, if any.
12. Except as provided herein, this Order does not affect any claims or causes of action that any Releasor has or may have against ICBC.
13. No Releasee shall have any responsibility for and no liability whatsoever relating to the administration of the Settlement Agreement or Distribution Protocol.
14. Upon the Effective Date, or as soon thereafter as reasonably practicable, Class Counsel will distribute the Settlement Amount in accordance with the Distribution Protocol, subject to paragraph 5 of this Order, and on the terms and conditions set out in the Settlement Agreement.
15. Upon the Effective Date, the Proceeding is hereby dismissed as against the Province, without costs and with prejudice.
16. In the event that the Settlement Agreement is terminated in accordance with its terms, this Order shall be null and void without the need for further Order of this Court but with notice to the Settlement Class and ICBC.
17. This Order, including but not limited to the approval of the Settlement Agreement and any reasons given by the Court in relation thereto, is without prejudice to the rights and defences of ICBC in connection with the Proceeding in the event that

the Proceeding continues as against ICBC and, without restricting the generality of the foregoing, may not be relied on by any Person to establish the existence or elements of the causes of action asserted in the Proceeding as against ICBC.

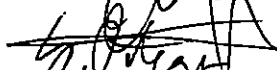
18. Members of the Settlement Class shall be given notice of the Court's approval of the Settlement Agreement in the form attached as **Schedule "C"**, which shall be posted on Class Counsel's website.
19. On notice to the Court, but without further order of the Court, the Parties to the Settlement Agreement may agree to reasonable extensions of time to carry out any of the provisions in the Settlement Agreement.


20. Upon receipt of the settlement funds of \$12,205,000 from the Defendant, His Majesty the King in Right of the Province of British Columbia, Murphy Battista LLP shall disburse same as follows:

- a) \$5,000.00 to Robert Rorison in respect of the Honorarium;
- b) \$4,099,200 to Class Counsel for legal fees and taxes;
- c) \$114,853.09 to Class Counsel for disbursements and taxes;
- d) \$3,992,973.46 to Mothers Against Drunk Driving (MADD Canada);
- e) \$3,992,973.45 to Parachute Leaders in Injury Prevention.

THE FOLLOWING PARTIES APPROVE THE FORM OF THIS ORDER:

  
Counsel for the Plaintiffs  
J. Scott Stanley

  
Counsel for the Defendant, His Majesty the King in Right of the Province of British Columbia  
Chantelle Rajotte K.C.

  
Counsel for the Defendant, the Insurance Corporation of British Columbia  
Joel Morris

By the Court

Registrar



25910 Dnteg  
for:

SCHEDULE A

***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:

**ROBERT RORISON AND BRAYDEN METHOT**

and

**HIS MAJESTY THE KING IN RIGHT OF THE PROVINCE OF BRITISH COLUMBIA**

Executed January 22, 2026

# SETTLEMENT AGREEMENT

## TABLE OF CONTENTS

|  |           |
|--|-----------|
| <b>RECITALS</b> .....  | <b>1</b>  |
| <b>SECTION 1 - DEFINITIONS</b> .....                                 | <b>5</b>  |
| <b>SECTION 2 - SETTLEMENT APPROVAL</b> .....                         | <b>14</b> |
| 2.1 Best Efforts.....  | 14        |
| 2.2 Application Seeking Certification and Notice Approval Order..... | 14        |
| 2.3 Application Seeking Approval of the Settlement.....              | 15        |
| 2.4 Objections to or Comments on the Settlement Agreement.....       | 16        |
| 2.5 Pre-Application Confidentiality .....                            | 17        |
| <b>SECTION 3 - SETTLEMENT BENEFITS</b> .....                         | <b>18</b> |
| 3.1 Payment of Settlement Amount .....                               | 18        |
| <b>SECTION 4 - DISTRIBUTION OF THE SETTLEMENT AMOUNT</b> .....       | <b>19</b> |
| 4.1 Distribution Protocol.....                                       | 19        |
| 4.2 No Responsibility for Administration or Fees.....                | 19        |
| <b>SECTION 5 - OPTING-OUT</b> .....                                  | <b>20</b> |
| 5.1 Procedure.....   | 20        |
| 5.2 Opt-Out Report.....  | 20        |
| <b>SECTION 6 - RELEASE AND DISMISSALS</b> .....                      | <b>21</b> |
| 6.1 Release of Releasees .....                                       | 21        |
| 6.2 No Further Claims or Litigation .....                            | 21        |
| 6.3 Dismissal of the Proceeding.....                                 | 22        |
| 6.4 Dismissal of Other Actions.....                                  | 22        |
| <b>SECTION 7 - ACCIDENT VICTIM CLASS LITIGATION</b> .....            | <b>23</b> |

|   |  |           |
|---|--|-----------|
| 7.1   | Pleading Amendments, etc.....  | 23        |
| <b>SECTION 8 - EFFECT OF SETTLEMENT .....</b>   |  | <b>24</b> |
| 8.1   | No Admission of Liability .....  | 24        |
| 8.2   | Agreement Not Evidence .....   | 24        |
| <b>SECTION 9 - CERTIFICATION AND PLEADING AMENDMENTS FOR SETTLEMENT ONLY .....</b>                              |  | <b>25</b> |
| <b>SECTION 10 - NOTICE TO SETTLEMENT CLASS .....</b>  |  | <b>25</b> |
| 10.1  | Notices Required .....   | 25        |
| 10.2  | Form and Distribution of Notices .....                                       | 26        |
| <b>SECTION 11 - ADMINISTRATION AND IMPLEMENTATION .....</b>   |  | <b>26</b> |
| 11.1  | Mechanics of Administration.....   | 26        |
| <b>SECTION 12 - CLASS COUNSEL FEES, DISBURSEMENTS AND ADMINISTRATION EXPENSES AND PLAINTIFF HONORARIUM.....</b> |  | <b>26</b> |
| 12.1  | Class Counsel Fees and Administration Expenses.....                          | 26        |
| 12.2  | Honorarium.....  | 27        |
| <b>SECTION 13 - NON-APPROVAL OR TERMINATION OF SETTLEMENT AGREEMENT .....</b>                                   |  | <b>28</b> |
| 13.1  | Right of Termination.....  | 28        |
| 13.2  | Effect of Non-Approval or Termination of Settlement Agreement.....           | 29        |
| 13.3  | Allocation of Settlement Amount and Notice Costs Following Termination... .. | 30        |
| 13.4  | Survival of Provisions After Termination .....                               | 31        |
| <b>SECTION 14 - MISCELLANEOUS .....</b>   |  | <b>31</b> |
| 14.1  | Application for Directions .....   | 31        |
| 14.2  | Class Counsel to Advise Settling Defendant of Status of Proceedings .....    | 32        |
| 14.3  | Releasees Have No Liability for Administration .....                         | 32        |
| 14.4  | Headings, etc. ....  | 32        |

|       |                             |    |
|-------|-----------------------------|----|
| 14.5  | Computation of Time .....   | 33 |
| 14.6  | Ongoing Jurisdiction .....  | 33 |
| 14.7  | Governing Law.....          | 34 |
| 14.8  | Entire Agreement .....      | 34 |
| 14.9  | Amendments .....            | 34 |
| 14.10 | Binding Effect.....         | 34 |
| 14.11 | Counterparts .....          | 34 |
| 14.12 | Negotiated Agreement .....  | 35 |
| 14.13 | Recitals .....              | 35 |
| 14.14 | Appendices.....             | 35 |
| 14.15 | Acknowledgements.....       | 35 |
| 14.16 | Authorized Signatures ..... | 36 |
| 14.17 | Notice .....                | 36 |
| 14.18 | Date of Execution .....     | 37 |

## SETTLEMENT AGREEMENT

### RECITALS

- A. WHEREAS on March 3, 2020, the Plaintiffs commenced the Proceeding against the Defendants, ICBC and the Province, 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. The Amended Notice of Civil Claim further alleges that the Payments have increased the amounts paid by the Ratepayer Class for compulsory auto insurance and that the Levies are an unconstitutional tax on the Ratepayer Class.

- 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 the Ratepayer Certification Order, which, among other things, certified the Proceeding as a class proceeding under the CPA in respect of the Ratepayer Class.
- H. WHEREAS, the Parties intend, for the purposes of this Settlement Agreement only, to amend the Ratepayer Certification Order such that: (i) the definition of the "Ratepayer Class" in the Ratepayer Certification Order is to comprise the "Ratepayer Class", as defined in section 1(kk) of this Settlement Agreement; and (ii) the description of the nature of the claims asserted on behalf of the Ratepayer Class is amended in accordance with the Ratepayer Claims Description set out in section 1(jj).
- I. WHEREAS, the Parties have agreed that the Plaintiffs will, for settlement purposes only and subject to approval of the Court, further amend the Amended Notice of Civil Claim as set out in Schedule "B" to the Certification and Notice Approval Order, and that the Second Amended Notice of Civil Claim will not be filed unless and until the Court has granted the Settlement Approval Order and upon the Effective Date. The Province's consent to the Second Amended Notice of Civil

Claim is provided on the express understanding that such consent shall not derogate from the respective rights of the Parties in the event that this Settlement Agreement is not approved, is terminated or otherwise fails to take effect for any reason.

- J. WHEREAS the Province 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.
- K. WHEREAS the Plaintiffs and the Province 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 Province, or evidence of the truth of any of the Plaintiffs' allegations against the Province, which allegations are expressly denied by the Province.
- L. WHEREAS the Province 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 Plaintiffs and the Settlement Class in the Proceeding, and to avoid further expense, inconvenience and the distraction of burdensome and protracted litigation.
- M. WHEREAS counsel for the Province and Class Counsel have engaged in extensive arm's-length settlement discussions and negotiations, resulting in this Settlement Agreement.

- N. WHEREAS as a result of these settlement discussions and negotiations, the Province and the Plaintiffs have entered into this Settlement Agreement, which embodies all of the terms and conditions of the settlement between the Province and the Plaintiffs, both individually and on behalf of the classes the Plaintiffs represent, subject to approval of the Court.
- O. WHEREAS the Plaintiffs have also reached a settlement in principle with ICBC, subject to the Court's approval under the *CPA*, on behalf of the Accident Victim Class.
- P. WHEREAS the Plaintiffs have reviewed and fully understand 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 the Province, the burdens and expense in prosecuting the Proceeding, including the risks and uncertainties associated with trials and appeals, the Plaintiffs have concluded that this Settlement Agreement is fair, reasonable and in the best interests of the Ratepayer Class.
- Q. WHEREAS the Parties therefore wish to and hereby finally resolve, without admission of liability, the Proceeding as against the Settling Defendant.
- R. WHEREAS for the purposes of settlement only, the Parties now consent to the amendment of the Court's Ratepayer Certification Order for the purposes of implementing this Settlement Agreement, contingent on approval by the Court, as provided for in this Settlement Agreement, on the express understanding that such

amended certification shall not derogate from the respective rights of the Parties in the event that this Settlement Agreement is not approved, is terminated or otherwise fails to take effect for any reason.

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 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.
- (c) **Administration Expenses** means all fees, disbursements, expenses, costs, taxes and any other amounts incurred or payable by the Plaintiffs, 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.
- (d) **Appendices** means the appendices to this Settlement Agreement.

- (e) ***Certification and Notice Approval Order*** means an order of the Court, substantially in the form of Appendix 1 to this Settlement Agreement which, if granted, will, for the purposes of settlement only: (i) certify the Proceeding as a class proceeding as against the Settling Defendant in respect of the Ratepayer Class; (ii) amend the Ratepayer Certification Order to amend the definition of Ratepayer Class therein to match the definition of Ratepayer Class in section 1(kk), and amend the description of the nature of the claims asserted on behalf of the Ratepayer Class in accordance with the Ratepayer Claims Description at section 1(jj); (iii) grant leave for the Plaintiffs, contingent on the Court granting the Settlement Approval Order, to file the Second Amended Notice of Civil Claim upon the Effective Date; (iv) approve the form, content, and manner of distribution of the Notice of Certification and Settlement Approval Hearing; (v) set the Opt-Out procedure and deadline; (vi) set the procedure and deadline for any member of the Settlement Class to object to the Settlement; and (vii) schedule the Settlement Approval Hearing.
- (f) ***Class Counsel*** means Murphy Battista LLP.
- (g) ***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.
- (h) ***Class Period*** means from and including 1973 to the date the Court pronounces the Certification and Notice Approval Order.
- (i) ***CPA*** means the *Class Proceedings Act*, RSBC 1996, c 50 as amended.

- (j) **Court** means the Supreme Court of British Columbia.
- (k) **Defendants** means ICBC and the Province.
- (l) **Distribution Protocol** means the protocol attached as Appendix 2 for distributing the Settlement Amount, less approved Administration Expenses and Class Counsel Fees, as approved by the Court.
- (m) **Effective Date** means the date when the Final Order has been received approving this Settlement Agreement.
- (n) **Execution Date** means the date of the execution of this Settlement Agreement by all Parties.
- (o) **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.
- (p) **Honorarium** means any payment awarded individually to the Plaintiff, Mr. Rorison in the Proceeding in consideration of his time, effort, and participation in the Proceeding on behalf of the Ratepayer Class, as approved by the Court.
- (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 of Certification and of Settlement Approval Hearing** means the form or forms of notice, agreed to by the Plaintiffs and the Province, or such other form or forms of notice as may be approved by the Court, which informs the Ratepayer Class of: (i) the principal elements of this Settlement Agreement; (ii) the certification of the Proceeding as a class proceeding in respect of the Ratepayer Class, as amended for settlement purposes; (iii) the date and location of the Settlement Approval Hearing; (iv) the process and deadline by which Ratepayer Class Members may opt-out of the Proceeding; and (v) the process and deadline by which Settlement Class Members may object to the settlement.
- (v) **Notice of Settlement Approval** means the form or forms of notice, agreed to by the Plaintiffs and the Province, 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 *cy près* distribution of the Settlement Amount pursuant to the Distribution Protocol.
- (w) **Notices** means (i) Notice of Certification and 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.

- (x) **Objection Deadline** means the date which is sixty (60) days after the date on which the Notice of Certification and of Settlement Approval Hearing is first published.
- (y) **Opt-Out Deadline** means the date which is sixty (60) days after the date on which the Notice of Certification and of Settlement Approval Hearing is first published.
- (z) **Opt-Out Form** means the form in substantially the same form as that attached as Appendix 3 to this Settlement Agreement.
- (aa) **Other Actions** means any other actions or proceedings asserting Released Claims commenced by a Settlement Class Member either before or after the Effective Date.
- (bb) **Party and Parties** means the Province, the Plaintiffs, and, where necessary, the Settlement Class Members.
- (cc) **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.
- (dd) **Payments Agreement** means, as alleged in the Proceeding, an agreement, whether in written form or not, providing for the making of Payments by ICBC.
- (ee) **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.

- (ff) **Plaintiffs** means Mr. Rorison and Mr. Methot.
- (gg) **Proceeding** means the proceeding commenced by the Plaintiffs, Mr. Rorison and Mr. Methot, against the Defendants in the form of any action filed in the Court's Vancouver Registry, Court File No. S202406, filed on March 3, 2020, as amended and including as set out in the Second Amended Notice of Civil Claim attached as Schedule B to the Certification and Notice Approval Order.
- (hh) **Province** means His Majesty the King in right of the Province of British Columbia.
- (ii) **Ratepayer Certification Order** means the order of the Court, pronounced in the Proceeding on May 15, 2024, certifying the Proceeding as a class proceeding in respect of the Ratepayer Class, among other things.
- (jj) **Ratepayer Claims Description** means the description of the nature of the claims asserted on behalf of the Ratepayer Class in paragraph 5 of the Ratepayer Certification Order, amended as follows: "Rorison asserts that the Ratepayer Class is entitled to damages and financial restitution in respect of increases to compulsory auto insurance rates charged by ICBC (the 'Levies') as a result of payments ICBC has made to the defendant, His Majesty the King in right of the Province of British Columbia (the 'Province') as reimbursement for health-related services related to motor vehicle accidents, including in respect of medical practitioner services, inpatient hospital services, outpatient hospital services, hospital surcharge, ambulance services, and rehabilitation services (e.g.,

chiropractic, massage, physiotherapy services). Rorison asserts that these payments are unlawful and that any resulting Levies constitute an illegal and unconstitutional tax on the Ratepayer Class”.

- (kk) **Ratepayer Class** means a class consisting of Mr. Rorison and all other Persons who purchased compulsory auto insurance from ICBC since 1973 to the date of Certification and Notice Approval Order.
- (ll) **Ratepayer Class Member(s)** means a member of the Ratepayer Class.
- (mm) **Recitals** means the recitals to this Settlement Agreement.
- (nn) **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, 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 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 Releasers, 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.

- (oo) **Releasees** means jointly and severally, individually and collectively, the Province (including its Ministers), 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, excluding always ICBC.
- (pp) **Releasers** means jointly and severally, individually and collectively, the Plaintiffs 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.
- (qq) **Second Amended Notice of Civil Claim** means the Second Amended Notice of Civil Claim, in the form attached as Schedule B to the Certification and Notice Approval Order.
- (rr) **Settlement Agreement** means this agreement, including the Recitals and Appendices.

- (ss) **Settlement Amount** means the non-reversionary all-inclusive sum of \$12,200,000 CAD (12.2 million dollars).
- (tt) **Settlement Approval Hearing** means the hearing at which the Parties seek approval of the Settlement Agreement and, if they elect to do so, the Plaintiffs seek approval of Class Counsel Fees.
- (uu) **Settlement Approval Order** means an order of the Court substantially in the form of Appendix 4 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 the Province.
- (vv) **Settlement Class** means the Plaintiff, Mr. Rorison and all Ratepayer Class Members who do not validly opt-out of the Proceeding in accordance with the Certification and Notice Approval Order.
- (ww) **Settlement Class Member(s)** means a member of the Settlement Class.
- (xx) **Settling Defendant** means His Majesty the King in right of the Province of British Columbia.
- (yy) **Trust Account** means a solicitor's trust account at a Canadian Schedule 1 bank (a bank listed in Schedule 1 of the *Bank Act*, SC 1991, c 46) under the control of Murphy Battista LLP.

## **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 Certification and Notice Approval Order**

- (1) Subject to section 2.2(2), the Plaintiffs shall bring an application before the Court, as soon as practicable after the Execution Date, for the Certification and Notice Approval Order, for settlement purposes only.
- (2) The Certification and Notice Approval Order described in section 2.2(1) shall be substantially in the form attached as Appendix 1.
- (3) For settlement purposes only, the Province shall consent to the amendment of the Ratepayer Certification Order as set out in the Certification and Notice Approval Order at Appendix 1 to this Settlement Agreement.
- (4) For settlement purposes only, the Province shall consent to the appointment of (i) Mr. Rorison as representative plaintiff of the Ratepayer Class, as amended; and (ii) Class Counsel as counsel for the Ratepayer Class, as amended.
- (5) For settlement purposes only, the Province shall consent to the Plaintiffs being granted leave to further amend the Amended Notice of Civil Claim, in the form of the Second Amended Notice of Civil attached as Schedule B to Appendix 1, such leave to amend being contingent upon receipt of a Final Order approving this Settlement Agreement. The Plaintiffs will not file the Second Amended Notice of Civil Claim unless and until the Court has granted the Settlement Approval Order

and upon the Effective Date. Upon the Effective Date, or so soon thereafter as is practicable, the Plaintiffs will file the Second Amended Notice of Civil Claim.

- (6) The Province shall consent to the Certification and Notice Approval Order only for the purposes of implementing the Settlement Agreement. The Province's consent shall not be taken to be an admission of liability.
- (7) At the hearing of the application seeking the Certification and Notice Approval Order, the Parties shall make submissions to the Court with a view to obtaining the Certification and Notice Approval Order.
- (8) Any order, ruling or determination made by the Court amending the wording and the terms for the dissemination and publication of the Notices will not be grounds for nullity or termination of the Settlement Agreement.
- (9) The Parties shall bear their own costs of the application seeking the Certification and Notice Approval Order.

### **2.3 Application Seeking Approval of the Settlement**

- (1) Subject to section 2.3(2), as soon as practicable after (a) the Court has granted the Certification and Notice Approval Order; (b) the Notice of Certification and of Settlement Approval Hearing has been published; (c) the Opt-Out Deadline has passed; and (d) the Objection Deadline has passed, the Plaintiffs 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 4.

- (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) This 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 Certification and 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 set out in the Certification and Notice Approval Order, deliver the comment or objection in writing to Class Counsel by email at an address to be identified in the Notice of Certification and of Settlement Approval Hearing. Class Counsel will provide a copy of any written comment or objection received to the Province 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 the Province and Class Counsel,

as the case may be, except to legal counsel and to the defendant, ICBC, 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 forty-five (45) days of the Effective Date, the Settling Defendant shall pay the Settlement Amount to Murphy Battista LLP for deposit into the Trust Account in full satisfaction of all payment obligations under this Settlement Agreement, other than an Honorarium awarded to Mr. Rorison by the Court pursuant to section 12.2.
- (2) The Settlement Amount shall be all-inclusive of all payment obligations under this Settlement Agreement, including interest and costs, other than payment of an Honorarium to Mr. Rorison, as approved by the Court, and shall be paid in full satisfaction of the Released Claims against the Releasees.
- (3) The Releasees shall have no obligation to pay any amount in addition to the Settlement Amount and the Honorarium for Mr. Rorison if awarded, for any reason, pursuant to or in furtherance of this Settlement Agreement or the Proceeding.
- (4) Class Counsel or its duly appointed agent shall maintain the Trust Account as provided for in this Settlement Agreement.

- (5) Class Counsel or its duly appointed agent shall not pay out all or any part of the monies in the Trust Account, except in accordance with this Settlement Agreement, or in accordance with an order of the Court obtained after notice to the Parties.

#### **SECTION 4 - DISTRIBUTION OF THE SETTLEMENT AMOUNT**

##### **4.1 Distribution Protocol**

- (1) Following the Effective Date and receipt of the Settlement Amount, Class Counsel will distribute the Settlement Amount in the Trust Account, as follows:
- (a) As set out in section 12.1, to Class Counsel for such Class Counsel Fees and Administration Expenses as have been approved by the Court; and
  - (b) The balance of the remaining funds shall be distributed as a *cy près* donation in accordance with the Distribution Protocol at Appendix 2.
- (2) Any order, ruling or determination made by the Court not approving one or more of the entities named in the Distribution Protocol will not be grounds for nullity or termination of the Settlement Agreement.

##### **4.2 No Responsibility for Administration or Fees**

- (1) The Settling Defendant shall not have any responsibility, financial obligations or liability whatsoever with respect to the investment, distribution or administration of monies in the Trust Account including, but not limited to, Administration Expenses, Class Counsel Fees, payment of any Honorarium, or payment of the *cy près* donation in accordance with the Distribution Protocol, and any liability as a result of any decrease or depreciation of the value of the Trust Account, howsoever

caused, including but not limited to, a decrease or depreciation in the value of any investments purchased or held in the Trust Account.

## **SECTION 5 - OPTING-OUT**

### **5.1 Procedure**

- (1) Subject to approval of the Court, a Person who is a Ratepayer Class Member may opt-out of the Proceeding by sending a fully completed Opt-Out Form, signed by the Person and providing all required information, by pre-paid mail, courier, or email to Class Counsel at an address to be identified in the Notice of Certification and of Settlement Approval Hearing.
- (2) A fully completed Opt-Out Form will only be effective if it is received by Class Counsel at the designated address on or before the Opt-Out Deadline.
- (3) Upon the Effective Date, any Ratepayer Class Member who has not validly opted-out of the Proceeding shall be bound by the terms of the Settlement Agreement and every order of the Court made pursuant to this Settlement Agreement.
- (4) The Settling Defendant reserves all of its legal rights and defences with respect to any Ratepayer Class Member who validly opts-out of the Proceeding, and no term of this Settlement Agreement shall be tendered as evidence in any subsequent litigation by any such Person against the Settling Defendant or any Releasees.

### **5.2 Opt-Out Report**

- (1) Within thirty (30) days of the expiry of the Opt-Out Deadline, Class Counsel shall provide the Settling Defendant with a report that sets out the name(s) and contact information recorded in the Opt-Out Form(s) of any and all Persons who have

opted-out of the Proceeding in accordance with the terms of this Settlement Agreement.

## **SECTION 6 - RELEASE AND DISMISSALS**

### **6.1 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 Releasers 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 Releasers 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.

### **6.2 No Further Claims or Litigation**

- (1) The Releasers 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, subject to section 7.1, the continuation of the Proceeding against ICBC or, if the Proceeding is decertified under the CPA, the continuation of the claims asserted against ICBC in the Proceeding on an individual basis or otherwise.

- (2) Except as provided in section 6.2(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 6.2(2) does not apply to the involvement of any Person in the continued prosecution of the Proceeding against ICBC.

### **6.3 Dismissal of the Proceeding**

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

### **6.4 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 7 - ACCIDENT VICTIM CLASS LITIGATION**

### **7.1 Pleading Amendments, etc.**

(1) In the event that the claims in the Proceeding on behalf of the Accident Victim Class proceed to trial or other adjudication by the Court on the merits, then the Plaintiffs and the Releasors shall refrain from pleading, pursuing any findings, or otherwise advancing any position in the Proceeding that:

- (a) The Province or any Releasee is jointly and severally liable for any relief sought on behalf of, or any claims made by, Mr. Methot and/or the Accident Victim Class, including but not limited to any monetary award, damages, punitive damages, or equitable relief on account or in respect of Accident Victim Benefits or otherwise;
- (b) The Province or any Releasee directed or caused ICBC to make or pay the Payments and to reduce the Accident Benefits of the Accident Victim Class;
- (c) ICBC's making of the Payments to the Province and/or any increase to compulsory auto insurance rates resulting from the Payments, or otherwise, are, or in any way constitute, an unconstitutional tax; and
- (d) ICBC and/or any other Person or party are responsible or liable for that portion of any damages (including punitive damages, if any), unjust enrichment, restitutionary award, disgorgement, interest and costs that, had the Settling Defendant not settled, the Court would have apportioned to the Settling Defendant and/or the other Releasees at trial.

## **SECTION 8 - EFFECT OF SETTLEMENT**

### **8.1 No Admission of Liability**

- (1) The Plaintiffs 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 Plaintiffs 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 Plaintiffs or any other Settlement Class Member.

### **8.2 Agreement Not Evidence**

- (1) The Plaintiffs 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 9 - CERTIFICATION AND PLEADING AMENDMENTS FOR SETTLEMENT ONLY**

- (1) The Parties agree that the Ratepayer Certification Order and the Amended Notice of Civil Claim shall be amended as against the Settling Defendant solely for purposes of settlement of the Proceeding and the approval of this Settlement Agreement by the Court, and such amendments shall not be used or relied on as against the Settling Defendant for any other purpose or in any other proceeding.
- (2) The Parties agree that the amended certification of the Proceeding as against the Settling Defendant for the purpose of implementing this Settlement Agreement, shall not derogate in any way from the rights of the Plaintiffs as against ICBC, except as expressly set out in this Settlement Agreement.

#### **SECTION 10 - NOTICE TO SETTLEMENT CLASS**

##### **10.1 Notices Required**

- (1) The proposed Settlement Class shall be given the following notice: (i) Notice of Certification and 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).

**10.2 Form and Distribution of Notices**

- (1) The form of the Notices referred to in section 10.1 and how and where they are published and distributed shall be as agreed to by the Plaintiffs and the Settling Defendant, such agreement not to be unreasonably withheld, and approved by the Court.

**SECTION 11 - ADMINISTRATION AND IMPLEMENTATION**

**11.1 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 sections 2.2 and 2.3.

**SECTION 12 - CLASS COUNSEL FEES, DISBURSEMENTS AND ADMINISTRATION EXPENSES AND PLAINTIFF HONORARIUM**

**12.1 Class Counsel Fees and Administration Expenses**

- (1) Class Counsel shall pay the costs of the Notices required by section 10.1 as they become due and will be entitled to reimbursement for such costs from the Trust Account 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 Plaintiffs, or any Settlement Class Member's respective lawyers, experts, advisors, agents, or representatives.

#### **12.2 Honorarium**

- (1) In recognition for his time, effort, and participation in the Proceeding on behalf of the Ratepayer Class, Class Counsel will seek, subject to Court approval, an Honorarium of \$5,000.00 for Mr. Rorison.
- (2) Class Counsel may bring an application to the Court for approval of the Honorarium for Mr. Rorison, as provided for in section 12.2(1), contemporaneously with seeking approval of this Settlement Agreement. The Settling Defendant will not oppose or make submissions in respect of the application for approval of the Honorarium for Mr. Rorison up to \$5,000.00.
- (3) The Honorarium for Mr. Rorison is separate from and in addition to the Settlement Amount. The Settling Defendant will pay the Honorarium awarded by the Court, if any, up to \$5,000.00 by payment to Class Counsel in trust for Mr. Rorison within forty-five (45) days of the Effective Date.

- (4) The Court's approval of an Honorarium to Mr. Rorison is not a material term of this Settlement Agreement and this Settlement Agreement shall not be contingent on Court approval of any Honorarium for Mr. Rorison.

## **SECTION 13 - NON-APPROVAL OR TERMINATION OF SETTLEMENT AGREEMENT**

### **13.1 Right of Termination**

- (1) In the event that:
- (a) the Court declines to amend the Ratepayer Certification Order, for settlement purposes only, as contemplated by this Settlement Agreement;
  - (b) the Court declines to grant leave for the filing of the Second Amended Notice of Civil Claim, upon the Effective Date, for settlement purposes only, as contemplated by this Settlement Agreement;
  - (c) the Court declines to dismiss the Proceeding, with prejudice and without costs, as against the Province;
  - (d) 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 6 of this Settlement Agreement are material terms);
  - (e) the Court approves this Settlement Agreement in a materially modified form;
  - (f) 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;

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

the Settling Defendant or the Plaintiffs shall have the right to terminate this Settlement Agreement by delivering a written notice pursuant to section 14.17(1), within thirty (30) days following the event(s) described above. Except as provided for in section 13.4, if the Settling Defendant or the Plaintiffs 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.

### **13.2 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) No application(s) to amend the certification of the Proceeding as a class proceeding or to amend the Amended Notice of Civil Claim on the basis of this Settlement Agreement or to approve this Settlement Agreement, which has not been decided, shall proceed;
- (b) any order certifying the Proceeding as a class proceeding on the basis of the Settlement Agreement, amending the Amended Notice of Civil Claim on the basis of the Settlement Agreement, or 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;
- (c) any amendment of the pleadings on the basis of this Settlement Agreement or certification of the Proceeding as a class proceeding on the basis of this Settlement Agreement, including the definitions of the Settlement Class and the Ratepayer Claims Description pursuant to this Settlement Agreement, shall be without prejudice to any position that any of the Parties may later take on any issue in the Proceeding or any other litigation; and,
- (d) 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.

**13.3 Allocation of Settlement Amount and Notice Costs Following Termination**

- (1) Subject to section 13.3(2), if the Settlement Agreement is terminated after the Settlement Amount has been paid, Class Counsel shall, within thirty (30) business days of the written notice advising that the Settlement Agreement has been

terminated in accordance with its terms, return to the Settling Defendant the Settlement Amount.

- (2) In the event the Settlement Agreement is terminated, the Settling Defendant will contribute its pro-rata share of up to a total of CDN \$5,000.00 (plus applicable taxes) for Administration Expenses actually incurred by Class Counsel for the Notices required by section 10.1. The Settling Defendant's pro-rata share shall be 50%, unless such Notices involve settlement of the Proceeding by ICBC, in which case the Settling Defendant's pro rata share shall be 33.3%.

#### **13.4 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 8.1, 8.2, 10.1 (as to notice of termination only), 10.2(1), 13.2, 13.3 and this section 13.4, 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 8.1, 8.2, 10.1, 10.2(1), 13.2, 13.3 and this section 13.4, 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 14 - MISCELLANEOUS**

#### **14.1 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.

#### **14.2 Class Counsel to Advise Settling Defendant of Status of Proceedings**

- (1) In the event that the settlement of the Proceeding on behalf of the Accident Victim 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.

#### **14.3 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.

#### **14.4 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.

#### **14.5 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.

#### **14.6 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.

**14.7 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.

**14.8 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.

**14.9 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.

**14.10 Binding Effect**

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

**14.11 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.

#### **14.12 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.

#### **14.13 Recitals**

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

#### **14.14 Appendices**

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

#### **14.15 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.

**14.16 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.

**14.17 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 PLAINTIFFS AND CLASS COUNSEL:**

Scott Stanley

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

[stanley@murphybattista.com](mailto:stanley@murphybattista.com)

**FOR THE SETTLING DEFENDANT:**

Chantelle Rajotte, K.C.  
Sergio Ortega  
David McEwan  
Steven Davis

Ministry of Attorney General  
Legal Services Branch  
1301 – 865 Hornby Street  
Vancouver, BC V6Z 2G3

[Chantelle.Rajotte@gov.bc.ca](mailto:Chantelle.Rajotte@gov.bc.ca)  
[Sergio.Ortega@gov.bc.ca](mailto:Sergio.Ortega@gov.bc.ca)  
[David.McEwan@gov.bc.ca](mailto:David.McEwan@gov.bc.ca)  
[Steven.Davis@gov.bc.ca](mailto:Steven.Davis@gov.bc.ca)

Ludmila Herbst, K.C.

Farris LLP  
25<sup>th</sup> Floor – 700 W Georgia Street  
Vancouver, BC V7Y 1B3

[lherbst@farris.com](mailto:lherbst@farris.com)

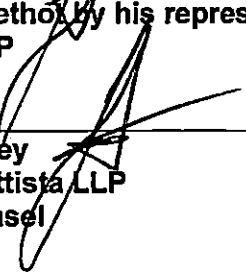
**14.18 Date of Execution**

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

FOR THE PLAINTIFFS AND FOR CLASS COUNSEL

  
\_\_\_\_\_  
**Robert Robson by his representative Murphy  
Battista LLP**

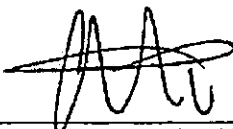
  
\_\_\_\_\_  
**Brayden Methot by his representative Murphy  
Battista LLP**

  
\_\_\_\_\_  
**Scott Stanley  
Murphy Battista LLP  
Class Counsel**

**His Majesty the King in Right of the Province of British Columbia**

Name of Authorized Signatory Chantelle Rajotte, K.C.

Signature of Authorized  
Signatory:



\_\_\_\_\_  
**His Majesty the King in Right of the Province of  
British Columbia**



3. If any provision of this Order is in conflict with the Settlement Agreement, the provision contained in this Order shall govern.
4. For the purposes of settlement only, and conditional on this Court's approval of the Settlement Agreement, the Proceeding is certified as a class proceeding pursuant to the *Class Proceedings Act*, RSBC 1996, c. 50 in respect of the Ratepayer Class.
5. For the purposes of settlement only, and conditional on this Court's approval of the Settlement Agreement, the certification order made in this action on May 15, 2024 (the "Ratepayer Certification Order") is amended to define the Ratepayer Class in this action as:

All Persons who purchased compulsory auto insurance from the Insurance Corporation of British Columbia since 1973 to *[Date of this Order]*.

6. For the purposes of settlement only, and conditional on this Court's approval of the Settlement Agreement, paragraph 5 of the Ratepayer Certification Order is amended to describe the nature of the claims asserted on behalf of the Ratepayer Class as follows:

Rorison asserts that the Ratepayer Class is entitled to damages and financial restitution in respect of increases to compulsory auto insurance rates charged by ICBC (the 'Levies') as a result of payments ICBC has made to the defendant, His Majesty the King in right of the Province of British Columbia (the 'Province') as reimbursement for health-related services related to motor vehicle accidents, including in respect of medical practitioner services, inpatient hospital services, outpatient hospital services, hospital surcharge, ambulance services, and rehabilitation services (e.g., chiropractic, massage, physiotherapy services). Rorison asserts that these payments are unlawful and that any resulting Levies constitute an illegal and unconstitutional tax on the Ratepayer Class.

7. For the purposes of settlement only, the plaintiff, Robert Rorison (“**Mr. Rorison**”) is appointed as the representative plaintiff of the Ratepayer Class, as re-defined herein.
8. For the purposes of settlement only, Murphy Battista LLP is appointed as class counsel for the Ratepayer Class, as re-defined herein.
9. For the purposes of settlement only, and conditional on this Court’s approval of the Settlement Agreement, the Plaintiffs are granted leave to amend the Amended Notice of Civil Claim, filed February 11, 2022, in the form of the Second Amended Notice of Civil Claim attached as **Schedule “B”**.
10. The Second Amended Notice of Civil Claim will not be filed unless and until the Effective Date in the Settlement Agreement has occurred. Upon the Effective Date, or so soon thereafter as is practicable, the Plaintiffs will file the Second Amended Notice of Civil Claim.
11. The forms of the Notice of Certification and of Settlement Approval Hearing are approved, substantially in the form attached hereto as **Schedules “C”** (short form notice) and **“D”** (long form notice).
12. The plan of dissemination of the Notice of Certification and of Settlement Approval Hearing (the **“Plan of Dissemination”**) is hereby approved in the form attached as **Schedule “E”** and the forms of Notice of Certification and of Settlement Approval Hearing shall be disseminated in accordance with the Plan of Dissemination.
13. The procedure by which a Class Member must give notice of their intention to opt-out of the Ratepayer Class as set forth in the Settlement Agreement and the Opt-Out Form attached as **Schedule “F”** are hereby approved.
14. The deadline by which a member of the Ratepayer Class must give notice of their intention to opt-out of the Ratepayer Class shall be 4:00 pm on the date that is sixty (60) days following the date the Notice of Certification and of Settlement Approval Hearing is disseminated, and if such date is a Saturday or “holiday” within

the meaning of the *Interpretation Act* (British Columbia), then the next date, whichever is later.

15. Each Ratepayer Class Member who has not validly opted-out of the action will be bound by the Settlement Agreement, if approved by the Court, and may not opt out of the action in the future.
16. The procedure by which a Settlement Class Member must give notice of an intention to object to the Settlement Agreement set forth in section 2.4 of the Settlement Agreement is hereby approved.
17. The deadline by which a Settlement Class Member must give notice that it intends to object to the Settlement Agreement shall be 4:00 pm on the date that is sixty (60) days following the date the Notice of Certification and of Settlement Approval Hearing is disseminated, and if such date is a Saturday or "holiday" within the meaning of the *Interpretation Act* (British Columbia), then the next date, whichever is later.
18. Any Ratepayer Class Member who opted-out of the action shall not be entitled to submit a written objection or appear or be heard at the Settlement Approval Hearing, and any such objection received therefrom shall be withdrawn.
19. The Settlement Approval Hearing shall be heard at 10:00 am on **[date]** or so soon thereafter as counsel may be heard.
20. Leave is granted to the Settling Parties to vary or amend this Order by mutual agreement and subsequently reduced to a Consent Order and, failing such agreement, to seek to vary or amend this Order on application to this Court.
21. If the Settlement Agreement is not approved, is terminated in accordance with section 13 of the Settlement Agreement or otherwise fails to take effect for any reason, paragraphs 1-20 of this Order, including all opt-out notices delivered pursuant to the Order, shall be set aside and declared null and void and of no force or effect, without the need for any further Order of this Court. In those

circumstances, all parties to the proceeding shall stand in the same position as if the Settlement Agreement had not been negotiated, made, or filed with the Court. A case management conference shall be convened to seek directions, including in respect of the need for and form and content of additional notice to Class members and to any person that delivered an opt-out notice pursuant to this Order.

22. There shall be no costs against any party that consented to this application.

THE FOLLOWING PARTIES APPROVE THE FORM OF THIS ORDER AND CONSENT TO EACH OF THE ORDERS, IF ANY, THAT ARE INDICATED ABOVE AS BEING BY CONSENT.

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Signature of

Lawyer for the Plaintiffs, Robert Rorison  
And Brayden Methot  
**J. Scott Stanley**

---

Signature of

Lawyer for the Defendant, His Majesty  
the King in Right of the Province of British  
Columbia  
**Chantelle Rajotte, K.C.**

---

Signature of

Lawyer for the Defendant, Insurance  
Corporation of British Columbia  
**Joel Morris**

By the Court

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Registrar

No. S-202406  
Vancouver Registry

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**IN THE SUPREME  
COURT OF BRITISH COLUMBIA**

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**BETWEEN:**

**ROBERT RORISON and BRAYDEN METHOT**

**PLAINTIFFS**

**AND:**

**INSURANCE CORPORATION OF BRITISH COLUMBIA and HIS MAJESTY THE  
KING IN RIGHT OF THE PROVINCE OF BRITISH COLUMBIA**

**DEFENDANTS**

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**ORDER MADE AFTER APPLICATION**

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**Ministry of Attorney General  
Legal Services Branch  
1301 – 865 Hornby Street  
Vancouver BC V6Z 2G3  
Phone: 604.660.3093  
chantelle.rajotte@gov.bc.ca**

**Chantelle Rajotte  
Legal Counsel**

**SCHEDULE "B"**

No. S-202406  
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

BETWEEN:

**ROBERT RORISON AND BRAYDEN METHOT**

PLAINTIFFS

AND:

**INSURANCE CORPORATION OF BRITISH COLUMBIA and  
HIS MAJESTY THE KING IN RIGHT OF THE PROVINCE OF BRITISH COLUMBIA**

DEFENDANTS

BROUGHT UNDER THE *CLASS PROCEEDINGS ACT*

**SECOND AMENDED NOTICE OF CIVIL CLAIM**

**This action has been started by the plaintiffs for the relief set out in Part 2 below.**

If you intend to respond to this action, you or your lawyer must

- (a) file a response to civil claim in Form 2 in the above-named registry of this court within the time for response to civil claim described below, and
- (b) serve a copy of the filed response to civil claim on the plaintiffs.

If you intend to make a counterclaim, you or your lawyer must

- (a) file a response to civil claim in Form 2 and a counterclaim in Form 3 in the above-named registry of this court within the time for response to civil claim described below, and
- (b) serve a copy of the filed response to civil claim and counterclaim on the plaintiffs and on any new parties named in the counterclaim.

**JUDGMENT MAY BE PRONOUNCED AGAINST YOU IF YOU FAIL to file the response to civil claim within the time for response to civil claim described below.**

**Time for response to civil claim**

A response to civil claim must be filed and served on the plaintiffs,

- (a) if you reside anywhere in Canada, within 21 days after the date on which a copy of the filed notice of civil claim was served on you,
- (b) if you reside in the United States of America, within 35 days after the date on which a copy of the filed notice of civil claim was served on you,
- (c) if you reside elsewhere, within 49 days after the date on which a copy of the filed notice of civil claim was served on you, or
- (d) if the time for response to civil claim has been set by order of the court, within that time.

**CLAIM OF THE PLAINTIFFS**

**Part 1: STATEMENT OF FACTS**

**Overview of the claim**

1. For decades, ICBC has been making payments to the Province contrary to law. Those payments have cost ratepayers hundreds of millions of dollars and driven up insurance costs unnecessarily and unlawfully. Some of those payments have also caused accident victims to receive fewer benefits than they would have received had ICBC acted lawfully.

2. This class proceeding seeks recovery for BC's motorists and accident victims of the hundreds of millions of dollars in payments ICBC has unlawfully made to the Province.

2.1 By means of sections 14.1 to 14.3 of the *Insurance (Vehicle) Amendment Act*, SBC 2021 c 23 (the "Amendment Act"), enacted after this proceeding was commenced, the Legislature retroactively deemed certain payments from ICBC to

the Province to have been validly made and received. Many of the claims the plaintiff, Robert Rorison ("Rorison"), sought to advance in this proceeding have now been extinguished by the Amendment Act, but that Act has not extinguished all his claims and has no effect on the claims of the plaintiff, Brayden Methot ("Methot").

### **The parties**

3. Methot is a disabled former motorist. Methot is a resident of British Columbia.

4. Rorison is a motorist. Rorison is a resident of British Columbia.

5. Both plaintiffs were, at all material times, insured persons under the *Insurance (Vehicle) Act*, RSBC 1996 c 23 (the "Act") and the *Insurance (Vehicle) Regulation*, BC Reg 447/83 (the "Regulation").

6. The defendant, Insurance Corporation of British Columbia ("ICBC"), is a corporation created in 1973 and continued by the *Insurance Corporation Act*, RSBC 1996 c 228. Its objects include the operation and administration of a plan of universal compulsory vehicle insurance for British Columbia pursuant to the Act and the Regulation.

7. The defendant, His Majesty the King in right of British Columbia (the "Province"), is the recipient of the Payments described below.

### **Methot and the Accident Victim Class**

8. On or about the 9th day of June, 2014, Methot was a passenger in a vehicle travelling northbound on Highway 5, approximately five kilometres from Kamloops, British Columbia, when the vehicle he was riding in crossed the centreline and struck an oncoming vehicle. Methot suffered catastrophic injuries in the collision, including an injury to his spinal cord that rendered him quadriplegic.

9. As a result of the collision, Methot was entitled to Accident Benefits as described below.

10. Methot received Accident Benefits from ICBC up to the Limit described below.

11. Methot would have received more Accident Benefits from ICBC if it had not unlawfully paid part of the Payments described below to the Province.

12. This action is brought on behalf of members of a class consisting of Methot and all other persons who received Accident Benefits from ICBC up to the Limit since 1973 (the "Accident Victim Class").

#### **Rorison and the Ratepayer Class**

13. Rorison has purchased compulsory auto insurance products from ICBC annually from 1973 to the present. The premiums Rorison has paid have increased substantially in that time.

14. These rate increases are due in part to ICBC's payment of the Payments described below to the Province.

15. This action is also brought on behalf of members of a further class consisting of Rorison and all other persons who purchased compulsory auto insurance from ICBC since 1973 (the "Ratepayer Class").

#### **The Medical Services Plan**

16. The *Medicare Protection Act*, RSBC 1996 c 286 establishes the Medical Services Commission. The Commission's function is to facilitate reasonable access, throughout British Columbia, to quality medical care, health care and prescribed diagnostic services for residents of British Columbia under the Medical Services Plan ("MSP").

17. MSP is British Columbia's publicly funded, universal health care plan.

### **ICBC's liability to provide benefits to accident victims**

18. When a person insured by ICBC is injured in a motor vehicle accident, he or she is entitled to treatment as provided by law (the "Accident Benefits"). An injured person may also be entitled to treatment under MSP and/or private insurance plans. All such treatments are insurance benefits.

19. At all material times, ICBC's obligation to provide Accident Benefits was provided for by law, including (at present) Part 7 of the Regulation.

20. At all material times, ICBC has not been liable for any expenses paid or payable to or recoverable by an insured person under a medical, surgical, dental or hospital plan or law, or paid or payable by another insurer. This is as provided for by s. 88(6) of the Regulation and its predecessor provisions. These provisions limit the expenses ICBC must pay out to accident victims as Accident Benefits.

21. MSP is a medical plan or law, and/or another insurer, within the meaning of s. 88(6) of the Regulation and its predecessor provisions. ICBC is therefore not liable for payments made to medical practitioners under MSP for benefits to which accident victims are entitled pursuant to the *Medicare Protection Act*.

22. ICBC's liability to pay Accident Benefits to insured persons is limited by law (the "Limit"). The Limit has varied over time. Most recently the Limit has been \$150,000 for medical and rehabilitation expenses for accidents occurring prior to 1 January 2018 and \$300,000 for medical and rehabilitation expenses for accidents occurring after 1 January 2018.

### **ICBC's unlawful payments in respect of medical practitioners**

23. Section 88(6) of the Regulation, and its predecessor provisions, mean that ICBC is not liable for expenses paid or payable to, or recoverable by, insured persons under MSP.

24. At all material times, British Columbia's legislative scheme made the Province, through MSP—and not ICBC—responsible for paying the costs of visits to medical practitioners by victims of motor vehicle accidents.

25. Despite this, ICBC has reimbursed the Province, through MSP, for the services of medical practitioners payable as a result of ICBC claims (the "Doctors Payments").

26. The total amount of payments ICBC has made to the Province as Doctors Payments are unknown to the plaintiffs and within the knowledge of the defendants.

26.1 From 1973 to 1988, the Doctors Payments were made pursuant to an unwritten, unpublished and informal arrangement between the Province and ICBC known as the "Gentlemen's Agreement". From 1988 to the present, the Doctors Payments have been made pursuant to an unpublished agreement between ICBC and the Province (as represented by the Minister of Health) dated 21 January 1988 (the "1988 Agreement") and its successor agreements, if any. The 1988 Agreement was modified in part to increase the Doctors Payments by an agreement dated 1 April 1994 (the "1994 Agreement"). Whether there have been successor agreements is unknown to the plaintiffs and within the knowledge of the defendants.

26.2 The rate or formula for calculating the Doctors Payments under the Gentlemen's Agreement is unknown to the plaintiffs and within the knowledge of the defendants. The rate or formula for calculating the Doctors Payments under the 1988 Agreement and its successors (including the 1994 Agreement) is as set out in those agreements.

#### **ICBC's unlawful payments in respect of hospital care**

26.3 Section 88(6) of the Regulation, and its predecessor provisions, mean that ICBC is not liable for expenses paid or payable to, or recoverable by, insured persons under hospital plans or laws in effect at the material times.

26.4 At all material times, British Columbia's legislative scheme made the Province—and not ICBC—responsible for paying the costs of visits to hospitals by victims of motor vehicle accidents.

26.5 Despite this, ICBC has reimbursed the Province for in-patient and out-patient hospital services required by victims of motor vehicle accidents (the "Hospital Payments").

26.6 From 1973 to 1988, the Hospital Payments were made pursuant to the Gentlemen's Agreement. From 1988 to the present, the Hospital Payments have been made pursuant to the 1988 Agreement and its successor agreements, if any.

26.7 The total amount of the Hospital Payments is unknown to the plaintiffs and within the knowledge of the defendants.

26.8 The rate or formula for calculating the Hospital Payments in respect of in-patient services under the Gentlemen's Agreement is unknown to the plaintiffs and within the knowledge of the defendants. The rate or formula for calculating the Hospital Payments in respect of in-patient services under the 1988 Agreement and its successors, if any, is as set out in those agreements.

26.9 The rate or formula for calculating the Hospital Payments in respect of out-patient services under the Gentlemen's Agreement is unknown to the plaintiffs and within the knowledge of the defendants. The rate or formula for calculating the Hospital Payments in respect of out-patient services under the 1988 Agreement and its successors, if any, was (until 1998) 1.5% of the in-patient payment for that month and (after 1998) 1.8% of the in-patient payment for that month.

#### **The Province's unlawful surcharge on the Hospital Payments**

26.10 Effective 1 April 1982, the Province, by means of a direction of Cabinet, required ICBC to pay a 35% surcharge on the Hospital Payments (the "Surcharge").

26.11 The Surcharge applies to both in-patient and out-patient Hospital Payments.

26.12 The total amount of the Surcharge is unknown to the plaintiffs and within the knowledge of the defendants.

26.13 ICBC is under no legal duty to pay the Surcharge. The Surcharge has no statutory basis and is therefore a nullity. Such a mechanism for imposing a levy on the public is unknown to law. ICBC is further protected from the Surcharge by the constitutional provisions and principles pleaded below concerning lawful provincial taxation.

26.14 Despite this, ICBC has paid the Surcharge to the Province.

#### **ICBC's unlawful payments in respect of ambulance services**

26.15 Ambulance services in British Columbia are funded through lawful taxation together with a basic ambulance user fee charged to persons requiring ambulance services.

26.16 At all material times, British Columbia's legislative scheme made the Province or other persons—and not ICBC—responsible for paying the costs of ambulance services required by the victims of motor vehicle accidents.

26.17 Despite this, ICBC has paid the Province for ambulance services required by victims of motor vehicle accidents (the "Ambulance Payments").

26.18 From 1973 to 1988, the Ambulance Payments were made pursuant to the Gentlemen's Agreement. From 1988 to the present, the Ambulance Payments have been made pursuant to the 1988 Agreement and its successor agreements, if any.

26.19 The total amount of the Ambulance Payments is unknown to the plaintiffs and within the knowledge of the defendants.

26.20 The rate or formula for calculating the Ambulance Payments under the Gentlemen's Agreement is unknown to the plaintiffs and within the knowledge of the defendants. The rate or formula for calculating the Ambulance Payments under the 1988 Agreement and its successors, if any, is as set out in those agreements.

**Other payments in respect of health-related services**

26.21 At various times commencing in 1973 ICBC reimbursed or otherwise paid to the Province the cost of other health-related services not already outlined in paragraphs 23 – 26.20 above for persons injured in motor vehicle accidents (the "Further Payments"), including in respect of rehabilitation services (e.g. chiropractic, massage, physiotherapy).

**The Payments increased ICBC's operating costs**

27. [deleted]

28. The effect for the Province of receiving the Doctors Payments, the Hospital Payments, the Surcharge, the Ambulance Payments and the Further Payments (together, the "Payments") was to raid ICBC's budget for its own benefit and, in so doing, increase ICBC's operating costs.

29. The Payments have been paid by ICBC to the Province pursuant to a series of agreements, the texts of which have never been published and which include the Gentlemen's Agreement, the 1988 Agreement, the 1994 Agreement and their successor agreements, if any (together the "Payments Agreement"). The intended beneficiary of the Payments Agreement was the Province.

30. The Payments are unlawful in the ways pleaded herein, except to the extent that they have been retroactively made valid by the Amendment Act.

### **Losses ICBC caused to the Accident Victim Class**

31. At all material times, ICBC deducted from the amount of Accident Benefits available to individual members of the Accident Victim Class the amounts payable by it to the Province as Doctors Payments under the 1994 Agreement. The effect of this was to unlawfully withhold a portion of the Accident Benefits payable to individual members of the Accident Victim Class (the "Withholdings").

31.1 The Amendment Act does not have the effect of making the Withholdings lawful.

32. At all material times, the Province directed or caused ICBC to make the Doctors Payments pursuant to the 1994 Agreement and to reduce the Accident Benefits of members of the Accident Victim Class accordingly.

33. At all material times, ICBC failed to disclose to members of the Accident Victim Class that it was unlawfully reducing the Accident Benefits available to them. Instead, ICBC wrongfully represented to members of the Accident Victim Class that they had reached the Limit of their Accident Benefits when they had not.

34. By deducting from the amount of Accident Benefits available to individual members of the Accident Victim Class the amounts payable to the Province as Doctors Payments under the 1994 Agreement, ICBC caused harm to members of the Accident Victim Class. By retaining the Withholdings instead of paying them out, ICBC caused the members of the Accident Victim Class a loss and hindered their ability to meet their care needs and recover from and/or cope with their injuries.

35. By receiving the Doctors Payments pursuant to the 1994 Agreement knowing they were unlawful Withholdings, the Province caused, or failed to prevent, harm to members of the Accident Victim Class.

### **Losses caused to the Ratepayer Class**

36. The Payments have driven up ICBC's operating costs.

37. ICBC has responded to its increased costs by repeatedly applying to its regulator (the "Regulator") to increase the rates it charges to the Ratepayer Class for compulsory insurance. Prior to 2003, the Lieutenant Governor in Council was the Regulator. Since 2003, the Regulator has been the British Columbia Utilities Commission.

38. ICBC has made these applications to the Regulator at the direction, or with the approval or knowledge, of the Province.

39. ICBC has represented to the Regulator, and to the public, that its applications for rate increases are driven by expenses properly incurred by it. As regards the Payments, these representations are false because the Payments were, at the time the representations were made, unlawful.

40. ICBC did not disclose to the Regulator that it was making the Payments unlawfully.

41. ICBC has been successful in obtaining rate increases from the Regulator.

42. The effect of the rate increases sought and obtained by ICBC has been to increase the amounts paid by the Ratepayer Class for compulsory auto insurance.

### **Unconstitutional tax**

43. The increases to compulsory auto insurance rates sought and obtained from time to time by ICBC from the Regulator as a result of the Payments constitute an unconstitutional tax on the Ratepayer Class (the "Levies").

44. The Levies were not enacted in accordance with ss. 53, 90 and 92(2) of the *Constitution Act, 1867*. The Levies were not enacted by the Legislature at all. Rather, they were approved by the Regulator on application by ICBC.

44.1 In the alternative, if s. 53 of the *Constitution Act, 1867* is inapplicable in British Columbia, the Levies are contrary to the principle of no taxation without representation which is imported into British Columbia constitutional law by the preamble to the *Constitution Act, 1867*.

45. The Levies result in the Ratepayer Class being unconstitutionally taxed for the cost of the Payments despite the fact that underlying health-related services are already funded by the lawful, and constitutionally valid, taxes the Province collects from residents of British Columbia.

46. The Levies are an unconstitutional tax on the Ratepayer Class and are, to the extent of their inconsistency with the Constitution of Canada, of no force or effect pursuant to s. 52 of the *Constitution Act, 1982*.

46.1 The Amendment Act is not a law for appropriating public revenue or imposing a tax or impost.

### **Negligence**

47. At all material times, ICBC owed members of the Accident Victim Class a duty to take reasonable care in determining the amount of Accident Benefits to which they were entitled under the Regulation and in processing claims to ensure that class members are not deprived of benefits to which they are entitled by statute and regulation.

48. ICBC breached the duty of care owed to members of the Accident Victim Class, which caused them loss. In particular, ICBC breached its duty of care by:

- (a) deducting from the benefits accounts of members of the Accident Victim Class amounts related to Doctors Payments paid to the Province under the 1994 Agreement; and
- (b) failing to detect these underpayments and remedy them, including by the payment of interest on amounts owing.

49. [deleted]

50. [deleted]

51. [deleted]

52. [deleted]

53. [deleted]

54. [deleted]

55. [deleted]

**ICBC's unjust enrichment**

56. [deleted]

57. [deleted]

58. ICBC has been and continues to be enriched by the Withholdings. Members of the Accident Victim Class are correspondingly deprived by the Withholdings. The Withholdings are the amounts accident victims would receive in Accident Benefits were ICBC paying them in full as required by law. There is no juristic reason for ICBC's enrichment. In particular, the Amendment Act does not provide a juristic reason for the Withholdings.

59. [deleted]

60. [deleted]

61. [deleted]

62. [deleted]

63. [deleted]

64. [deleted]

### **Breach of contract and duty of good faith**

65. ICBC and each member of the Ratepayer Class are parties to insurance contracts, the terms of which are Part 7 of the Regulation. Each of those contracts includes a duty of good faith.

66. In addition, ICBC is the statutory first party insurer of members of the Accident Victim Class and has a duty to act in good faith when assessing the Accident Benefits payable to them.

67. At all material times, Rorison and other members of the Ratepayer Class were unable to negotiate with ICBC for the rates they paid under their contracts with ICBC, but were instead forced to pay the rates proposed by ICBC and set by the Regulator in order to obtain compulsory auto insurance products.

68. ICBC breached, and continues to breach, its contractual duties to the members of the Accident Victim Class. In particular:

(a) ICBC breached its duty to act in good faith when assessing the Accident Benefits payable to them; and

(a.1) ICBC breached s. 88(6) of the Regulation, and its predecessor provisions, by making Doctors Payments to the Province under the 1994 Agreement for which it was not liable, then deducting amounts so paid from the Accident Benefits accounts of members of the Accident Victim Class,

thereby causing loss to the members of the Accident Victim Class.

### **The defendants' wilful concealment of their misconduct**

69. The defendants have wilfully concealed from the plaintiffs and other members of the Accident Victims Class and the Ratepayer Class, the existence and circumstances of the Payments Agreement, the payment of the Payments by ICBC to the Province contrary to law, and the unlawful Withholdings.

70. The defendants' wilful concealment has succeeded to date in concealing from would-be claimants the fact that they have suffered injury, loss or damage caused by or contributed to by the defendants or either of them.

**Part 2: RELIEF SOUGHT**

70.1 The plaintiffs seek against ICBC:

- (a) an order certifying this proceeding as a class proceeding pursuant to the *Class Proceedings Act*, RSBC 1996 c 50 and appointing Methot as representative plaintiff in respect of the Accident Victim Class;
- (b) a monetary award for Methot and the other members of the Accident Victim Class for unjust enrichment;
- (c) damages for Methot and the other members of the Accident Victim Class for negligence and breach of contract in a sum equal to the Withholdings, together with general and pecuniary damages;
- (d) in the event that damages prove an inadequate remedy, equitable relief for Methot and the other members of the Accident Victim Class, including restitution, an accounting, and tracing of the proceeds;
- (e) punitive damages for Methot and the other members of the Accident Victim Class;
- (f) interest pursuant to the *Court Order Interest Act*, RSBC 1996 c 79;
- (g) costs; and
- (h) such further and other relief as to this Honourable Court may seem just.

70.2 The plaintiffs seek against the Province:

- (a) an order certifying this proceeding as a class proceeding pursuant to the *Class Proceedings Act*, RSBC 1996 c 50 and appointing Rorison as the representative plaintiff in respect of the Ratepayer Class;
- (b) a declaration that the Levies are an unconstitutional tax contrary to ss. 53, 90 and 92(2) of the *Constitution Act, 1867*, or, in the alternative to s. 53, contrary to the preamble of the *Constitution Act, 1867*;
- (c) restitution of the Levies to the Ratepayer Class;
- (d) interest pursuant to the *Court Order Interest Act*, RSBC 1996 c 79;
- (e) costs; and
- (f) such further and other relief as to this Honourable Court may seem just.

### **Part 3: LEGAL BASIS**

- 71. Sections 53, 90, and 92(2) and the preamble of the *Constitution Act, 1867*, s. 10 of the *British Columbia Terms of Union, 1871*, and s. 52 of the *Constitution Act, 1982*.
- 72. The tort of negligence.
- 73. [deleted]
- 74. The law of unjust enrichment.
- 75. [deleted]
- 76. Breach of contract.

Plaintiff's address for service:

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

Fax number address for service: (604) 683-5084  
Place of trial: Vancouver, British Columbia  
The address of the registry is: The Law Courts  
800 Smithe Street  
Vancouver, BC V6Z 2E1

Dated: 3 March 2020

Amended: 11 February 2022  
[ \_\_\_\_\_ ]

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Signature of the lawyer for the plaintiffs  
J. Scott Stanley

Rule 7-1(1) of the Supreme Court Civil Rules states:

(1) Unless all parties of record consent or the Court otherwise orders, each party of record to an action must, within 35 days after the end of the pleading period,

(a) prepare a list of documents in Form 22 that lists

(i) all documents that are or have been in the party's possession or control and that could, if available, be used by any party at trial to prove or disprove a material fact, and

(ii) all other documents to which the party intends to refer at trial, and

(b) serve the list on all parties of record.

## APPENDIX

### **Part 1: CONCISE SUMMARY OF NATURE OF CLAIM:**

This proceeding is a class action advanced on behalf of two classes, the Accident Victim Class and the Ratepayer Class, against the Insurance Corporation of British Columbia ("ICBC") and Province of British Columbia ("Province") respectively.

The Accident Victim Class alleges that ICBC engaged in an unlawful scheme to divert monies from the accident benefit accounts of persons injured in motor vehicle accidents to the Medical Services Plan of British Columbia ("MSP") causing harm to those injured in car accidents and who were entitled to accident benefits but were unable to use the full amount of the benefits available to them because ICBC unlawfully applied MSP charges to their accounts, thereby reducing their levels of accident benefits.

The Ratepayer Class alleges that ICBC and the Province diverted monies from ICBC to the Province. The allegation is that the Province wrongfully required ICBC to reimburse the Province for the cost of health care expenses for persons injured in car accidents which include payments for physicians, payments for hospitals, a surcharge on hospital payments, payments for ambulance services and at various times other health care expenses such as in respect of rehabilitation services. It is alleged that these payments constituted an unconstitutional tax on people who bought compulsory insurance from ICBC and whose insurance rates were increased as a result of the payments.

### **Part 2: THIS CLAIM ARISES FROM THE FOLLOWING:**

A personal injury arising out of:

a motor vehicle accident

medical malpractice

another cause

A dispute concerning:

contaminated sites

construction defects

real property (real estate)

- personal property
- the lending of money
- the provision of goods or services or other general commercial matters
- investment losses
- the lending of money
- an employment relationship
- a will or other issues concerning the probate of an estate
- a matter not listed here

**Part 3: THIS CLAIM INVOLVES**

- a class action
- maritime law
- aboriginal law
- constitutional law
- conflicts of law
- none of the above
- do not know

**Part 4: ENACTMENTS RELIED ON**

1. *Insurance (Vehicle) Act*, RSBC 1996 c. 231;
2. *Insurance Corporation Act*, RSBC 1996 c. 228; and
3. *Constitution Act, 1867*.

This Notice of Civil Claim is prepared and filed by J. Scott Stanley of the firm Murphy Battista LLP, whose place of business and address is 2020 – 650 West Georgia Street, Vancouver, BC, V6B 4N7 Tel (604) 683-9621 (File NO. H576)

**SCHEDULE "C" – SHORT FORM NOTICE**

**NOTICE OF CERTIFICATION, SETTLEMENT OF CLASS ACTION AND  
SETTLEMENT APPROVAL HEARING**

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**IF YOU PURCHASED COMPULSORY INSURANCE FROM THE INSURANCE CORPORATION  
OF BRITISH COLUMBIA ANY TIME SINCE 1973,  
YOUR RIGHTS MAY BE AFFECTED BY A CLASS ACTION**

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The Province of British Columbia ("Province") has agreed to a proposed class action settlement to resolve claims in relation to payments made to it by the Insurance Corporation of British Columbia ("ICBC") as reimbursement for the cost of health-related services for persons injured in motor vehicle accidents. The claim being settled alleges that these payments increased the cost of compulsory auto insurance.<sup>1</sup>

On May 15, 2024, the British Columbia Supreme Court ("Court") decided that the case against the Province could proceed as a class action. The proposed settlement is a compromise of disputed claims and is not an admission of liability by the Province. The proposed settlement is subject to court approval.

The Court has appointed Robert Rorison as the representative plaintiff on behalf of the class and Murphy Battista LLP as Class Counsel.

The proposed settlement provides that the Province will pay the all-inclusive sum of \$12,200,000 in exchange for a full and final release by the class of all claims against the Province in issue in the class action. The settlement funds after deducting court-approved legal fees, expenses and applicable taxes will be paid to various non-profit organizations and programs.

If you purchased compulsory auto insurance from ICBC at any time from 1973 to ~~[date of First Stage order]~~ you are a class member and are bound by the settlement, if approved by the Court, unless you opt out. To opt out you must complete and deliver to Class Counsel by ~~[insert date]~~ the opt out form available on Class Counsel's website at [www.murphybattista.com](http://www.murphybattista.com)

A hearing has been scheduled seeking the Court's approval of the settlement. The hearing is scheduled for ~~[insert date]~~ at 10:00 am at the Courthouse at 800 Smithe Street, Vancouver, BC. At the hearing, Class Counsel will seek approval of the Settlement Agreement, approval of their fees (up to 30% of the settlement amount), plus disbursements and applicable taxes, and an honorarium to be paid to the representative plaintiff.

All class members who have not opted out have a right to object to or comment on this settlement, the plan for distribution of the settlement funds, Class Counsel's fees, and/or the honorarium for the representative plaintiff by delivering a written objection by email to class counsel at [MSPClassAction@murphybattista.com](mailto:MSPClassAction@murphybattista.com) All objections must be received by Class Counsel on or before ~~[insert date]~~.

**This notice is only a summary.** More information on the settlement (including the Long Form Notice, the Opt Out Form and the Settlement Agreement) is available at [www.murphybattista.com](http://www.murphybattista.com)

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<sup>1</sup> Capitalized terms not otherwise defined have meanings given to them in the Settlement Agreement.

## **SCHEDULE “D” – LONG FORM NOTICE**

### **NOTICE OF CERTIFICATION, SETTLEMENT OF CLASS ACTION AND SETTLEMENT APPROVAL HEARING**

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#### **IF YOU PURCHASED COMPULSORY INSURANCE FROM THE INSURANCE CORPORATION OF BRITISH COLUMBIA ANY TIME SINCE 1973, YOUR RIGHTS MAY BE AFFECTED BY THIS CLASS ACTION**

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The Province of British Columbia (“Province”) has agreed to a proposed class action settlement to resolve claims in relation to payments made to it by the Insurance Corporation of British Columbia (“ICBC”) as reimbursement for the cost of health-related services for persons injured in motor vehicle accidents.<sup>1</sup>

On May 15, 2024, the British Columbia Supreme Court (“Court”) decided that the case against the Province could proceed as a class action. The proposed settlement is a compromise of disputed claims and is not an admission of liability by the Province. The proposed settlement is subject to court approval.

The Court has appointed Robert Rorison as the representative plaintiff on behalf of the class and Murphy Battista LLP as Class Counsel.

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#### **WHAT IS THIS CLASS ACTION ABOUT?**

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The claim being settled alleges that ICBC and the Province agreed to divert monies from ICBC to the Province by wrongfully requiring ICBC to reimburse the Province for the cost of health-related services for persons injured in motor vehicle accidents, including in respect of medical practitioner services, hospital services (including a 35% surcharge), ambulance services and rehabilitation services. The claim being settled alleges that these payments increased the cost of compulsory auto insurance rates charged by ICBC and constituted an unauthorized and unconstitutional tax on persons who purchased compulsory auto insurance from ICBC.

On November 27, 2025, the British Columbia Legislature passed legislation that terminated all agreements under which ICBC had been reimbursing the Province for health-related services incurred by persons injured in motor vehicle accidents, and retroactively imposed a tax that includes and exceeds the disputed funds. The retroactive tax does not require the payment of any new funds by ICBC or its insureds.

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#### **WHAT ARE THE TERMS OF THE SETTLEMENT?**

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The proposed settlement provides that the Province will pay the all-inclusive sum of \$12,200,000 which sum, after deduction of Class Counsel’s court-approved legal fees and other costs, will be

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<sup>1</sup> Capitalized terms not otherwise defined have meanings given to them in the Settlement Agreement.

paid by way of donation to the following recipients: (1) Hope Air (2) Food Banks BC (3) Honour House Society (4) Ronald McDonald House BC & Yukon (5) Rise Women's Legal Centre, and (6) BC Rent Bank.

The full settlement terms and court documents are available on Class Counsel's website at [www.murphybattista.com](http://www.murphybattista.com).

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### WHAT ARE THE FEE ARRANGEMENTS?

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Class Counsel will seek approval of a fee of up to 30% of the settlement amount, plus disbursements and applicable taxes. Class Counsel will also seek payment of up to \$5,000 as an honorarium for the representative plaintiff to be paid by the Province.

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### CLASS MEMBERSHIP

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You are a class member if you have purchased compulsory auto insurance from ICBC at any time since 1973 to ~~[date of First Stage Order]~~, unless you chose to opt out of the class as explained below.

If you are not sure if you are included, you may call 1-888-683-9621 with questions. Also, the Court's official "class definition" is at [www.murphybattista.com](http://www.murphybattista.com).

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### OPTING OUT OF THE CLASS

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If you want to sue the Province on your own, then you must take steps to exclude yourself from this class action. This is called "opting out".

If you opt out:

- (a) you will not be bound by anything that happens in this lawsuit, and
- (b) you will keep any right to sue the Province on your own.

If you do NOT opt out:

- (a) you will be bound by anything that happens in this lawsuit, including the settlement described in this notice (if approved);
- (b) you give up all your rights to sue the Province about this same problem.

Call 1-888-683-9621 if you have any questions about the legal terminology or about your options.

To opt out you must complete the “opt out form” available on the website of Class Counsel at [www.murphybattista.com](http://www.murphybattista.com). The completed opt out form must be delivered to Murphy Battista by [insert date]. You can send the opt out form by mail, courier or email to:

Mail: Murphy Battista LLP  
MSP Class Action Lawsuit  
2020-650 West Georgia Street  
Vancouver, BC V6B 4N7

Email: [MSPClassAction@murphybattista.com](mailto:MSPClassAction@murphybattista.com)

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### OBJECTIONS

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All class members who have not opted out have a right to object to or comment on this settlement, the plan for distribution of the settlement funds, Class Counsel’s fees, and/or the honorarium for the representative plaintiff by delivering a written objection by email to Class Counsel at [MSPClassAction@murphybattista.com](mailto:MSPClassAction@murphybattista.com)

All objections must be received by Class Counsel on or before [insert date].

If you have opted out of this class action you may not object to the proposed settlement.

A written objection or comment must include the following information:

- (a) the full name, address, telephone number, and email address of the 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 class member and has not opted out of the class action;
- (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 class member with the comment or objection;
- (e) a statement indicating whether the person submitting the comment or objection, and/or the person or class member’s legal counsel intends to appear at the hearing of the application to approve the settlement.

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### WHAT IS THE DIFFERENCE BETWEEN OBJECTING TO THE SETTLEMENT AND OPTING OUT?

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Excluding yourself by opting out means that you do not want to be part of the class settling this class action and you do not want to release the claims resolved by the settlement agreement. If you opt out, you have no basis to object because the settlement agreement no longer affects you.

Objecting is telling the court that you do not like something about the settlement agreement or Class Counsel fees. If you object to the settlement agreement, you are expressing your views about the settlement agreement, but you will remain a member of the class and you will still release the claims covered by the settlement agreement.

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### THE APPROVAL HEARING

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A hearing will be held before the Court at 10:00 am on [date] to seek approval of the settlement agreement, approval of Class Counsel's fees and an honorarium for the representative plaintiff. The hearing will take place at 800 Smithe Street, Vancouver, BC, before the Honourable Mr. Justice Branch. If approved, the settlement will bind all class members who did not opt out of the lawsuit.

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### DO I HAVE TO COME TO THE HEARING?

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You do not need to attend the settlement approval hearing. Class Counsel will answer any questions the Court may have. If you wish to attend, you are welcome to come at your own expense. If you submit an objection, you do not have to come to court, but you have the option to do so if you provide advance notice of your intention to appear. As long as you have submitted a written objection with all of the required information, Class Counsel will bring your objection to the court.

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### MAY I SPEAK AT THE HEARING?

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You may ask the court for permission to speak at the approval hearing. If you wish to do so, please contact Class Counsel before [date]. If you do not provide your written comments and do not contact Class Counsel by this deadline, you may not be permitted to speak at the approval hearing. Class Counsel's contact information is as follows:

Mail: Murphy Battista LLP  
MSP Class Action Lawsuit  
2020-650 West Georgia Street  
Vancouver, BC V6B 4N7

Email: [MSPClassAction@murphybattista.com](mailto:MSPClassAction@murphybattista.com)

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**GETTING MORE INFORMATION**

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You can get copies of the claim as well as other information on the class action, including a copy of the Settlement Agreement with the Province at [www.murphybattista.com](http://www.murphybattista.com).

You can also email questions to [MSPClassAction@murphybattista.com](mailto:MSPClassAction@murphybattista.com) or call 604-683-9621 or call toll free at 1-888-683-9621.

The official court reference for this lawsuit is:

*Rorison et al. v. Insurance Corporation of British Columbia et al*, Court File No. S202406, Vancouver Registry.

Please do not contact the Court. The lawyers would be happy to answer any questions you have.

**This notice has been authorized by the Supreme Court of British Columbia**

### **Schedule “E” – Plan of Dissemination**

Ratepayer Class Members will be provided with the Notice of Certification and Settlement Approval Hearing in a short form (the “Short Form Notice”) and long form format (the “Long Form Notice”), as approved by the Court, and the Opt-Out Form in the following manner:

1. Murphy Battista LLP will publish the Short Form Notice on Facebook and X (formerly Twitter).
2. Murphy Battista LLP will post the Long Form Notice and Opt-Out Form on its website.
3. The Insurance Corporation of British Columbia will post the Long Form Notice on its website.
4. The Province of British Columbia will post the Long Form Notice on its website.
5. Class Counsel will ask the Canadian Bar Association to post the Long Form Notice on the CBA’s National Class Action Database.
6. The above forms of notice will be carried out within ten (10) days of the order approving this plan of dissemination.

**APPENDIX 2**  
**Distribution Protocol**  
***Cy Près* Donation**

1. The *Cy Près* Donation will be divided as follows between the following recipients:
  - a. Hope Air – 14%
  - b. Food Banks BC – 30%
  - c. Honour House Society – 14%
  - d. Rise Women’s Legal Centre –14%
  - e. BC Rent Bank – 14%
  - f. Ronald McDonald House BC & Yukon – 14%
2. Each payment in furtherance of the above distribution will be made payable to the legal name of each recipient as provided by that recipient.

**APPENDIX 3 – OPT-OUT FORM**

**RATEPAYER CLASS OPT-OUT FORM**

Complete this form only if you want to **OPT OUT** of the Ratepayer Class Action.

If you opt out, you can start your own claim or legal proceeding at your **own expense** and **without the assistance of Class Counsel**, against the Defendant, His Majesty the King in right of the Province of British Columbia, in relation to the claims advanced in this Class Action, and/ or claims that could have been advanced in this Class Action.

\_\_\_\_\_  
Last Name

\_\_\_\_\_  
First Name

\_\_\_\_\_  
Current Address

\_\_\_\_\_  
City

\_\_\_\_\_  
Prov./State

\_\_\_\_\_  
Postal Code/Zip Code

\_\_\_\_\_  
Date of Birth

\_\_\_\_\_  
Telephone Number (Work)

\_\_\_\_\_  
Telephone Number (Home)

\_\_\_\_\_  
Telephone Number (Cell)

**For the purpose of opting out of the Ratepayer Class Action, you must complete the form and submit it to Class Counsel no later than \_\_\_\_\_.** If you meet those terms, you will not be part of the Ratepayer Class Action.

**I UNDERSTAND THAT, BY OPTING OUT, CLASS COUNSEL CANNOT REPRESENT ME IN ANY INDIVIDUAL ACTION I MAY BRING.**

**I FURTHER UNDERSTAND THAT BY OPTING OUT, I WILL BE RESPONSIBLE FOR ALL LEGAL FEES AND COSTS THAT MAY BE INCURRED BY ME IF I CHOOSE TO PURSUE MY OWN INDIVIDUAL CLAIM AND LITIGATION.**

Signature: \_\_\_\_\_

Date Signed: \_\_\_\_\_

Class Counsel can be reached at:

J. Scott Stanley  
Murphy Battista LLP  
#2020 - 650 West Georgia Street  
Vancouver, BC V6B 4N7  
Telephone : 604-683-9621  
Facsimile: 604-683-5084  
Email: [MSPClassAction@murphybattista.com](mailto:MSPClassAction@murphybattista.com)

**DRAFT**

No. S-202406  
Vancouver Registry

**IN THE SUPREME COURT OF BRITISH COLUMBIA**

BETWEEN:

**ROBERT RORISON and BRAYDEN METHOT**

PLAINTIFFS

AND:

**INSURANCE CORPORATION OF BRITISH COLUMBIA and HIS MAJESTY THE  
KING IN RIGHT OF THE PROVINCE OF BRITISH COLUMBIA**

DEFENDANTS

**ORDER MADE AFTER APPLICATION RE SETTLEMENT APPROVAL**

|        |   |                               |   |
|--------|---|-------------------------------|---|
|        | ) |                               | ) |
|        | ) |                               | ) |
| BEFORE | ) | THE HONOURABLE JUSTICE BRANCH | ) |
|        | ) |                               | ) |
|        | ) |                               | ) |
|        | ) |                               | ) |
|        | ) |                               | ) |

*dd/mmm/yyyy*

ON THE APPLICATION of the plaintiffs, Robert Rorison and Brayden Methot, coming on for hearing at Vancouver, British Columbia on *dd/mmm/yyyy* and on hearing [*name of party/lawyer*] and [*name of party/lawyer*];

THIS COURT ORDERS that, BY CONSENT:

1. The Settlement Agreement dated January 22, 2026 (the "Settlement Agreement") between the Plaintiffs and the Defendant, His Majesty the King in Right of the Province of British Columbia (collectively, the "Settling Parties") appended hereto as Schedule "A" is incorporated by reference into, and forms part of this Order.
2. Except to the extent that they are modified in this Order, the definitions set out in the Settlement Agreement apply to and are incorporated into this Order.

3. In the event of a conflict between this Order and the Settlement Agreement, this Order shall prevail.
4. The Settlement Agreement is hereby approved pursuant to section 35 of the *Class Proceedings Act*, RSBC 1996, c. 50 and shall be implemented and enforced in accordance with its terms.
5. The Settlement Agreement is declared to be fair, reasonable and in the best interests of the Settlement Class.
6. This Order, including the Settlement Agreement, is binding upon each member of the Settlement Class.
7. Upon the Effective Date, each member of the Settlement Class who has not validly opted-out of this action shall be deemed to have irrevocably consented to the dismissal of any Other Actions as against the Settling Defendant and the Releasees, without costs, with prejudice and without reservation.
8. Upon the Effective Date, each Other Action commenced in British Columbia by any member of the Settlement Class who has not validly opted-out shall be and is hereby dismissed in respect of Released Claims against the Settling Defendants and the Releasees, without costs, with prejudice and without reservation.
9. Upon the Effective Date, each Releasor who has not validly opted-out has released and shall be conclusively deemed to have forever and absolutely released the Releasees from the Released Claims.
10. Upon the Effective Date, each Releasor who has not validly opted-out of this action shall not now or hereafter institute, continue, intervene in, or maintain or assert, either directly or indirectly, whether in Canada or elsewhere, on their own behalf or on behalf of any class or any other Person, any proceeding, action, suit, cause of action, claim or demand against any Releasee, or any other Person who may

claim contribution or indemnity or other claims over relief from any Releasee, in respect of any Released Claims, except for the continuation of the Proceeding against ICBC, if any.

11. Except as provided herein, this Order does not affect any claims or causes of action that any Releasor has or may have against ICBC.
12. No Releasee shall have any responsibility for and no liability whatsoever relating to the administration of the Settlement Agreement or Distribution Protocol.
13. Upon the Effective Date, or as soon thereafter as reasonably practicable, Class Counsel will distribute the Settlement Amount in accordance with the Distribution Protocol and on the terms and conditions set out in the Settlement Agreement.
14. Upon the Effective Date, the Proceeding is hereby dismissed as against the Province, without costs and with prejudice.
15. In the event that the Settlement Agreement is terminated in accordance with its terms, this Order shall be declared null and void without the need for further Order of this Court but with notice to the Settlement Class and ICBC.
16. This Order, including but not limited to the approval of the Settlement Agreement and any reasons given by the Court in relation thereto, is without prejudice to the rights and defences of ICBC in connection with the Proceeding in the event that the Proceeding continues as against ICBC and, without restricting the generality of the foregoing, may not be relied on by any Person to establish the existence or elements of the causes of action asserted in the Proceeding as against ICBC.
17. Members of the Settlement Class shall be given notice of the Court's approval of the Settlement Agreement in the form attached as **Schedule "B"**, which shall be posted on Class Counsel's website.

18. On notice to the Court, but without further order of the Court, the Parties to the Settlement Agreement may agree to reasonable extensions of time to carry out any of the provisions in the Settlement Agreement.

THE FOLLOWING PARTIES APPROVE THE FORM OF THIS ORDER AND CONSENT TO EACH OF THE ORDERS, IF ANY, THAT ARE INDICATED ABOVE AS BEING BY CONSENT:

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*Signature of*

Lawyer for the Plaintiffs, Robert Rorison  
And Brayden Methot  
**J. Scott Stanley**

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*Signature of*

Lawyer for the Defendant, His Majesty  
the King in Right of the Province of British  
Columbia  
**Chantelle Rajotte, K.C.**

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*Signature of*

Lawyer for the Defendant, Insurance  
Corporation of British Columbia  
**Joel Morris**

*By the Court*

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Registrar

**SCHEDULE "A"**  
**TO THE ORDER**  
**THE SETTLEMENT AGREEMENT**

**SCHEDULE "B"**  
**TO THE ORDER**  
**NOTICE OF SETTLEMENT APPROVAL**

No. S-202406  
Vancouver Registry

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**IN THE SUPREME  
COURT OF BRITISH COLUMBIA**

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BETWEEN:

**ROBERT RORISON and BRAYDEN METHOT**

PLAINTIFFS

AND:

**INSURANCE CORPORATION OF BRITISH COLUMBIA and HIS MAJESTY THE  
KING IN RIGHT OF THE PROVINCE OF BRITISH COLUMBIA**

DEFENDANTS

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**ORDER MADE AFTER APPLICATION  
RE SETTLEMENT APPROVAL**

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**Ministry of Attorney General  
Legal Services Branch  
1301 – 865 Hornby Street  
Vancouver BC V6Z 2G3  
Phone: 604.660.3093**

**Chantelle Rajotte  
Legal Counsel**

SCHEDULE B

***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)**

**AMENDMENT TO SETTLEMENT AGREEMENT**

Between:

**ROBERT RORISON AND BRAYDEN METHOT**

And:

**HIS MAJESTY THE KING IN RIGHT OF THE PROVINCE OF BRITISH COLUMBIA**

Executed: March 5, 2026

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- A. WHEREAS on January 22, 2026, the Parties executed the Settlement Agreement.
- B. WHEREAS pursuant to section 4.1(1)(b) of the Settlement Agreement, the Parties agreed that the balance of remaining funds constituting the Settlement Amount will, after distribution to Class Counsel for such Class Counsel Fees and Administration Expenses as have been approved by the Court, be distributed as a *cy prés* donation in accordance with the Distribution Protocol at Appendix 2.
- C. WHEREAS section 14.9 of the Settlement Agreement provides that 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.
- D. WHEREAS the Parties have agreed to amend the Settlement Agreement as set forth in this Amendment to Settlement Agreement (the "Amendment").

NOW THEREFORE, in consideration of the covenants and agreements set forth herein, the Parties covenant and agree as hereinafter provided.

1. Capitalized terms used in this Amendment and not otherwise defined herein shall have the same meanings given to them in the Settlement Agreement.
2. The Plaintiffs and the Settling Defendant hereby agree that Appendix 2 attached to the Settlement Agreement is deleted in its entirety and replaced with the Appendix 2 (Amended) attached to this Amendment.
3. The Settlement Agreement is amended only to the extent provided in this Amendment and all provisions of the Settlement Agreement, as amended by this Amendment, are confirmed and are in full force and effect.
4. This Amendment 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 to be an original signature for purposes of executing this Amendment.

The Parties have executed this Amendment as of the date first stated above.

FOR THE PLAINTIFFS AND FOR CLASS COUNSEL



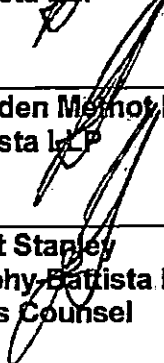
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**Robert Ronson by his representative Murphy  
Battista LLP**



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



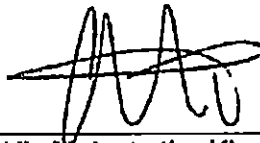
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**Scott Stapley  
Murphy Battista LLP  
Class Counsel**

**His Majesty the King in Right of the Province of British Columbia**

Name of Authorized Signatory Chantelle Rajotte, K.C.

Signature of Authorized  
Signatory:

A handwritten signature in black ink, appearing to be 'C. Rajotte', written over a horizontal line.

**His Majesty the King in Right of the Province of  
British Columbia**

**APPENDIX 2 (AMENDED)**

**Distribution Protocol**

***Cy Près* Donation**

1. The *Cy Près* Donation will be divided as follows between the following recipients:
  - a. Hope Air – 12.5%
  - b. Food Banks BC – 12.5%
  - c. Honour House Society – 12.5%
  - d. Rise Women's Legal Centre – 12.5%
  - e. BC Rent Bank – 12.5%
  - f. Ronald McDonald House BC & Yukon – 12.5%
  - g. Mothers Against Drunk Driving (MADD Canada) – 12.5%
  - h. Parachute Leaders in Injury Prevention – 12.5%.
2. Each payment in furtherance of the above distribution will be made payable to the legal name of each recipient as provided by that recipient.
3. In the event that the Court does not approve one or more of the above recipients, then the funds available for donation will be distributed rateably to the approved recipients.

## SCHEDULE "C" TO SETTLEMENT APPROVAL ORDER

### NOTICE OF SETTLEMENT APPROVAL

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**This notice is to inform you that the settlement of the class action lawsuit entitled Rorison, et al. v. Insurance Corporation of British Columbia, et al., Court File No. S202406, Vancouver Registry, has been approved by the Supreme Court of British Columbia**

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This class action alleged that the Province of British Columbia ("Province") and Insurance Corporation of British Columbia ("ICBC") agreed to divert monies from ICBC to the Province by wrongfully requiring ICBC to reimburse the Province for the cost of health-related services for persons injured in motor vehicle accidents, including in respect of medical practitioner services, hospital services (including a 35% surcharge), ambulance services and rehabilitation services. The class action alleged that these payments increased the cost of compulsory auto insurance rates charged by ICBC and constituted an unauthorized and unconstitutional tax on persons who purchased compulsory auto insurance from ICBC.

On November 27, 2025, the British Columbia legislature passed legislation that terminated all agreements under which ICBC had been reimbursing the Province for health-related services incurred by persons injured in motor vehicle accidents, and retroactively imposed a tax that includes and exceeds the disputed funds. This legislation had the potential to defeat the claim entirely. The retroactive tax does not require the payment of any new funds by ICBC or its insureds.

You are a member of the class on whose behalf this class action was brought if you purchased compulsory auto insurance from ICBC at any time since 1973 to January 26, 2026 and did not opt out ("Class Members").

On January 22, 2026, the parties entered into a settlement agreement which they amended on March 5, 2026 (collectively the "Settlement Agreement").

On May 15, 2026, the Supreme Court of British Columbia approved the Settlement Agreement. Prior to the approval of the Settlement Agreement, a court-approved notice was distributing informing Class Members of their right to opt out of the class action or object to the Settlement Agreement. The deadline to opt out or object was April 7, 2026.

The Settlement Agreement provides that the Province will pay the all-inclusive sum of \$12,200,000, which sum, after deduction of Class Counsel's court-approved fees, will be paid by way of donation to various non-profit organizations and programs as follows:

- (a) Mothers Against Drunk Driving (MADD Canada) – 50%
- (b) Parachute Leaders in Injury Prevention – 50%

**All Class Members who did not opt out of the Settlement Agreement in accordance with the procedure approved by the Court are bound by the Settlement Agreement, including the release of liability, that the Court has approved. If you have validly opted out of the class action, any claims you may have against the defendants are subject to the applicable time limits for pursuing a claim (called limitation periods).**

Copies of the Settlement Agreement and the Court's order approving the Settlement Agreement are available on Class Counsel's website at [www.murphybattista.com](http://www.murphybattista.com). The release can be found at Section 6 of the Settlement Agreement.

If there are any further questions, you may contact the lawyer representing the Class Members:

Murphy Battista LLP  
MSP Class Action Lawsuit  
2020 – 650 West Georgia Street  
Vancouver, BC V6B 4N7  
Phone: 1-888-683-9621  
Email: [MSPClassAction@murphybattista.com](mailto:MSPClassAction@murphybattista.com)

If there is a conflict between this notice and the terms of the Settlement Agreement or the Court order approving the Settlement Agreement, the Settlement Agreement or Court order, as applicable, govern.