

**NOTICE TO PARTICIPANTS IN
NON-QUALIFIED DEFERRED COMPENSATION PLANS**

Dear Plan Participants,

Bracewell LLP represents FTI Consulting Canada Inc. (the "**Monitor**"), the Court appointed Monitor and Foreign Representative of Imperial Tobacco Canada Limited ("**ITCAN**"). As you may know from prior court notices you have received, on March 12, 2019 (the "**Filing Date**"), ITCAN commenced a proceeding under Canada's *Companies' Creditors Arrangement Act* before the Ontario Superior Court of Justice (Commercial List) at Toronto (the "**Canadian Restructuring Proceeding**"). On March 13, 2019, the Monitor commenced a case under chapter 15 of title 11 of the United States Code in the United States Bankruptcy Court for Southern District of New York on behalf of ITCAN and in aid of the Canadian Restructuring Proceeding (the "**Chapter 15 Case**").

As described more fully in the filings in the Canadian Restructuring Proceeding, ITCAN is facing an estimated \$600 billion in alleged liabilities in pending litigation in Canada. These liabilities caused ITCAN to initiate the Canadian Restructuring Proceeding and the Monitor to commence the related Chapter 15 Case.

As part of its restructuring efforts, ITCAN has ceased funding the following legacy U.S. non-qualified deferred compensation plans (the "**Affected Plans**") as of the Filing Date:

- (i) the "deferred income plan" for individuals who are either former senior management employees of Genstar or their beneficiaries ("**GCDIP**"),
- (ii) the "supplemental executive retirement Plan" for individuals who were either former Genstar employees or their beneficiaries ("**SERP**"), and
- (iii) the "supplementary pension plan" for individuals who were either former Genstar employees or their beneficiaries ("**SPEN**").

ITCAN has represented that its decision to cease funding of the Affected Plans was based largely on the fact that the liabilities under these plans constitute unsecured claims. As payment of these claims is not necessary to ITCAN's ongoing business, although ITCAN has honored its commitment to fund these plans for more than 30 years, it is not in a position to continue to do so given the hundreds of billions of dollars in other unsecured claims asserted against it.

Should you have questions regarding this Notice, the Canadian Restructuring Proceeding or the Chapter 15 Case, please direct them to the Monitor at

Phone: 416-649-8044
Toll Free: 1-844-707-7558
Fax: 416-649-8101
Email: imperialtobacco@fticonsulting.com



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or to counsel for the Monitor at

Bracewell LLP
1251 Avenue of the Americas
New York, New York, 10020
Attn: Shannon Wolf
(T) (860) 256-8558
Shannon.wolf@bracewell.com.

Additional information regarding ITCAN's Canadian Restructuring Proceeding can also be found on the Monitor's website at <http://cfcanada.fticonsulting.com/imperialtobacco/>.

Please be aware that neither the Monitor nor Bracewell can provide you with legal advice.

Dated: March 27, 2019
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By: 
Jennifer Feldsher
Mark E. Dendinger
BRACEWELL LLP
1251 Avenue of Americas
New York, New York 10020-1104
Telephone: (212) 508-6100
Facsimile: (212) 938-3837
Jennifer.Feldsher@bracewell.com
Mark.Dendinger@bracewell.com

*Attorneys for FTI Consulting Canada Inc.
In its Capacity as Monitor and Foreign
Representative for the Debtor*