

Objection Deadline: July 10, 2019 at 4:00 p.m.

Hearing: July 17, 2019 at 2:00 p.m.

Bracewell LLP

1251 Avenue of the Americas
New York, NY 10020-1100
Telephone: (212) 508-6100
Facsimile: (212) 508-6101
Jennifer Feldsher
Mark E. Dendinger

*Attorneys for FTI Consulting Canada Inc., in its
Capacity as Court Appointed Monitor and Authorized Foreign Representative for the Debtor*

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

In re:

IMPERIAL TOBACCO CANADA
LIMITED,

Debtor in a Foreign Proceeding.¹

Chapter 15
Case No. 19-10771(SCC)
Relates to Dkt. No. 44

**DECLARATION OF PAUL BISHOP IN SUPPORT OF MONITOR’S MOTION
FOR RECOGNITION AND ENFORCEMENT OF THE ORDER OF THE
CANADIAN COURT APPROVING SETTLEMENT WITH THE RETIREE GROUP**

I, Paul Bishop, pursuant to 28 U.S.C. § 1746, hereby declare under penalty of perjury as follows:

1. I hereby submit this declaration (the “Declaration”), made in my capacity as a Senior Managing Director of FTI Consulting Canada Inc. (“FTI”), the Court appointed monitor and authorized foreign representative (the “Monitor”) of Imperial Tobacco Canada Limited (“ITCAN” or the “Debtor”) in a proceeding (the “Canadian Proceeding”) under Canada’s *Companies’ Creditors Arrangement Act*, R.S.C. 1985 c. C-36, as amended (“CCAA”), pending before the Ontario Superior Court of Justice (Commercial List) at Toronto, Ontario (the “Canadian

¹ The last four digits of the Debtor’s taxpayer identification number is 4374. The Debtor’s registered head office is located at 30 Pedigree Court, Brampton (Ontario) Canada L6T 5T8.



Court”), in further support of the *Monitor’s Motion for Recognition and Enforcement of the Order of the Canadian Court Approving Settlement with the Retiree Group* (the “Settlement Motion,” Dkt. No. 44).²

2. I previously submitted two declarations in support of the Verified Petition and related relief (the “First Declaration,” Dkt. No. 5 and “Supplemental Declaration,” Dkt. No 34), which declarations are expressly incorporated herein by reference.

Update on the Settlement with the Retiree Group

3. On May 14, 2019, the Canadian Court entered an order (the “Notice Procedures Order”) approving notice procedures related to the Settlement. A hearing on approval of the Settlement was scheduled for June 26, 2019 (the “Settlement Approval Hearing”). A copy of the Notice Procedures Order is attached to the Settlement Motion as Exhibit B. Notice of the Settlement, in accordance with the Notice Procedures Order, was served on the Retiree Group by KCC on May 15, 2019. No objections to the Settlement were filed in the Canadian Court.

4. At the Settlement Approval Hearing, the Canadian Court approved the Settlement and granted the Settlement Order, finding, in pertinent part, that: “[t]he Settlement Agreement is fair, reasonable and in the overall best interests of the Genstar Beneficiaries[.]” *See* Settlement Order at ¶9. A copy of the Canadian Court’s order (the “Settlement Order”) is attached hereto as

Exhibit A.

5. The Canadian Court also issued an endorsement (the “Endorsement”) providing its reasoning in approving the Settlement Order. A copy of the Endorsement is attached hereto as

Exhibit B.

² Capitalized terms used but not otherwise defined herein shall have the meaning ascribed to them in the Settlement Motion.

6. Notably, the Endorsement provides, in pertinent part, that the Settlement is “consistent with the purpose and intent of the *Companies’ Creditors Arrangement Act*” and that, in the absence of the Settlement, “ongoing litigation would have been protracted and expensive. The disputes were complicated and in some instances, novel.” Endorsement at 2. Accordingly, the Canadian Court found that “[t]he settlement reached by the parties is fair and reasonable. The Notice Amount and remaining terms reflect, accurately, the litigation risk faced by the parties if the matter proceeded to a hearing ... [and] the settlement represents an appropriate balancing of the interests of both sides.” *Id.* at 1, 2.

7. The Canadian Court further found that “the Releases proposed should be granted as drafted and are reasonably connected to the Settlement” and the payments to the Representative Counsel and representatives of the Retiree Group are “very fair and reasonable given the significant efforts that have been expended.” *Id.* at 3, 4.

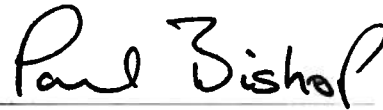
Conclusion

8. Based upon the foregoing, the Monitor respectfully requests that this Court recognize the Settlement Order and give it full force and effect in the United States and, to the extent necessary, authorize payment of the Settlement Payments in accordance with the Settlement Agreement.

[Remainder of page intentionally left blank]

I declare under penalty of perjury under the laws of the United States of America that the
forgoing is true and correct to the best of my knowledge, information and belief.

Date: 7/3/2019
Toronto, Canada

A handwritten signature in black ink that reads "Paul Bishop". The signature is written in a cursive style with a horizontal line underneath it.

Paul Bishop, LIT
Senior Managing Director
FTI Consulting Canada Inc.