

ONTARIO
SUPERIOR COURT OF JUSTICE

THE HONOURABLE MR.) THURSDAY, THE 5TH DAY
)
JUSTICE EDWARDS) OF DECEMBER, 2013

B E T W E E N:

BRUCE SMITH and EDITH IRENE SMITH

Plaintiffs

- and -

INVESTIA FINANCIAL SERVICES INCORPORATED
and JAMES STEPHENSON

Defendants

Proceeding under the Class Proceedings Act, 1992

ORDER
(SETTLEMENT APPROVAL ORDER)

THIS MOTION made by the Plaintiff for approval of the settlement of this claim pursuant to subsection 29(2) of the *Class Proceedings Act, 1992*, in accordance with the terms of the Settlement Agreement between the parties dated March 5, 2013, and for approval of the settlement of the related claim bearing Ontario Court File No. 11-0234, both having been certified as Class Proceedings by Order of this Court on February 17, 2012 and both having been

subject to Orders for Directions made by this Court on November 21st, 2012, was heard initially on June 7, 2013 at 150 Bond Street East, in Oshawa, Ontario, and was adjourned to this day at 50 Eagle Street West, in Newmarket, Ontario pursuant to This Honourable Court's Reasons for Decision dated August 16, 2013.

ON READING AND REVIEWING the:

- (a) Notice of Motion;
- (b) Certification Orders dated February 17, 2012;
- (c) Orders for Directions dated November 21, 2012;
- (d) Settlement Agreement dated March 5, 2013 (the "Settlement Agreement");
- (e) The Objection Brief;
- (f) Reasons for Decision dated August 16, 2013;
- (g) Final Claims Matrix listing the class members determined to be entitled to compensation pursuant to the Settlement Agreement and listing the amount of their compensation determined in accordance with the Settlement Agreement (as adjusted following the implementation of the challenge process mandated by the Reasons for Decision dated August 16, 2013); and,
- (h) The Affidavits of:
 - (i) George French sworn the 26th day of May, 2013;

- (ii) Edith Irene Smith sworn the 26th day of May, 2013;
- (iii) Darcy Merkur sworn on the 28th day of May, 2013;
and,
- (iv) The Supplemental Affidavit of Darcy Merkur sworn
November 29, 2013;

AND ON BEING ADVISED that:

- (a) the Representative Plaintiff, Irene Smith, consents to this
Order;
- (b) the Defendants consent to this Order;
- (c) Counsel for the objectors, Lawrence Edgar, Kimberlee
Edgar and Alison Marshall, consents to this Order;
- (d) Class Counsel recommends the settlement;
- (e) The Notice of Certification and Motion for Settlement
Approval was provided in accordance with paragraph 3 of
the Orders for Directions dated November 21, 2012;
- (f) That the opt-out date for the two class proceedings was
January 31, 2013 and no person opted out of the Actions;
and,
- (g) The death of the representative plaintiff, Bruce Smith, on
February 28, 2012;

AND ON HEARING the submissions of the parties and objectors to the settlement;

AND WITHOUT any admission of liability on the part of the Defendants,

SETTLEMENT APPROVAL

1. **THIS COURT ORDERS AND ADJUDGES** that the settlement of this class proceeding as set out in the Settlement Agreement is fair and reasonable and in the best interests of the Class and is hereby approved.
2. **THIS COURT ORDERS** that the terms of the Settlement Agreement and the definitions set out therein are hereby incorporated by reference into this Settlement Approval Order and are hereby approved.
3. **THIS COURT ORDERS AND DECLARES** that this Order be posted on the websites maintained by Class Counsel until February 28, 2014, and that no further notice of this settlement approval is required.
4. **THIS COURT ORDERS AND DECLARES** that this Settlement Approval Order, including the Settlement Agreement and any and all determinations made by the Administrator in relation thereto, is binding upon each Class Member, including those persons who are minors or are mentally

incapable, and the requirements of Rule 7.04(1) and 7.08(4) of the *Rules of Civil Procedure* are dispensed with. For greater certainty, each Class Member is bound by the Settlement Approval Order, whether or not such Class Member receives a distribution, or whether such person claims compensation pursuant to the Settlement Agreement or otherwise.

5. **THIS COURT ORDERS** that the following persons have been determined by this Court to be included in the Class definition despite their familial relationship with the Defendants: Phyllis Karas, Taivi Tayler, Ryan Tayler, Vanessa Ballarino, Simon Ballarino, Ron Stephenson, Neilena Stephenson and Patricia Stephenson.

6. **THIS COURT ORDERS** that the Administrator distribute the Class Settlement Amount of \$6,810,100.00, plus Interest Earned and plus the Balance of Administration Budget, if any, to Claimants Entitled to Compensation as listed in the Final Claims Matrix and in the amounts set out in the Final Claims Matrix, subject to any necessary final adjustments as determined by the Administrator.

ADMINISTRATION FEES

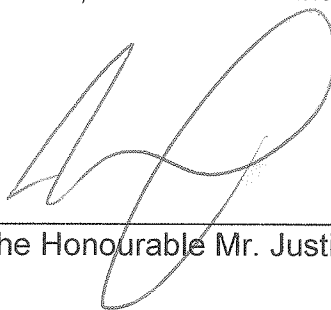
7. **THIS COURT ORDERS** that the Administrator's Fees are hereby approved in a total all-inclusive amount not to exceed \$200,000, such final amount to be agreed to by Class Counsel, and are to be paid to the Administrator out of the Total All-Inclusive Payment By Defendants.

LEGAL FEES

8. **THIS COURT ORDERS** that the Partial Indemnity Class Counsel Fees and the Total Solicitor-Client Class Counsel Fees are hereby approved in the amounts set out in the Settlement Agreement and are to be paid to Class Counsel out of the Total All-Inclusive Payment By Defendants.

OBJECTOR'S COUNSEL FEES

9. **THIS COURT ORDERS** that partial indemnity costs in the total all-inclusive amount of \$5,000 (inclusive of tax and disbursements) be paid to Gowling, Lafleur, Henderson LLP, Counsel for the Objectors, Lawrence Edgar, Kimberlee Edgar and Alison Marshall, out of the Interest Earned on the Settlement Funds.



The Honourable Mr. Justice Mark L. Edwards

Entered at the Court of
Quebec
DEC 09 2013
In Dollars
By Reg. No. 1768
By [Signature]

ONTARIO

SUPERIOR COURT OF JUSTICE

Proceeding Commenced at Barrie

ORDER

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