

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST**

IN THE MATTER OF THE *COMPANIES' CREDITORS  
ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, AS AMENDED

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF  
CANNTRUST HOLDINGS INC., CANNTRUST INC.,  
CTI HOLDINGS (OSOYOOS) INC., AND ELMCLIFFE INVESTMENTS INC.

Applicants

**UNDERWRITERS  
MINUTES OF SETTLEMENT**  
(Effective as of April 27, 2021)

**WHEREAS** CannTrust Holdings Inc., CannTrust Inc., CTI Holdings (Osoyoos) Inc., and Elmcliff Investments Inc. (the “**CannTrust Group**”) commenced the within proceedings (the “**CCAA Proceedings**”) pursuant to the *Companies’ Creditors Arrangement Act*, RSC 1985, c. C-36, as amended (“**CCAA**”) on March 31, 2020;

**AND WHEREAS** within the CCAA Proceedings, the Court ordered on January 29, 2021 that Dharambir Singh and Patrick Hrusa (the “**CCAA Canadian Representatives**”) were appointed to represent the interests of all Canadian and Non-U.S. Securities Claimants in the CCAA Proceedings in relation to their Securities Claims and any related claims, including in relation to any negotiations with respect to the settlement of Securities Claims and the prosecution or settlement of any related claims and the development of the CCAA Plan and any related definitive documentation;

**AND WHEREAS** within the CCAA Proceedings, the Court ordered on January 29, 2021 that Granite Point Master Fund, LP and Granite Point Capital Scorpion Focused Ideas Fund (the “**CCAA U.S. Representatives**”, and collectively with the CCAA Canadian Representatives, the “**CCAA Representatives**”) were appointed to represent the interests of the U.S. Securities Claimants in the CCAA Proceedings in relation to their Securities Claims and any related claims, including in relation to any negotiations with respect to the settlement of Securities Claims and the prosecution or settlement of any related claims and the development of the CCAA Plan and any related definitive documentation;

**AND WHEREAS** Merrill Lynch Canada Inc., Merrill Lynch Pierce, Fenner & Smith, Inc., Citigroup Global Markets Canada Inc., Citigroup Global Markets Inc., Credit Suisse Securities (Canada) Inc., Credit Suisse Securities (USA) LLC, RBC Dominion Securities Inc., Jefferies LLC, Canaccord Genuity LLC (collectively, the “**Underwriters**”) acted as underwriters to purchase and facilitate the sale of common shares of CannTrust Holdings Inc., and are Respondents in the CCAA Proceedings;

**AND WHEREAS** the CCAA Representatives, the Underwriters, and the CannTrust Group (collectively, the “**Parties**”) wish to resolve any and all issues that were raised or that could have been raised in the CCAA Proceedings or in the Actions as well as, more generally, any and all claims or demands or issues that the CCAA Representatives have advanced or could advance against the Underwriters, including, without limitation, any and all Assigned Claims as against them;

**AND WHEREAS** CannTrust Holdings, CannTrust Opco and Elmcliffe Investments Inc. have proposed a plan of compromise, arrangement and reorganization under the CCAA and the *Business Corporations Act* (Ontario), which is attached as Exhibit “B” to the affidavit of Greg Guyatt sworn April 9, 2021 (as amended from time to time, the “**CCAA Plan**”).

**AND WHEREAS** in addition to the capitalized terms defined elsewhere in these Minutes of Settlement (“**Minutes**”), capitalized terms in this document have the meanings ascribed to them in the CCAA Plan;

**AND WHEREAS** the CannTrust Group is satisfied with the terms of these Minutes of Settlements as required by section 7.1 of the CCAA Plan;

**NOW THEREFORE** in consideration of the promises and agreements contained in these Minutes and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties agree as follows:

1. These minutes of settlement and the obligations of the Underwriters hereunder are conditional upon:
  - a. there having been no material amendments, as determined by the Underwriters acting in good faith, without the Underwriters’ prior written consent, to:
    - i. Articles 4.3, 7 or 8 of the CCAA Plan;
    - ii. any defined terms in the CCAA Plan where such defined terms are incorporated by reference in these Minutes of Settlement; or
    - iii. any other provisions of the CCAA Plan,

where such amendments may adversely affect the rights and entitlements of the Underwriters;

- b. the Underwriters being treated as Released Parties under the CCAA Plan, including as provided for in sections 7.2 and 7.3 of the CCAA Plan;
  - c. the U.S. Approval Order being obtained; and
  - d. the Plan Implementation Conditions listed in sections 9.1(d) and 9.1(e) of the CCAA Plan shall not have been waived without the consent of the Underwriters.
2. Each of the Underwriters agrees to support the CCAA Plan in a manner consistent with the RSA. Without limiting the generality of the foregoing, each of the Underwriters agrees:
- a. to cooperate with the CannTrust Group in good faith to pursue and support the restructuring of the CannTrust Group and the treatment of the Securities-Related Indemnity Claims in the manner contemplated by the RSA;
  - b. to use all reasonable efforts to assist the CannTrust Group to meet the timetable and obtain the orders and approvals contemplated by Section 2.02(1) of the RSA, as may be extended in accordance with the RSA;
  - c. that if they are given a vote with respect to the CCAA Plan, to vote in favour of the CCAA Plan;
  - d. that, without the consent of the CannTrust Group, they will not in any way support any plan or restructuring in respect of the CannTrust Group other than the CCAA Plan and

the restructuring of the CannTrust Group contemplated by the CCAA Plan, and will object to and vote against any such other plan or restructuring; and

e. that the terms of the CCAA Plan will be at the sole discretion of the CannTrust Group.

3. Each of the Underwriters agrees that, as of the Effective Time:

a. any agreement or other right that they may have against a Released Party for indemnification, advancement, contribution, reimbursement, set-off or otherwise, other than those contained herein (the “**Indemnity Rights**”), shall be terminated;

b. any claim that has or could be asserted against a Released Party pursuant to the Indemnity Rights will be fully, finally, irrevocably and forever released, discharged and barred; and

c. the Released Parties will thereupon have no further obligation whatsoever in respect of the Indemnity Rights.

4. Each of the Underwriters will be designated and treated in all respects as an “Additional Settlement Party” in accordance with the CCAA Plan.

5. The Underwriters severally agree to pay their proportionate shares of a Cash Contribution in the total amount of US \$8,000,000, based on the portion of the Initial Securities (as that term is defined in the Underwriting Agreement dated May 1, 2019) that each Underwriter purchased under the offering dated May 1, 2019, to the Securities Claimant Trust on or before the Plan Implementation Date, provided that should any Underwriter not pay its proportionate share,

that Underwriter will not be treated as an Additional Settlement Party pursuant to the CCAA Plan.

- Nothing in these Minutes of Settlement, nor the Underwriters' designation as an "Additional Settlement Party" under the CCAA Plan, shall be construed as or constitute an admission of liability by the Underwriters, and the Underwriters in fact do not admit any liability.

**IN WITNESS THEREOF**, the parties hereto have executed these Minutes as follows:



\_\_\_\_\_  
CCAA Representative Counsel on behalf of the  
CCAA Representatives

**Merrill Lynch, Pierce, Fenner & Smith  
Incorporated**

By: \_\_\_\_\_  
(Authorized Signatory)

**Merrill Lynch Canada Inc.**

By: \_\_\_\_\_  
(Authorized Signatory)

**Citigroup Global Markets Inc.**

By: \_\_\_\_\_  
(Authorized Signatory)

**Citigroup Global Markets Canada Inc.**

By: \_\_\_\_\_  
(Authorized Signatory)

that Underwriter will not be treated as an Additional Settlement Party pursuant to the CCAA Plan.

- 6. Nothing in these Minutes of Settlement, nor the Underwriters' designation as an "Additional Settlement Party" under the CCAA Plan, shall be construed as or constitute an admission of liability by the Underwriters, and the Underwriters in fact do not admit any liability.

**IN WITNESS THEREOF**, the parties hereto have executed these Minutes as follows:

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CCAA Representative Counsel on behalf of the  
CCAA Representatives

**Merrill Lynch, Pierce, Fenner & Smith**  
Incorporated

*Jason Stone*

By: 6D64B22A233348A  
(Authorized Signatory)

**Merrill Lynch Canada Inc.**

By: \_\_\_\_\_  
(Authorized Signatory)

**Citigroup Global Markets Inc.**

By: \_\_\_\_\_  
(Authorized Signatory)

**Citigroup Global Markets Canada Inc.**

By: \_\_\_\_\_  
(Authorized Signatory)

that Underwriter will not be treated as an Additional Settlement Party pursuant to the CCAA Plan.

- Nothing in these Minutes of Settlement, nor the Underwriters' designation as an "Additional Settlement Party" under the CCAA Plan, shall be construed as or constitute an admission of liability by the Underwriters, and the Underwriters in fact do not admit any liability.

**IN WITNESS THEREOF**, the parties hereto have executed these Minutes as follows:

\_\_\_\_\_  
CCAA Representative Counsel on behalf of the  
CCAA Representatives

**Merrill Lynch, Pierce, Fenner & Smith  
Incorporated**

By: \_\_\_\_\_  
(Authorized Signatory)

**Merrill Lynch Canada Inc.**

*Mark Dickerson*

By: \_\_\_\_\_  
(Authorized Signatory)

**Citigroup Global Markets Inc.**

By: \_\_\_\_\_  
(Authorized Signatory)

**Citigroup Global Markets Canada Inc.**

By: \_\_\_\_\_  
(Authorized Signatory)



that Underwriter will not be treated as an Additional Settlement Party pursuant to the CCAA Plan.

6. Nothing in these Minutes of Settlement, nor the Underwriters' designation as an "Additional Settlement Party" under the CCAA Plan, shall be construed as or constitute an admission of liability by the Underwriters, and the Underwriters in fact do not admit any liability.

**IN WITNESS THEREOF**, the parties hereto have executed these Minutes as follows:

\_\_\_\_\_  
CCAA Representative Counsel on behalf of the  
CCAA Representatives

**Merrill Lynch, Pierce, Fenner & Smith  
Incorporated**

By: \_\_\_\_\_  
(Authorized Signatory)

**Merrill Lynch Canada Inc.**

By: \_\_\_\_\_  
(Authorized Signatory)

**Citigroup Global Markets Inc.**

By:     /s/ Mary Reisert      
\_\_\_\_\_  
(Authorized Signatory)

**Citigroup Global Markets Canada Inc.**

By: \_\_\_\_\_  
(Authorized Signatory)

that Underwriter will not be treated as an Additional Settlement Party pursuant to the CCAA Plan.

- Nothing in these Minutes of Settlement, nor the Underwriters' designation as an "Additional Settlement Party" under the CCAA Plan, shall be construed as or constitute an admission of liability by the Underwriters, and the Underwriters in fact do not admit any liability.

**IN WITNESS THEREOF**, the parties hereto have executed these Minutes as follows:

\_\_\_\_\_  
CCAA Representative Counsel on behalf of the  
CCAA Representatives

**Merrill Lynch, Pierce, Fenner & Smith  
Incorporated**

By: \_\_\_\_\_  
(Authorized Signatory)

**Merrill Lynch Canada Inc.**

By: \_\_\_\_\_  
(Authorized Signatory)

**Citigroup Global Markets Inc.**

By: \_\_\_\_\_  
(Authorized Signatory)

**Citigroup Global Markets Canada Inc.**

By: \_\_\_\_\_  
(Authorized Signatory)

**Credit Suisse Securities (Canada) Inc.**

DocuSigned by:

*Chris Gage*

By:

(Authorized Signatory)

**Credit Suisse Securities (USA) LLC**

By:

(Authorized Signatory)

**Credit Suisse Securities (Canada) Inc.**

By: \_\_\_\_\_  
(Authorized Signatory)

**Credit Suisse Securities (USA) LLC**

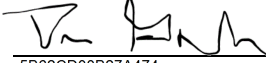
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*Jennifer Huffman*

By: \_\_\_\_\_  
(Authorized Signatory)

**RBC Dominion Securities Inc.**

DocuSigned by:



By: 5862CD00B27A474  
(Authorized Signatory)

**Jefferies LLC**

By: \_\_\_\_\_  
(Authorized Signatory)

**Jefferies Securities, Inc.**

By: \_\_\_\_\_  
(Authorized Signatory)

**Canaccord Genuity LLC**

By: \_\_\_\_\_  
(Authorized Signatory)

**Canaccord Genuity Corp.**

By: \_\_\_\_\_  
(Authorized Signatory)

**RBC Dominion Securities Inc.**

By: \_\_\_\_\_  
(Authorized Signatory)

**Jefferies LLC**

DocuSigned by:

*JENNIFER KANE*

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By: \_\_\_\_\_  
(Authorized Signatory)

**Jefferies Securities, Inc.**

By: \_\_\_\_\_  
(Authorized Signatory)

**Canaccord Genuity LLC**

By: \_\_\_\_\_  
(Authorized Signatory)

**Canaccord Genuity Corp.**

By: \_\_\_\_\_  
(Authorized Signatory)

**RBC Dominion Securities Inc.**

By: \_\_\_\_\_  
(Authorized Signatory)

**Jefferies LLC**

By: \_\_\_\_\_  
(Authorized Signatory)

**Jefferies Securities, Inc.**

By: Jeffrey Whyte  
(Authorized Signatory)

**Canaccord Genuity LLC**

By: \_\_\_\_\_  
(Authorized Signatory)

**Canaccord Genuity Corp.**

By: \_\_\_\_\_  
(Authorized Signatory)

**RBC Dominion Securities Inc.**

By: \_\_\_\_\_  
(Authorized Signatory)

**Jefferies LLC**

By: \_\_\_\_\_  
(Authorized Signatory)


**Jefferies Inc.**

By: \_\_\_\_\_  
(Authorized Signatory)

**Canaccord Genuity LLC**

By:  \_\_\_\_\_  
Andrew Viles, Chief Legal Officer

**Canaccord Genuity Corp.**

By:  \_\_\_\_\_  
(Authorized Signatory)



**THE CANNTRUST GROUP:**

**CannTrust Holdings Inc.**

By:   
(Authorized Signature)

**CannTrust Inc.**

By:   
(Authorized Signature)

**CTI Holdings (Osoyoos) Inc.**

By:   
(Authorized Signature)

**Elmcliffe Investments Inc.**

By:   
(Authorized Signature)