

**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

**LITWIN GROUP  
MINUTES OF SETTLEMENT**  
(Effective as of May 24, 2021)

**WHEREAS** CannTrust Holdings Inc., CannTrust Inc., CTI Holdings (Osoyoos) Inc., and Elmcliffe 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 CCAA 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 CCAA 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** Mark Ian Litwin, Fred Litwin, Stan Abramowitz, Cannamed Financial Corp., Forum Financial Corporation, Mar-Risa Holdings Inc., York Capital Funding Inc., and Sutton Management Limited (collectively, the “**Litwin Group**”) were directors and/or officers of CannTrust Holdings Inc., or were involved in the sale of common shares of CannTrust Holdings Inc., and are Respondents in the CCAA Proceedings;

**AND WHEREAS** the CCAA Representatives, the Litwin Group, and the CannTrust Group (together, 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 Litwin Group, including, without limitation, any and all claims that have been or will in the future be assigned to the Securities Claimant Trust as well as any and all Assigned Claims as against the Litwin Group;

**AND WHEREAS** CannTrust Holdings, CannTrust Opco and Elmcliffe Investments Inc. have proposed the First Amended and Restated Plan of Compromise, Arrangement and Reorganization

dated May 21, 2021 in the CCAA Proceedings (as may be amended from time to time subject to paragraph 1 below, 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 Settlement 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 are hereby acknowledged, the Parties agree to settle all on the following basis:

1. These minutes of settlement and the obligations of the Litwin Group hereunder are conditional upon:

- (a) there having been no material amendments, as determined by the Litwin Group acting reasonably and in good faith, without the Litwin Group’s 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 Litwin Group.
- (b) the Litwin Group 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;

- (d) an order of the CCAA Court directing the dismissal of all of the Actions as against the Litwin Group, without costs payable by the Litwin Group, having been obtained; and
  - (e) 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 Litwin Group.
2. Each member of the Litwin Group agrees to support the CCAA Plan in a manner consistent with the RSA. Without limiting the generality of the foregoing, each member of the Litwin Group agrees 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.
3. Each member of the Litwin Group agrees that, as of the Effective Time:
- (a) any agreement or other right that they may have against a Released Party (as defined in the CCAA Plan) for indemnification, advancement, contribution, reimbursement, set-off or otherwise (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 member of the Litwin Group will be designated and treated in all respects as an Additional Settlement Party, in accordance with the CCAA Plan.

5. The Litwin Group members jointly and severally agree to pay a Cash Contribution of \$11,000,000 to the Securities Claimant Trust at the Effective Time. In accordance with s 7.1(4) of the CCAA Plan, no Litwin Group member shall be treated as a Released Party until the Cash Contribution has been paid.

6. On the Plan Implementation Date, the Assigned Claims, if any, of Mark Ian Litwin and Stan Abramowitz shall be transferred to and assumed by the Securities Claimant Trust.

7. Nothing in these Minutes, nor the Litwin Group members' designation as Additional Settlement Parties under the CCAA Plan, shall be construed as or constitute an admission of liability by any of the Litwin Group members, and they in fact deny all liability.

8. These Minutes shall be construed and governed in accordance with the laws of the Province of Ontario. Any dispute arising under or related to these Minutes shall be litigated in the courts of Ontario located in Toronto.

9. The Parties each acknowledge that they have had an adequate opportunity to read and consider these Minutes and to obtain such advice in regard to these Minutes as they each considered advisable.

10. These Minutes may be executed electronically in counterpart by the Parties, and each such counterpart shall constitute an original document and such counterparts, taken together, shall constitute one and the same instrument. The Parties agree that this may include counterparts exchanged via email.

11. All references to dollar amounts in these Minutes are to Canadian dollars

***[Remainder of page intentionally left blank]***

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

**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)

**CCAA REPRESENTATIVES:**


**Dharambir Singh, Patrick Hrusa, Granite Point Master Fund, LP, and Granite Point Capital Scorpion Focused Ideas Fund**

By:   
(CCAA Representative Counsel)

**LITWIN GROUP:**


  
Witness: \_\_\_\_\_

  
Witness: \_\_\_\_\_


  
Witness: \_\_\_\_\_

  
\_\_\_\_\_  
**Mark Ian Litwin**

  
\_\_\_\_\_  
**Fred Litwin**

  
\_\_\_\_\_  
**Stan Abramowitz**

**Cannamed Financial Corp.**

By:   
\_\_\_\_\_  
(Authorized Signature)


**Forum Financial Corporation**

By:   
\_\_\_\_\_  
(Authorized Signature)

**Mar-Risa Holdings Inc.**

By:   
\_\_\_\_\_  
(Authorized Signature)

**York Capital Funding Inc.**

By:   
\_\_\_\_\_  
(Authorized Signature)

**Sutton Management Limited**

By:   
\_\_\_\_\_  
(Authorized Signature)