

**ONTARIO
SUPERIOR COURT OF JUSTICE**

B E T W E E N :

DAVID IVANY, JEAN DUVAL, KAREN ABERNOT

Plaintiffs

- and -

FINANCIERE TELCO INC.
and CFM CONSULTANT FINANCEMENT MULTIPLE INC.
a.k.a. MFC MULTIPLE FINANCING CONSULTANT and BRIAN VERBEEK and
THE VERBEEK GROUP CORP. and DUNDEE SECURITIES CORPORATION
and BUCKINGHAM SECURITIES CORPORATION and
CANADIAN WESTERN TRUST COMPANY and
VOX TECHNOLOGIE INC. and INVESTISSEMENTS EDIMAX INC. and
INTERMAX TECHNOLOGIE INC. a.k.a. 9080-6746 QUEBEC INC. formerly
INTERMAX TECHNOLOGIES INC. and VIA NET TECHNOLOGIE INC. and
RENE BEAUREGARD

Defendant

PROCEEDINGS UNDER THE CLASS PROCEEDINGS ACT, 1992, S.O. 1992, c.6

DISTRIBUTION Protocol

DEFINED TERMS

- 1) For the purposes of this Distribution Protocol, the definitions set out in the Settlement Agreement apply to and are incorporation in this Distribution Plan and, in addition, the following definitions apply:
 - a) **“Administrator”** means RicePoint Administration Inc.
 - b) **“Claim Form”** means a written claim in the prescribed form seeking compensation from the Distribution Fund. A copy of the form of Claim Form is attached to this Distribution Protocol.
 - c) **“Claimant”** means a Dundee Subclass Member who submits a properly completed Claim Form and all required supporting documentation to the Administrator, on or before the Claims Deadline;

- d) **“Claims Deadline”** means January 23, 2018;
- e) **“Excluded Persons”** means a member of the Dundee Subclass who has opted out of the Proceedings;
- f) **“Loan”** means monies given to a Dundee Subclass Member by the promoter of the CCPC for which the CCPC shares were held as collateral.
- g) **“Loss”** means the amount of which a Claimant invested for the purposes of purchasing shares through Brian Verbeek during the period of August 27, 1999 to May 1, 2000, while Verbeek was registered with Dundee in one of the following CCPCs: Atlas McKenzie Inc., Data Safenet Inc., Distribution Perilandaise Inc., Eau-Necessaire Inc., Eurontario Inc., Flash VDO PC Inc., Generatrices 2000 Plus Inc., LMN Techno-Soft Inc., Logiciels St. Malo Inc., Mainmont, NAV et LOGI-CIEL Inc., Sylkon Securities Inc., Vilcorp, Edimax Technologie Inc., Inter Technologie Inc., Intermax Technologie Inc., Via Net Tech In. CL-B, or Vox Technologie Inc.
- h) **“Settlement Agreement”** means the agreement between the Dundee Subclass and Dundee Securities Corporation (“Dundee”) which settles the claims of the Dundee Subclass;

CALCULATION OF LOSS

- 2) A Claimant must have sustained a Loss in order to be eligible to receive a payment from the Distribution Funds.
- 3) If the Claimant received a Loan in exchange for their share purchase, the amount of the Loan shall be deducted from the Claimant’s Loss.
- 4) If the Claimant received a Loan in exchange for their share purchase, and made payments on the Loan, the amounts the payments shall be set off as against the Loan.

- 5) The Administrator shall first determine whether a Claimant sustained a Loss. If the Claimant has sustained a Loss, they become an Authorized Claimant, and the Administrator will go on to calculate his/her Entitlement to the Distribution Fund.

CALCULATION OF COMPENSATION

- 6) To assist in the calculation of compensation, Class Counsel shall provide the Administrator with the following information:
 - a) A list of Dundee Subclass Members, including his or her last known address;
 - b) The amount invested in the abovementioned CCPCs;
 - c) Where known, the amount of any loan received by the Dundee Subclass Members;
 - d) Where known, the amount of any amount paid towards the Loan;
- 7) The Administrator shall review each Claim Form and verify that the Claimant is eligible for compensation from the Distribution Fund, as follows:
 - a) For a Claimant claiming as a Dundee Subclass Member, the Administrator shall be satisfied that (i) the Claimant is a Dundee Subclass Member; and (ii) the Claimant has sustained a Loss.
 - b) For a Claimant claiming on behalf of a Dundee Subclass Member or a Dundee Subclass Member's estate, the Administrator shall be satisfied that (i) the Claimant has authority to act on behalf of the Dundee Subclass Member or the Dundee Subclass Member's estate in respect of financial affairs; (ii) the person or estate on whose behalf the claim was submitted was a Dundee Subclass Member; and (iii) the Dundee Subclass Member sustained a Loss.
 - c) The Claimant has provided all supporting documentation required by the Administrator or Claim Form or alternative documentation acceptable to the Administrator.
- 8) The Administrator shall take reasonable measures to verify that the Claimants are eligible for compensation and that the information in the Claims Forms is accurate. The

Administrator may make inquiries of the Claimants in the event of any concerns, ambiguities or inconsistencies in the Claim Forms.

- 9) Claimants shall advise the Administrator as to whether they have received any compensation for their Loss through other proceedings or in private out-of-class settlements. The Administrator may make inquiries of the Claimants in the event of any concerns or ambiguities regarding any other compensation for their Loss. If such other proceedings or private out-of-class settlements resulted in a release of the Dundee Subclass Member's claim in its entirety, the Dundee Subclass Member shall be deemed ineligible for any further compensation and shall not share in any Compensation from the Distribution Fund. If such other proceedings or private out-of-class settlements resulted in partial compensation of a Dundee Subclass Member's Loss, such amount of partial compensation shall be deducted from the Dundee Subclass Member's Loss and corresponding Compensation entitlement.

FINAL DISTRIBUTION

- 10) Each Claimant's actual compensation shall be the portion of the Distribution Fund equivalent to the ratio of his or her Loss to the total Loss of all Claimants multiplied by the Distribution Fund, as calculated by the Administrator.
- 11) Compensation shall be paid to Claimants in one of three ways:
- a) The Administrator shall direct the Settling Defendant to deposit the Compensation into the Claimant's existing RRSP Account at Dundee Securities Corporation, now known as HollisWealth, a division of Scotia Capital Inc., as may be or has been transferred to Industrial Alliance Insurance and Financial Services Inc. Where the Claimant elects for this option, the Claimant shall provide the Administrator with their HollisWealth account number. The Administrator will provide the registered account details to the Settling Defendant for the purposes of effecting the Final Distribution;

- b) The Administrator shall direct the Settling Defendant to deposit the Compensation into the Claimant's existing RRSP Account or other registered account at another eligible Canadian financial institution. Where the Claimant elects for this option, the Claimant shall provide the Administrator with their registered account details. The Administrator will provide the registered account details to the Settling Defendant for the purposes of effecting the Final Distribution; or
- c) The Administrator shall direct the Settling Defendant to pay the Compensation directly to the Claimant by cheque. Where the Claimant elects for this Option, the Settling Defendant shall make all necessary tax deductions as directed by the Administrator, in consultation with the Settling Defendant, and remit those deductions directly to Canada Revenue Agency.

12) Claimants will elect one of the methods of distribution when they complete and submit their Claim Forms to the Administrator.

13) The Administrator shall request from Claimants who elect to have their Compensation deposited into their existing RRSP Account or other registered account at an eligible Canadian financial institution sufficient documentation to satisfy the Administrator of the Claimant's entitlement to have the Compensation deposited into their registered account pursuant to applicable income tax laws and regulations. Claimants shall be responsible for advising the Administrator as to the eligible amount of Compensation that may be deposited into their registered account pursuant to applicable income tax laws and regulations. In the event that there is a second round of the Distribution, Claimants shall be responsible for advising the Administrator as to any changes to the eligible amount of Compensation that may be deposited into their registered account. For further clarity, the Administrator, the Settling Defendant and Releasees shall have no responsibility to inquire or determine whether any Claimant is entitled to have the Compensation deposited into their existing RRSP Account or other registered account, and shall bear no liability associated, directly or

indirectly, with any determination that a Claimant was not entitled to have the Compensation deposited into their existing RRSP Account or other registered account.

- 14) The Administrator shall advise the Settling Defendant as to the method of distribution for each Claimant. Once notified, the Settling Defendant shall be responsible for making the distribution effective. The Administrator will not hold or control any of the Distribution fund.
- 15) Compensation shall be paid to the Claimants in Canadian currency.
- 16) If, one hundred and eighty (180) days from the date on which the Settling Defendant distributed the Distribution Fund in accordance with the Administrator's directions, there remains funds available in the Distribution Fund, the Administrator shall, if feasible, reallocate the remaining Distribution Fund among the Claimants in an equitable and economic fashion and direct the Settling Defendant to perform a second distribution. At no time shall a Claimant be entitled to receive more than his or her Loss.
- 17) If all Claimants receive complete and total compensation for their loss and there remain funds available in the Distribution Fund, the Administrator shall direct the Settling Defendant to donate the remaining funds to the Ontario Society of Senior Citizens' Organization.
- 18) The Administrator, in concert with Class Counsel, shall have the discretion to interpret this Distribution Plan in such a fashion as to ensure the facilitation of the goals of the Settlement Agreement for the benefit of the Dundee Class Members.
- 19) Under no circumstances will any repayment be made to the Settling Defendant.