

SETTLEMENT AGREEMENT

This Settlement Agreement (the "Settlement Agreement") is dated for reference November 8, 2021, by and between:

- (a) The Plaintiff, Darren Archer (the "Plaintiff"), in the certified class proceeding in British Columbia Supreme Court Action No. S-184335 (the "Action"), on its behalf of "the Class" as defined in the Order made October 25, 2019, certifying the Action (the "Certification Order");
- (b) Full Circle Debt Solutions Inc., Matthew Boulton, and Kurt Harvey Wipp (collectively the "Defendants"), defendants in the Action;

I. RECITALS

WHEREAS, Full Circle Debt Solutions Inc. operated the Full Circle Debt Solutions business in Canada between April 1, 2016 and December 31, 2020. Matthew Boulton was the sole officer and director of that company and Kurt Harvey Wipp indirectly owned shares in that company.

WHEREAS, the Plaintiff commenced the Action which alleges, among other things, that the Defendants, provided debt restructuring services in breach of both the *Business Practices and Consumer Protection Act*, S.B.C. 2004, c. 2 (the "BPCPA") and the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3 (the "BIA") (the "Allegations");

WHEREAS, the Defendants deny the Allegations;

WHEREAS, the Parties desire to compromise and settle all claims made against the Defendants in the Action;

WHEREAS, the Action was certified as a class proceeding by the Certification Order and the Plaintiff was appointed by the Certification Order to represent all Persons who paid fees to Full Circle in British Columbia in relation to a consumer proposal under the *BIA* after April 1, 2016.

WHEREAS, no notice has yet been given to the Class Members of certification, and Class Members have not yet been afforded the opportunity to opt-out of the Action.

WHEREAS, as a result of the Action, the Parties are thoroughly familiar with the factual and legal issues presented by their respective claims and defenses in the Action, and recognize the uncertainties as to the ultimate outcome in the Action, and the likelihood that any final result could require years of further complex litigation and substantial expense;

WHEREAS, this Settlement Agreement was entered into after extensive arm's length discussions and negotiations between Class Counsel, and counsel for the Defendants;

WHEREAS, the Parties and their counsel agree that the Settlement is a fair, reasonable, and adequate resolution of the claims advanced against the Defendants in the Action;

WHEREAS, the Parties desire and intend to seek court approval of the Settlement as set forth in this Settlement Agreement;

WHEREAS upon approval of the Settlement the Plaintiff intends to discontinue the Action against the Defendants; and

NOW, THEREFORE, for value received, the Parties stipulate and agree, subject to Court approval, to the following.

II. DEFINITIONS

1. As used in the Settlement Agreement, including the Recitals and Schedules hereto, in addition to any definitions elsewhere in the Agreement, the following terms shall have the meanings set forth below:
 - (a) “Class Counsel” means the law firms of Bennett Mounteer LLP and Mathew P. Good Law Corporation;
 - (b) “Class Member” means a member of the Class as defined in the Certification Order, and who does not opt-out of the Action in accordance with the Settlement Administration Plan;
 - (c) “Court” means the Supreme Court of British Columbia;
 - (d) “Effective Date of Settlement” means the next calendar day after the day on which all appellate rights with respect to the Settlement Approval Order made in the Action have expired or have been exhausted;
 - (e) “Related Persons and Entities” means all of its officers, directors, partners, shareholders, employees, servants, agents, insurers, successors and assigns;
 - (f) “Released Persons” mean the Defendants, their respective predecessors, successors, parents, subsidiaries, affiliates, heirs, executors, administrators, assigns, officers, directors, shareholders, employees, attorneys, agents and representatives, and all others who received any benefit, direct or indirect, (including interest, fees, and any money or other property or thing in law, equity, statutory or otherwise) in connection with an the Settled Claims;
 - (g) “Settled Claims” means any and all claims, demands, actions, suits or causes of action that have been brought or could have been brought against the Released Persons, whether known or unknown, asserted or

unasserted, under or pursuant to any statute, regulation, common law or equity, arising from the operation of the Full Circle business up to December 31, 2020.

- (h) “Settlement” means the settlement described in this Settlement Agreement;
- (i) “Settlement Administration Plan” means a plan setting out the terms of the administration of the Settlement in respect of funds received by Class Counsel under the Settlement for the benefit of the Action;
- (j) “Settlement Approval Hearing” means the date the Court is scheduled to consider the Settlement Approval Order;
- (k) “Settlement Approval Order” means the order made by the Court in the Action approving the Settlement Agreement, which order shall be substantially in the form attached as Schedule “A” or as may be amended with the consent of the Parties;

III. WARRANTIES

- 2. The Defendants warrant that Full Circle Debt Solutions Inc. ceased operations in the ordinary course of business on December 31, 2020, and has no insurance or assets. The Defendants shall provide an affidavit attesting to this fact for use at the Settlement Approval Hearing.

IV. APPROVAL PROCESS

- 3. Following execution of this Settlement Agreement, the Plaintiff will apply for the Settlement Approval Order, and as part of that application will give notice of the application to the Class Members as directed by the Court.

V. NO ADMISSIONS, NO USE

- 4. This Settlement Agreement, including any Addendums thereto, and any proceedings taken pursuant to this Settlement Agreement are for settlement purposes only. This Settlement Agreement is conditional upon the making of final orders approving the Settlement in the Action, and neither the fact of, nor any

provision contained in, this Settlement Agreement, nor any action taken hereunder, shall constitute, be construed as, offered in evidence as, and/or deemed to be evidence of any admission of the validity of any claim or any factual allegation that was or could have been made by the Plaintiff, Class Members, or by the Defendants, in the Action, or of any wrongdoing, fault, violation of law, or liability of any kind on the part of the Defendants. The Settlement Agreement shall not be offered or be admissible in evidence by or against the Defendants or cited or referred to in any other action or proceeding, except (1) in any action or proceeding brought by or against the Parties to enforce or otherwise implement or give effect to the Settlement or this Settlement Agreement, or (2) in any action involving the Plaintiff, Class Members, or any of them, to support a defense of res judicata, collateral estoppel, release, or other theory of claim preclusion, issue preclusion, or similar defense on behalf of the Defendants or any of their Related Parties or Entities.

5. For greater clarity, the Parties acknowledge and agree that: the Settlement constitutes the compromise of a disputed claim; the Defendants deny the truth of the Allegations in the Action and deny any liability whatsoever; and the payment of the Settlement Amount by the Defendants is not an admission of liability by the Defendants or any of them.

VI. TERMINATION

6. If the Settlement Approval Order is not granted, or is reversed or modified on appeal, then unless the Parties expressly agree otherwise in writing:
 - (a) this Settlement Agreement shall be automatically terminated, and shall have no further force and effect with respect to the Parties, save and except for Parts IV and V of this Settlement Agreement, which shall survive termination;
 - (b) all orders made pursuant to this Settlement Agreement shall be null and void, and shall have no further force and effect with respect to the Parties;

- (c) this Settlement Agreement shall not be offered in evidence or used in any litigation for any purpose other than to enforce the terms of this Settlement Agreement that survive termination; and
- (d) all orders in existence as of the date on which this Settlement Agreement was executed shall become operative and fully effective, as if proceedings relating to this Settlement had not occurred. In such event, the Parties reserve all rights to object to or otherwise challenge all such pre-existing orders.

VII. TERMS OF SETTLEMENT

7. The Defendants confirm that they have paid \$110,000 (one hundred ten thousand dollars) (the "Settlement Amount") to their counsel, Owen Bird Law Corporation, in trust. If the Settlement is approved in the Action, the Defendants hereby irrevocably instruct Owen Bird Law Corporation to pay the Settlement Amount and all accrued interest thereon, to Bennett Munteer LLP in trust within 15 days after the Settlement Approval Order is approved by the Court.
8. Upon receiving the Settlement Amount plus accrued interest, Class Counsel will deposit those monies in Bennett Munteer LLP's trust account (the "Settlement Fund").
9. The Defendants' remaining obligations under the Settlement are limited to those set out in paragraph 6. For greater clarification, the payment of all expenses of the Settlement, including but not limited to Class Members' claims, legal fees, honouraria, administration expenses, taxes, and notice costs shall be paid out of the Settlement Amount and the Defendants shall have no further liability in respect of these expenses.
10. From and after the Effective Date of Settlement, the Defendants shall have no legal or beneficial interest in the Settlement Fund.
11. At the Settlement Approval Hearing the Plaintiff will apply:

- (a) to amend the claim in the form attached as Schedule "A" to the Settlement Approval Order to incorporate a waiver of all claims by Class Members against others for the Settled Claims, including of all amounts caused or contributed to by the Defendants or their Related Persons and Entities; and
 - (b) for leave to discontinue the Action against the Defendants, without costs to any party, except for the purpose of ongoing settlement administration by the Court.
12. Upon payment of the Settlement Amount by the Defendants to Bennett Mounteer LLP in accordance with this Settlement Agreement, the Plaintiff will promptly discontinue the Action against the Defendants without costs to any party.
13. Class Counsel may seek court approval of class counsel fees, disbursements and honouraria to the representative plaintiff either at or subsequent to the Settlement Approval Hearing. The Defendants will take no position on that approval application. Approval of the Settlement will not depend on approval of fees, disbursements or honouraria.

VIII. SETTLEMENT ADMINISTRATION PLAN

14. At or after the Settlement Approval Hearing, the Plaintiff will apply to the Court for approval of the Settlement Administration Plan. The Settlement Administration Plan will set out:
- (a) the form and procedure by which notice of the Settlement shall be provided to the Class Members, including notice of the legal fees and expenses paid or payable to Class Counsel and the procedure by which Class Members can opt-out of the Action;
 - (b) the procedure by which Class Members can claim an entitlement under the Settlement; and
 - (c) the procedure for the determination of eligible claims and the amount of those claims, and the subsequent payment of them.

15. The Court shall have complete discretion to either approve or amend the Settlement Administration Plan. The Settlement Administration Plan shall not form part of this Settlement Agreement and the approval of the Settlement shall not be contingent on either the approval of the Settlement Administration Plan or the presentation of the Settlement Administration Plan.
16. The Defendants shall not have standing to make submissions regarding the Settlement Administration Plan. Notwithstanding the foregoing, it is agreed that the notice will include a statement that the Defendants deny the Allegations and that the settlement is a compromise of the claims.
17. The Settlement Fund shall be disbursed in accordance with the Settlement Administration Plan or as otherwise directed by the Court.

IX. RELEASE

18. Upon the Effective Date of the Settlement, Class Members by virtue of the Settlement Agreement, individually, completely and unconditionally release, forever discharge and acquit the Released Persons from any and all of the Settled Claims.
19. Upon the Effective Date of the Settlement, Class Members and anyone claiming through or on behalf of any of them will be forever barred from commencing, instituting or prosecuting the Settled Claims against any one of the Released Persons in any action, litigation, investigation or other proceeding in any court of law or equity, arbitration, tribunal, proceeding, or any other forum, directly, representatively or derivatively relating to the Settled Claims.

X. GENERAL

20. This Settlement Agreement and its attachments shall constitute the entire agreement of the Parties and shall not be subject to any change, modification, amendment, or addition without the express written consent of counsel on behalf of all Parties to the agreement. This Settlement Agreement supersedes and replaces all prior negotiations and proposed agreements, written or oral.

21. In the event any one or more of the provisions contained in this Settlement Agreement shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision if the Parties mutually elect to proceed as if such invalid, illegal, or unenforceable provision had never been included in this Settlement Agreement.
22. The Court shall retain continuing and exclusive jurisdiction over the Parties and over the administration and enforcement of the Settlement and the benefits to the Plaintiff and Class Members hereunder.
23. Any disputes or controversies arising with respect to the interpretation, enforcement, or implementation of this Settlement Agreement must be made by application to the Court.
24. Class Counsel warrants that they are fully authorized to execute this Settlement Agreement on behalf of the Plaintiff and the Class Members and to execute and legally bind the Plaintiff and the Class Members to this Settlement Agreement.
25. Gregory J. Tucker, Q.C. warrants that he is fully authorized to execute this Settlement Agreement on behalf of the Defendants.
26. This Settlement Agreement may be executed in counterpart by the parties hereto, and a facsimile signature shall be deemed an original signature for purposes of this Settlement Agreement.
27. This Settlement Agreement shall be construed under and governed by the laws of the Province of British Columbia.
28. The Parties have negotiated and fully reviewed the terms of this Settlement Agreement, and the rule that uncertainty or ambiguity is to be construed against the drafter shall not apply to the construction of this Settlement Agreement by a court of law or any other adjudicating body.
29. Whenever, under the terms of this Agreement, a person is required to provide service or written notice to the Defendants or to Class Counsel, such service or

notice shall be directed to the individuals and addresses specified below, unless those individuals or their successors give notice to the other Parties in writing:

As to Class Counsel:

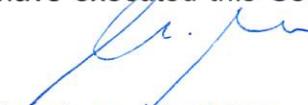
Mark W. Munteer
Bennett Munteer LLP
400 – 856 Homer Street
Vancouver, BC V6B 2W5
Fax: (604) 639-3681
E-mail: mm@hbmlaw.com

As to the Defendants:

Gregory J. Tucker, Q.C.
Owen Bird Law Corporation
P.O. Box 49130
Three Bentall Centre
2900 – 595 Burrard Street,
Vancouver, BC V7X 1J5
Fax: (604) 688-2827
E-mail: gtucker@owenbird.com

IN WITNESS THEREOF, the Parties hereto have executed this Settlement Agreement as follows:

Date: Nov. 9/2021

By: 
Paul R. Bennett

Paul R. Bennett as Class Counsel
on behalf of the Plaintiff and
Class Members

Date: November 9, 2021

By: 
Gregory J. Tucker

Gregory J. Tucker, Q.C.
on behalf of Full Circle Debt Solutions Inc.,
Matthew Boulton, and Kurt Harvey Wipp.

SCHEDULE “A”

No. S-184335
Vancouver Registry

DARREN ARCHER

PLAINTIFF

AND

FULL CIRCLE DEBT SOLUTIONS INC., MATTHEW BOULTON,
AND KURT HARVEY WIPP

DEFENDANTS

Brought under the *Class Proceedings Act*, R.S.B.C. 1996, c. 50

ORDER MADE AFTER APPLICATION

BEFORE)	THE HONOURABLE)	[DAY], THE ____
)	MR. JUSTICE MAYER)	DAY OF _____ 2021
))	

ON THE APPLICATION of the Plaintiff, Darren Archer, coming on for hearing at Vancouver, British Columbia, on the [DATE], and on hearing Paul R. Bennett, Mark W. Mounteer and Mathew P. Good, counsel for the Plaintiff and the Class; Gregory J. Tucker. Q.C., counsel for the Defendants, Full Circle Debt Solutions Inc., Matthew Boulton, and Kurt Harvey Wipp.

THIS COURT ORDERS that:

1. The Settlement Agreement dated for reference October __, 2021, attached as Schedule “A” to this Order, is approved pursuant to s.35 of the *Class Proceedings Act* RSBC 1996, c.50 and shall be implemented and enforced in accordance with its terms.
2. The Settlement Agreement is incorporated by reference into this Order. In addition to the definitions used elsewhere in this Order, for the purposes of this Order, the definitions set out in the Settlement Agreement apply to this Order.

3. This Order, including the Settlement Agreement, is binding upon each Class Member, as defined in the Settlement Agreement.
4. Upon the Effective Date of Settlement, Class Members by virtue of the Settlement Agreement, individually, completely and unconditionally release, forever discharge and acquit the Released Persons from any and all of the Settled Claims.
5. Class Members and anyone claiming through or on behalf of any of them are forever barred from commencing, instituting or prosecuting the Settled Claims against any one of the Released Persons in any action, litigation, investigation or other proceeding in any court of law or equity, arbitration, tribunal, proceeding, or any other forum, directly, representatively or derivatively relating to the Settled Claims.
6. Except as provided herein this Action is dismissed without costs, and with prejudice.
7. For the purpose of ongoing settlement administration by the Court of the Settlement Agreement and this Order, this Court will retain an ongoing supervisory role and the Defendants acknowledge and attorn to the jurisdiction of this Court solely for the purpose of implementing, administering and enforcing the Settlement Agreement and this Order, notwithstanding the dismissal of the Action. All applications regarding the administration and enforcement of the Settlement Agreement and this Order shall be made on notice to the Parties hereto, by way of notice to their counsel, notwithstanding the dismissal of the Action.

THE FOLLOWING PARTIES APPROVE THE FORM OF THIS ORDER AND CONSENT TO EACH OF THE ORDERS, IF ANY, THAT ARE INDICATED ABOVE AS BEING BY CONSENT:

Signature of Paul R. Bennett
Lawyer for the Plaintiff, Darren Archer

Signature of Gregory J. Tucker. Q.C.
Lawyer for the Defendants, Full Circle Debt
Solutions Inc., Matthew Boulton, and Kurt
Harvey Wipp.

By the Court.

Registrar

THIS ORDER was prepared by the law firm of Bennett Mounteer LLP, whose place of business and address for service is #400 – 856 Homer Street, Vancouver, British Columbia, V6B 2W5. Telephone: (604) 639-3680. Fax: (604) 639-3681. Counsel Reference: Paul R. Bennett and Mark W. Mounteer

No. S-183599
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

BETWEEN:

DARREN ARCHER

PLAINTIFF

AND:

FULL CIRCLE DEBT SOLUTIONS INC. ET AL.

DEFENDANTS

Brought under the *Class Proceedings Act*, R.S.B.C 1996, c.50

ORDER MADE AFTER APPLICATION

BENNETT MOUNTEER LLP
BARRISTERS AND SOLICITORS
#400 – 856 HOMER STREET
VANCOUVER, BC V6B 2W5
(604) 639-3680

Counsel Reference: Paul R. Bennett and Mark W. Munteer