

Court File No.: CV-21-00658741-00CP

**ONTARIO
SUPERIOR COURT OF JUSTICE**

B E T W E E N :

MAXIM GRIGORYEV

Plaintiff

- and -

RUSSELL SECURITY SERVICES INC.

Defendant

PROCEEDING UNDER THE *CLASS PROCEEDINGS ACT, 1992*

MINUTES OF SETTLEMENT AND RELEASE

WHEREAS, the Plaintiff commenced a Class Action, being Court File No. CV-21-00658741-00CP, seeking to represent security guards employed by the defendant, Russell Security Services Inc. (“**Russell**”), and claiming unpaid wages for pre-shift time;

AND WHEREAS, Russell advised that it intends to vigorously defend the Action and continues to deny the allegations that have been made and maintains that it has committed no wrongdoing;

AND WHEREAS, the Parties wish to fully and finally resolve all matters in dispute between them in relation to the Action;

AND WHEREAS, taking into account the burdens and expense of continued litigation, including the significant risks and uncertainties associated with completion of the litigation and any potential appeals, the Plaintiff, with the benefit of advice from Class Counsel, has concluded after mediation with William Kaplan, that the settlement on the terms and conditions set out in

this Settlement Agreement are fair and reasonable, and in the best interests of the Class;

AND WHEREAS, the Parties intend by these Minutes of Settlement and Release (the “**Settlement Agreement**”) to resolve, terminate, and finally conclude any and all claims raised or which could have been raised in the Action and seek the approval of the terms of the Court, and further intend that the Defendant shall receive full and complete releases and finality and peace from the Class;

NOW THEREFORE in consideration of the covenants, agreements and releases set forth herein and for good and valuable consideration received, the Parties stipulate and agree that the Action shall be fully and finally settled and resolved on the terms and conditions set forth in this Settlement Agreement, subject to approval by the Ontario Superior Court of Justice (the “**Court**”):

1. This settlement is conditional upon the Court approving this Settlement Agreement on the terms that follow.
2. The Plaintiff shall support the terms of this Settlement Agreement and shall take all necessary steps to bring a motion for its approval by the Court.
3. The Defendant agrees to support the approval of the terms of this Settlement Agreement by the Court and, in particular, shall not object to the Class Counsel Fees, Class Counsel Disbursements, or Representative Plaintiff Honorarium as provided for in this Settlement Agreement.
4. The Parties shall use their best efforts to implement the terms of the settlement outlined in this Settlement Agreement.
5. For the purposes of this Settlement Agreement, the following definitions apply:
 - (a) **Action** means the class proceeding commenced by Maxim Grigoryev by way of Statement of Claim in the Ontario Superior Court of Justice under Court File No. CV-21-00658741-00CP, as amended, including any and all claims made therein.
 - (b) **Administration Expenses** means all fees, disbursements, expenses, costs, taxes, and any other amounts incurred or payable by the Plaintiff, Class Counsel or otherwise for the approval, implementation, and operation of this Settlement

Agreement, including the costs of notices and translation and the costs of the Claims Administrator, but excluding Class Counsel Fees and Class Counsel Disbursements;

- (c) **Claim Fund** means the Settlement Amount remaining after deductions in respect of Class Counsel Fees, Class Counsel Disbursements, Administrative Expenses, Representative Plaintiff Honorarium (if any), and Holdback for Taxes;
- (d) **Claims** means any and all actions, causes of action, claims, complaints, debts, demands, liabilities, suits or other proceedings of any kind or nature whatsoever and howsoever arising, whether in law, equity, contract, extra-contractual liability (including negligence), obligations or otherwise, whether express or implied and whether presently known or unknown, including any proceedings under any statute, and in particular, but without limiting the generality of the foregoing, any and all claims up to the Effective Date that were advanced in the Action or could have been advanced in the Action;
- (e) **Claims Administrator** means the firm appointed by Class Counsel, and approved by the Defendant and the Court, to administer the Claim Fund in accordance with the provisions of this Settlement Agreement and the Distribution Protocol;
- (f) **Claims Administrator Appointment Date** means the date Class Counsel advises the Defendant of the appointment of the Claims Administrator;
- (g) **Class** means all security guards employed by Russell Security in the Province of Ontario, for the period from January 1, 2017 to August 13, 2021, save and except for those employed under a collective agreement;
- (h) **Class Counsel** means Goldblatt Partners LLP;
- (i) **Class Counsel Disbursements** include the disbursements and applicable taxes incurred by Class Counsel in the prosecution of the Action;
- (j) **Class Counsel Fees** means the fees of Class Counsel, and any applicable taxes;

- (k) **Class Member** means a member of the Class;
- (l) **Class Period** means January 1, 2017 to August 13, 2021;
- (m) **Defendant** means Russell Security Services Inc.;
- (n) **Counsel for the Defendant** means Baker & McKenzie LLP;
- (o) **Date of Execution** or **Execution Date** means the date this Settlement Agreement is signed by all of the parties;
- (p) **Distribution Protocol** means the protocol developed by Class Counsel for the distribution of amounts from the Settlement Amount to the Class Members and agreed to by the Defendant or directed by William Kaplan, in accordance with Section 21;
- (q) **Effective Date** means the date when the Order received from the Court approving this Settlement Agreement has become a Final Order;
- (r) **Final Order** means a final order, judgment or equivalent decree entered by the Court approving this Settlement Agreement in accordance with its terms, once the time to appeal such order has expired without any appeal being taken, if an appeal lies, or if the order is appealed, once there has been affirmation of the order upon a final disposition of all appeals, and **Final Approval** shall have a corresponding meaning;
- (s) **Plaintiff** means Maxim Grigoryev, or any other person approved by the Court as the representative plaintiff in this proceeding;
- (t) **Releasees** means the Defendant and its parents, associates, affiliates or related persons (as such terms are defined by the Ontario *Business Corporations Act*), which shall include, for greater specificity, predecessors, successors or assigns thereof, and all of their respective directors, officers, servants, employees, advisors and agents (both individually and in their official capacities with any of the preceding entities);

- (u) **Releasors** means the Plaintiff and Class Members, for themselves, their heirs executors, successors and assigns;
 - (v) **Remaining Fund** means any funds remaining from the Settlement Amount after deduction and payment of Class Counsel Fees, Class Counsel Disbursements, Administration Expenses, Representative Plaintiff Honorarium, Holdback for Taxes, and distribution to Class Members pursuant to the Distribution Protocol (i.e., stale cheques where reasonable efforts to locate a Class Member have been exhausted);
 - (w) **Representative Plaintiff Honorarium** means an honorarium for the Plaintiff in the amount of \$2,000, or such lesser amount, subject to approval by the Court;
 - (x) **Settlement Amount** means \$725,000.00;
 - (y) **Trust Account** means a guaranteed investment vehicle, liquid money market account or equivalent security with a rating equivalent to or better than that of a Canadian Schedule I bank (a bank listed in Schedule I of the Bank Act, S.C. 1991, c. 46) held at a Canadian financial institution, as provided for in this Settlement Agreement.
6. Any notices in connection with the certification and settlement approval shall include an opt-out procedure and be in a form agreed upon by the Parties and approved by the Court or, if the Parties cannot agree on the form of the notices, the notices shall be in a form ordered by the Court. Notices shall be distributed by email and text message to the last known email addresses and cell phone number of the Class Members, to the extent such information is available in the Defendant's records and can be obtained through reasonable efforts. Notices shall also be posted on the website of Class Counsel and the Defendant, as well as their respective social media.
7. The Defendant shall make reasonable efforts to locate, obtain and provide to Class Counsel and the Claims Administrator a list of the Class Members in Excel format listing the individuals' first name, middle name (if available), last name, start date, end date, phone number (if available), email address (if available) within thirty (30) days of the Execution Date, to the extent such information is available in the Defendant's records. The Defendant

shall provide a list of the classifications falling within the class definition within five (5) days of the Execution Date. The Plaintiff shall provide his position on the information supplied by the Defendant within five (5) days of receiving that information. In the event of a dispute between the parties regarding the classifications falling within the class definition the parties agree to remit such dispute to William Kaplan for final determination.

8. The Defendants shall make reasonable efforts to answer questions and inquiries of Class Counsel and the Claims Administrator required to implement the terms of this Settlement Agreement within ten (10) business days of such questions being provided in writing to the Counsel for the Defendant.
9. This Settlement Agreement is made without any admission of liability by any of the Releasees, which liability is expressly denied. Specifically, and regardless of whether this Settlement Agreement is finally approved, is terminated, or otherwise fails to take effect for any reason, this Settlement Agreement and anything contained herein, and any and all negotiations, documents, discussions and proceedings associated with this Settlement Agreement, and any action taken to carry out this Settlement Agreement, shall not be deemed, construed, or interpreted to be an admission of any violation of any statute or law, or of any wrongdoing or liability by the Releasees, or of the truth of any of the claims or allegations contained in the Action.
10. Class Counsel shall make best efforts to appoint the Claims Administrator within thirty (30) days of the Execution Date, and shall appoint the Claims Administrator no later than sixty (60) days of the Execution Date. Class Counsel shall advise the Defendant once the Claims Administrator has been appointed, and shall provide the name and contact information for the Claims Administrator to the Defendant for approval, as well as any other information the Defendant reasonably requires to implement the terms of this Settlement Agreement. The Defendant shall, acting reasonably, provide approval of the Claims Administrator within ten (10) days of receiving notice of its appointment. In determining its approval of the Claims Administrator, the Defendant may, acting reasonably, require the Claims Administrator to confirm and verify that its data handling practices and policies comply with applicable privacy laws and legislation to which the Defendant may be subject. In the event of a

dispute, the Parties agree that the presiding case management Judge shall have the right to select a Claims Administrator and that this selection shall be binding upon the Parties.

11. The Defendant shall pay the Settlement Amount to Class Counsel for deposit into the Trust Account for the benefit of the Class within ten (10) business days of the Effective Date. The Plaintiff may agree in writing to extend the deadline.
12. Payment of the Settlement Amount to Class Counsel shall be made by wire transfer. Class Counsel shall provide to Counsel for the Defendant, in writing, the banking information necessary to complete the wire transfer within no later than two (2) business days of Final Approval.
13. The Settlement Amount shall be all-inclusive of all amounts, including, without limitation, interest, all costs, all cost awards, Administration Expenses, Class Counsel Fees, taxes payable or that may become payable, Class Counsel Disbursements and the Representative Plaintiff Honorarium. For clarity, the Defendant shall have no obligation to pay any amount in addition to the Settlement Amount, for any reason, pursuant to or in furtherance of this Settlement Agreement, the Action, or any other actions related to the released Claims, including any amount for employees' deductions and withholdings, or any employer remittances, relating to payments made to Class Members in accordance with this Settlement Agreement and including without limitation any disbursement or administration fees to Class Counsel and/or Class Administrator.
14. The parties have agreed that the Defendant's Handbook shall be updated by August 13, 2021 with the following language:

5.1 Reporting For Duty

All employees must be in full PSISA-compliant uniform, in physical possession of the PSISA licence and be fully prepared to assume all shift responsibilities (including briefings to receive pertinent information and equipment transfer) at the commencement of the scheduled shift. It is important the guard is ready for action at the start time of their shift.

All employees must call on duty to either Russell Security or their allocated site

command centre in accordance with the post orders. The phone number to report on duty at RSSI is: (705) 721-1480 or 1-800-418-9537.

5.2 The Briefing Process

Depending on the assignment in most cases, the oncoming security guard will receive a brief, or a summary of events that occurred during the shift, if relieving an existing guard, or special notations if being met by the client or supervisor. Guards may also be required to read a brief book which is a book of occurrences relative to that site over a period. If there is a brief book on site, guards shall initial new entries indicating they have read them.

Guards coming on duty will most likely be receiving equipment. This equipment usually contains keys, perhaps a communication device or other items. Any guard receiving equipment must sign for that equipment taking ownership. The guard shall note the condition of the equipment being received, ensure communication devices are working, count and record the number of keys, and ensure knowledge of use of the equipment being received.

Guards expected to ensure that all incident reports and other briefing materials are prepared during their shifts, and are ready to transfer with any equipment at the start time of the next guard's shift. In the unlikely event that additional time is required for the briefing process, the guard being relieved is expected to report the amount and reason for the additional time by calling RSSI at: (705) 721-1480 or 1-800-418-9537, or reporting to their site supervisor or site manager as appropriate. If RSSI determines that the additional time was worked, guards will be paid for the briefing time.

This update shall be communicated to the Defendant's employees forthwith following the implementation of the change.

15. The Settlement Amount and other consideration to be provided in accordance with the terms of this Settlement Agreement shall be provided in full satisfaction of the released Claims against the Releasees.

16. Except as otherwise provided, all interest earned on the Settlement Amount in the Trust Account shall accrue to the benefit of the Class and shall become and remain part of the Trust Account. All taxes payable on any interest that accrues on the Settlement Amount in the Trust Account or otherwise in relation to the Settlement Amount shall be paid from the Trust Account, and Class Counsel shall be responsible to fulfill all tax reporting and payment requirements arising from the Settlement Amount in the Trust Account. For clarity, the Defendant shall have no responsibility to make any filings relating to the Trust Account and shall have no responsibility to pay tax on any income earned on the Settlement Amount or pay any taxes on the monies in the Trust Account, unless this Settlement Agreement is not approved, is terminated, or otherwise fails to take effect for any reason, in which case the interest earned on the Settlement Amount in the Trust Account or otherwise shall be paid to the Defendant, who, in such case, shall be responsible for the payment of all taxes on such interest not previously paid by Class Counsel or the Claims Administrator.

17. The Settlement Amount shall be distributed as follows following the Effective Date:

- (a) **Class Counsel Fees:** Subject to the approval of the Court, Class Counsel Fees shall be 25% of the Settlement Amount, plus HST, or such other amount as approved by the Court;
- (b) **Class Counsel Disbursements:** The disbursements and applicable taxes incurred by Class Counsel in the prosecution of the Action;
- (c) **Representative Plaintiff Honorarium:** An honorarium for the Plaintiff in the amount of \$2,000, or such lesser amount, subject to approval by the Court;
- (d) **Holdback for Taxes:** A reasonable amount as may be required for payment of taxes on account of any interest earned in the Trust Account;
- (e) **Holdback for Administration:** A reasonable amount to be held back for the costs of the Claims Administrator;
- (f) **Claim Fund:** The amount remaining after the payments contemplated by Sections

(a)-(e) shall be distributed by the Claims Administrator to Class Members in accordance with the Distribution Protocol, as directed by Class Counsel and approved by the Court;

(g) **Remaining Fund:** As a result of Class Members claiming funds in accordance with the Distribution Protocol. The Parties anticipate that no funds will be left over. In the event a Class Member does not deposit their cheque within 12 months of distribution such amount shall be paid to the Canadian Diabetes Association, or as directed by the Court, after reasonable efforts to locate the Class Member and after accounting for any outstanding taxes or Administration Expenses.

18. Class Counsel may share with the Claims Administrator any documents disclosed by the Defendant in these proceedings as may be reasonably necessary for the purposes of administering the settlement.
19. The Claims Administrator shall provide a report to the Parties at the conclusion of the administration of the Claim Fund accounting for the funds paid and shall answer any questions or provide any information the Parties may request or require regarding the Claims Administration. The Claims Administrator shall destroy any information in connection with this matter following the distribution of the Claim Fund to the Class Members, save and except as may be required to meet the Claims Administrator's statutory or professional retention obligations.
20. No amounts shall be paid from the Settlement Amount except in accordance with this Settlement Agreement, the Distribution Protocol, or an order of the Court obtained after notice to the Parties.
21. Class Counsel shall prepare a draft Distribution Protocol and shall provide this to the Defendant no later than ten (10) days from the Execution Date. The Parties shall endeavor to reach agreement on a Distribution Protocol within twenty (20) days from the Execution Date. In the event no agreement is reached, the Parties agree to remit the matter of the Distribution Protocol to William Kaplan for determination. The Distribution Protocol as agreed to by the parties or determined by William Kaplan shall form part of this Settlement Agreement. The Distribution Protocol will outline the process by which taxes or any other

amounts payable on the proceeds of the Claim Fund which are paid to the Class, and which will confirm that the Defendant is not responsible to withhold any amounts and that the Claims Administrator and each member of the Class are responsible for any tax or other amounts payable and will indemnify the Defendant for any liability in this regard.

22. Class Counsel's preparation of the Distribution Protocol and representation of the Class does not in any way extend to tax inquiries that may arise as a result of the Distribution Protocol. Class Members shall be advised to seek independent tax advice.
23. In the event that the Court declines to approve this Settlement Agreement, or approves this Settlement Agreement in a materially modified form not acceptable to either Party, the Plaintiff and the Defendant shall each have the right to terminate this Settlement Agreement by delivering a written notice within five (5) days following an event described above. In the event the Settlement Agreement is terminated, the Settlement Agreement shall be null and void and have no further force or effect, and shall not be binding on the Parties, and shall not be used as evidence or otherwise in any litigation or in any other way for any reason.
24. The Plaintiff, the Defendant, and all Releasees expressly reserve all of their rights if the Settlement Agreement is not approved, is terminated, or otherwise fails to take effect for any reason.
25. The parties shall pay an equal share of the fees of the mediator, William Kaplan.
26. Upon the Effective Date, and in consideration of the payment of the Settlement Amount and for other valuable consideration set forth in this Settlement Agreement, the Releasers do hereby release and forever discharge the Releasees of and from all Claims that any of the Releasers has had, now has or may hereafter have against the Releasees, which were raised or could have been raised in the Action, whether known or unknown, and whether legal, equitable, in contract or tort. The Releasers further acknowledge and agree that this release is intended to cover, and does cover, all of the effects and consequences of such Claims that were raised or could have been raised in the Action. If such a Claim is filed, this Settlement

Agreement shall constitute a full and final bar and/or answer to such Claims. For clarity, each Releasor further covenants and agrees that, as a condition of receiving any payment under this Settlement Agreement, they shall take all necessary steps to ensure the withdrawal or dismissal of any such Claims filed in any forum. This term shall be incorporated into the Order approving this settlement.

27. Upon the Effective Date, the Releasors and the Releasees absolutely and unconditionally release and forever discharge the Plaintiff, (other) Class Members, Class Counsel, and the Claims Administrator from any and all Claims relating to the institution, prosecution and/or administration of this proceeding, excluding any action relating to a breach of this Settlement Agreement.
28. The Releasors covenant and agree that they shall not make, either directly or indirectly, on their own behalf or on behalf of any other person or entity, any Claims (including any cross Claims, counter-Claims or third party Claims) against any person or entity who might claim contribution or indemnity against the Releasees in connection with any matter released under this Settlement Agreement. The Releasors further covenant, represent, and warrant that they shall not voluntarily participate in or assist with, either directly or indirectly, on their own behalf or on behalf of any other person or entity, any Claims raised or brought by any person or entity against the Releasees in connection with any matter released under this Settlement Agreement.
29. The Releasors covenant and agree that if they make any Claim, or voluntarily participate in any Claim, in connection with any matter released by this Settlement Agreement, or threatens to do so, this Settlement Agreement may be raised as an estoppel and complete bar to any such Claim, and that the said Releasor shall be liable to the Releasees for its or their costs and expenses, including reasonable legal fees, incurred in responding thereto.
30. The Releasors acknowledge and agree that the gross sum of the Settlement Amount to be paid by the Defendant in respect of the Settlement is inclusive of all amounts owing by the Releasees or otherwise to be paid by the Releasees in respect of the Settlement Amount or the administration of the Settlement, including in respect of costs (including fees and disbursements), taxes and interest.

31. Upon the Effective Date, the Action shall be dismissed with prejudice and without costs as against the Defendant.

32. Each of the Parties hereby affirms and acknowledges that:

(a) he, she, they or a representative of the Party with the authority to bind the Party with respect to the matters set forth herein has read and understood the Settlement Agreement;

(b) the terms of this Settlement Agreement and the effects thereof have been fully explained to him, her or the Party's representative by his, her or its counsel;

(c) he, she, they or the Party's representative fully understands each term of the Settlement Agreement and its effect; and

(d) no Party has relied upon any statement, representation or inducement (whether material, false, negligently made or otherwise) of any other Party, beyond the terms of the Settlement Agreement, with respect to the first Party's decision to execute this Settlement Agreement.

33. This Settlement Agreement shall be governed by and construed and interpreted in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein.

34. The Ontario Superior Court shall exercise ongoing jurisdiction in relation to the implementation, administration and enforcement of the terms of this Settlement Agreement and Class Counsel or the Defendant may apply to the Ontario Superior Court as may be required for directions in respect to the interpretation, implementation and administration of this Settlement Agreement.

35. In the computation of time under this Settlement Agreement, where there is a reference to a number of days between two events, the number of days shall be counted by excluding the day on which the first event happens and including the day on which the second event happens, including all calendar days; and only in the case where the time for doing an act expires on a weekend or on a holiday, as "holiday" is defined in the *Rules of Civil Procedure*, R.R.O. 1990, Reg. 194, the act may be done on the next day that is not a

weekend or holiday.

36. This Settlement Agreement may be signed in counterparts, each of which will be deemed an original and all of which, when taken together, will be deemed to constitute one and the same agreement.
37. This Settlement Agreement may be signed electronically and a facsimile copy or electronic signature shall be deemed an original signature for the purposes of this Settlement Agreement.
38. The Parties agree that the recitals to this Settlement Agreement are true and form part of this Settlement Agreement.
39. A scanned, facsimile, or electronic signature shall be deemed an original signature for purposes of executing this Settlement Agreement.

Maxim Grigoryev



Dated at Toronto this 9th day of August, 2021

For Russell Security Services Inc.

Grant Bulur

"I have authority to bind the corporation."

Dated at Toronto this 9th day of August, 2021