

SUPERIOR COURT

(Class action division)

CANADA
PROVINCE OF QUEBEC
DISTRICT OF MONTRÉAL

No.: 500-06-001368-253

DATE: August 8, 2025¹

BY THE HONOURABLE MARTIN F. SHEEHAN, J.S.C.

DR. BRUCE J. GRIERSON
and
MARTINE CAPLETTE
and
JEAN-FRANCOIS TURGEON
and
JEAN GIROUX
and
YVES LANGLOIS
and
YVES PÉPIN
and
CHRISTIAN TURGEON
Plaintiffs

v.

RIO TINTO PLC
and
RIO TINTO CANADA MANAGEMENT INC.
and
RIO TINTO FER ET TITANE INC.
Defendants

¹ The present judgment was finalized and submitted for translation on July 23, 2025. The Court was given an estimated date of September 15, 2025 for completing the translation. On August 8, 2025 the parties wrote to the court jointly asking that the judgment be exceptionally signed prior to the translation being ready. Indeed, they explained that, in order for the Use of Surplus and Indexation Policy to come into effect by the end of this year, the judgment needed to be issued by August 15, 2025. Postponing the signing of the judgment would mean that the class members would lose a full year of indexation. To avoid causing prejudice to the class members, the Court agreed to sign the judgment prior to the French translation being available.

And
FONDS D'AIDE AUX ACTIONS COLLECTIVES
Mis en cause

JUDGMENT ON SETTLEMENT APPROVAL

OVERVIEW

[1] Plaintiffs ask that the Court approve the settlement of a class action regarding the indexation of their pension benefits.

CONTEXT

[2] Plaintiffs are former directors, officers or executives of Defendants Rio Tinto Canada Management Inc. ("**RTCMI**") and Rio Tinto Fer et Titane Inc. ("**RTFT**"). RTCMI and RTFT are fully owned Canadian titanium business units of the Defendant Rio Tinto PLC (together with RTCMI and RTFT, "**Rio Tinto**").

[3] Plaintiffs are beneficiaries or former beneficiaries of the Multi-Employer Rio Tinto Canadian Business Units Pension Plan for Certain Non-Unionized Employees (the "**RTCBU Plan**"). Certain Plaintiffs are also beneficiaries of a Supplementary Executive Retirement Plan (the "**SERP**").

[4] In 2023, Plaintiffs as well as other RTCMI and RTFT retirees (the "**Oppression Plaintiffs**") filed proceedings in the commercial division of this court (the "**Oppression Proceedings**")² seeking various declaratory, injunctive and rectification orders, as well as damage awards resulting from the alleged illegal and oppressive corporate conduct by the Defendants towards their former officers and executives.

[5] In summary, the Oppression Plaintiffs alleged that they had been led to believe that their pension benefits under the RTCBU Plan or the SERP would be indexed biennially by 50% of the Consumer Price Index (the "**CPI**"), provided that the Canadian titanium business unit was shown to be profitable (the "**Indexation Policy**").

[6] The Oppression Plaintiffs complained that Defendants, acting unilaterally and without notice, abolished the indexation of their pension plans. The Oppression Plaintiffs alleged that Defendants' actions prior to cancellation of the Indexation Policy, the cancellation itself and Defendants' subsequent efforts to mislead them constituted: a) a delictual fault; b) a breach of contract; and c) an abusive conduct within the meaning of

² *Grierson et al. c. Rio Tinto PLC et al.*, S.C.M.: 500-11-062170-234.

the *Canada Business Corporations Act* (“**CBCA**”)³ and the *Québec Business Corporations Act* (“**QBCA**”).⁴

[7] Defendants deny the existence of the Indexation Policy or any legal or contractual obligation to index Plaintiffs’ pensions. They allege that the interruption of the Indexation Policy cannot amount to a fault (contractual or delictual).

[8] On February 5, 2024, the undersigned dismissed a motion presented by the Defendants to partially dismiss the Oppression Proceedings.⁵

[9] On August 29 and 30, 2024, the Oppression Plaintiffs and Rio Tinto participated in a mediation.

[10] As a result, the Oppression Plaintiffs and Rio Tinto agreed on principles of settlement pursuant to which Rio Tinto would: a) pay a cash amount to some affected members; and b) enact a policy setting out how the defined benefits under the RTCBU Plan could be indexed, in exchange of a release of all claims and issues arising out of the Litigation Issues,⁶ i.e., essentially but not limited to the issues arising out of the Oppression Proceedings.

[11] The Oppression Plaintiffs and Rio Tinto also agreed that it would be in the best interest of the Oppression Plaintiffs and of Class Members that a class action proceeding be initiated, as it was considered the appropriate procedural vehicle to minimize delays and expenses in implementing the terms of the Settlement.

[12] Negotiations continued and they eventually led to the signature of a Term Sheet in December 2024, and the execution of the Settlement Agreement in February 2025.⁷

[13] The Settlement Agreement applies not only to the Oppression Plaintiffs but all those in a similar position.

[14] On March 19, 2025, Plaintiffs filed an Application for Authorization of a Class Action for Settlement Purposes and to Approve a Settlement Agreement (the “**Class Action**”).

[15] The purpose of the Class Action is to approve the Settlement Agreement and ensure that it is binding on those individuals with defined-benefit entitlements under the RTCBU Plan and the SERP which are covered by the Settlement Agreement.

[16] The class members that Plaintiffs seek to represent are divided into two subclasses:

³ *Canada Business Corporations Act*, RSC 1985, c. C-44, art. 238 and following.

⁴ *Quebec Business Corporations Act*, CQLR, c. S-31.1, art. 439 and following.

⁵ *Grierson c. Rio Tinto PLC*, 2024 QCCS 306.

⁶ Capitalized terms herein not otherwise defined herein have the meaning ascribed to them in the Settlement Agreement.

⁷ Exhibit R-1.

16.1. Subgroup 1: “RTCBU Plan Retirees”, which means:

- i) the retired members under the RTCBU Plan who, on December 31, 2023, were in receipt of a lifetime defined benefit pension from the RTCBU Plan or in accordance with a SERP, with the exception of those retired members who began receiving their pension payments between January 1, 2023, and December 31, 2023;
- ii) the former members who had defined benefit entitlements under the RTCBU Plan or the Predecessor Plans and who: a) withdrew the present value of their pension benefits from such registered plan upon their termination of employment; and b) were only in receipt of a lifetime pension in accordance with a SERP on December 31, 2023, with the exception of those retired members who began receiving their pension payments between January 1, 2023, and December 31, 2023; and
- iii) the surviving spouses of retired or former members in Subgroup 1(i) or Subgroup 1(ii) above if such surviving spouses were in receipt of a lifetime pension from the RTCBU Plan or a SERP on December 31, 2023.

The RTCBU Plan Retirees who will not have opted out are referenced as the “**Settling RTCBU Plan Retirees**.”

16.2. Subgroup 2: All individuals with defined benefit entitlements under the RTCBU Plan, who will be subject to the Use of Surplus and Indexation Policy once adopted.

(together, the “**Class Members**”)

[17] On April 22, 2025, this Court agreed to hold a combined hearing of the two prongs of the Application: a) the application to authorize the class action; and b) the application to approve the Settlement Agreement. The Court also ordered the dissemination of notices informing the Class Members accordingly and setting the deadline to opt out on July 6, 2025 (the “**Notice Judgment**”).⁸

[18] A combined hearing was considered appropriate because:

- 18.1. The vast majority of putative class members are advanced age retirees;
- 18.2. One of the benefits of the Settlement Agreement, the Use of Surplus and Indexation Policy, must be approved this summer in order to be in force by the end of the year;
- 18.3. The Settlement Agreement provides for the amendment of the RTCBU Plan

⁸ *Grierson c. Rio Tinto*, 2025 QCCS 1333.

which must be registered by Retraite Québec and is subject to the procedure provided for in the *Supplemental Pension Plans Act* (c. R-15.1).

[19] The notices were disseminated on May 22, 2025.

ANALYSIS

[20] When a joint hearing is approved for authorization of a class action and approval of a settlement, the court must first consider the authorization to institute a class action and next consider whether the settlement must be approved.⁹

1. Authorization for Settlement Purposes

[21] The Request for Authorization satisfies the criteria set out in article 575 C.C.P. These criteria must be assessed with flexibility when the authorization is for settlement purposes, bearing in mind that the interests of justice generally favour settlements.¹⁰

1.1 The Legal Syllogism (art. 575 (2) C.C.P.)

[22] The causes of action described in the Class Action are not frivolous.¹¹ They are supported by several factual allegations and supported by numerous exhibits.

[23] The undersigned has already determined that the Oppression Proceedings (whose allegations were similar to those of the Class Action) could not be considered devoid of merit.

1.2 The existence of identical, similar or related issues of law or facts (art. 515 (1) C.C.P.)

[24] The Class Action raises similar issues related to the existence of the alleged Indexation Policy and the alleged failure of Rio Tinto to index the pension entitlements of the Class Members accordingly. These issues sufficiently advance the Class Members' case to be adjudicated on a collective basis.¹²

1.3 The Representatives are suitable class representatives (Art. 575(4) C.C.P.)

[25] The Plaintiffs are members of the proposed class. Each of them has a claim against Rio Tinto regarding the indexation of their pension benefits.

⁹ *Communication Méga-Sat inc. c. LG Philips LCD Co. Ltd.*, 2013 QCCS 5592, paras 34 and 35, quoting from *Option Consommateurs c. Virgin Atlantique Airways Ltd*, 2012 QCCS 3212, paras. 15 to 21.

¹⁰ *Benabu c. Bell Canada*, 2019 QCCA 2174, para. 16; *Option Consommateurs c. Banque Toronto-Dominion*, 2015 QCCS 1259, para. 17; *Option Consommateurs c. Virgin Atlantic Airways Ltd.*, 2012 QCCS 3213, para. 18.

¹¹ *L'Oratoire Saint-Joseph du Mont-Royal c. J.J.*, 2019 CSC 35, para. 58.

¹² *Vivendi Canada Inc. c. Dell'Aniello*, 2014 CSC 1, para. 58.

[26] No conflict of interest has been raised that could prevent them from acting as representative Plaintiffs.¹³

1.4 The composition of the class makes it impossible or impracticable to apply the rules for mandates or consolidation of proceedings (art. 575(3) C.C.P.)

[27] There are 982 Class Members. Plaintiffs are not in a position to contact each of these persons. A class action is a good procedural vehicle to provide a full resolution of this matter.

[28] The class definitions are founded on objective criteria and do not depend on the outcome of the action on the merits.¹⁴

2. The Settlement Approval

2.1 Applicable law

[29] Approval of a class-action settlement can be granted only after notices have been sent to the members, informing them of the nature of the class action, the general provisions of the proposed transaction and the settlement options available to them.¹⁵

[30] The role of the court in approving a settlement is to ensure that it is fair, equitable and in the best interests of the class members.¹⁶ Perfection is not required.¹⁷ The court must encourage out-of-court settlement of disputes, since such a solution is generally in the fundamental interests of the parties and of justice.¹⁸

[31] It is not for the court to rewrite, in whole or in part, the transaction reached by the parties, although it may suggest that the parties amend it to correct certain obstacles that may impede its approval.¹⁹

¹³ *Lambert c. Whirlpool Canada, I.p.*, 2015 QCCA 433, para. 18 (Leave to appeal to SCC refused, 36425 (October 29, 2015)).

¹⁴ *George c. Québec (Procureur Général)*, 2006 QCCA 1204, para. 40.

¹⁵ Art. 590 C.C.P.

¹⁶ *A.B. c. Clercs de Saint-Viateur du Canada*, 2023 QCCA 527, para. 34.

¹⁷ *Martin-Bale c. Lowe's Companies Canada*, 2022 QCCS 1951, para. 14 (Closing judgment, 2023 QCCS 4445); *M.G. c. Association Selwyn House*, 2008 QCCS 3695, para. 22.

¹⁸ *Option Consommateurs c. Banque Amex du Canada*, 2018 QCCA 305, para. 84; *Martin-Bale c. Lowe's Companies Canada*, *supra*, note 17, para. 14; *Allen c. Centre intégré universitaire de santé et de services sociaux de la Capitale-Nationale*, 2018 QCCS 5313, para. 55; *Jacques c. 189346 Canada inc. (Pétroles Therrien inc.)*, 2017 QCCS 4020, para. 8 (Application for approval of a second settlement agreement and attorneys' fees granted, 2020 QCCS 3192); *Bouchard c. Abitibi-Consolidated inc.*, J.E. 2004-1503 (C.S.), para. 16; Luc CHAMBERLAND and al., *Le grand collectif: Code de procédure civile: commentaires et annotations*, 8th ed., vol. 2, Montréal, Éditions Yvon Blais, 2023.

¹⁹ *Bouchard c. Abitibi Consolidated inc.*, *supra*, note 18, para. 17; *Option Consommateurs c. Banque Amex du Canada*, *supra*, note 18, paras. 37 and 74 L. CHAMBERLAND and al., *supra*, note 18.

[32] When asked to approve a transaction, the court must generally weigh the following criteria:

- 32.1. The benefits that the settlement agreement confers on each of the members: This factor is crucial. Since the main objective of the analysis is to verify whether the transaction is in the fundamental interest of the members of the group, the benefit conferred on these members is an inescapable component of this interest. This advantage may not always be purely financial.²⁰ A change of practice on the part of the defendant,²¹ the introduction of remedial or protective measures,²² an apology²³ or a cy-près payment to charity²⁴ may, in some cases, constitute significant benefits. Nevertheless, any transaction that confers a limited financial benefit on members must be analyzed with greater scrutiny.²⁵ Indeed, courts must be vigilant to prevent class actions from becoming nothing more than a source of enrichment for class counsel and a source of funding for non-profit organizations.²⁶
- 32.2. The claims process and administration costs: A member's theoretical or potential benefit is relevant. This being said, the court must verify that this goal will be achievable for as many members as possible. The mode of recovery (individual or collective) is a factor,²⁷ but regardless of the mode of recovery, the anticipated number of members who will file a claim under the claims process must be taken into account and compared with the number of members anticipated in the application or authorization judgment. More importantly, the number of members who will actually receive compensation at the end of the process must also be estimated. The court must consider the extent of administrative costs that could reduce this compensation. Tight claims deadlines, a procedure that requires the completion of lengthy forms or the filing of hard-to-trace evidence will harm approval. A simple, rapid and efficient claims process, which minimizes administrative costs and provides for a right of appeal or review in the event

²⁰ Myriam BRIXI and Éric PRÉFONTAINE, « Solutions créatives au service du règlement d'une action collective — Développements récents au Québec, au Canada et aux États-Unis (2022) », in Barreau du Québec, Service de la formation continue, *Colloque national sur l'action collective (2022)*, vol. 520, Montréal, Éditions Yvon Blais, 2022, p. 47.

²¹ *Option Consommateurs c. Meubles Léon Itée*, 2022 QCCS 193, paras. 42 to 44 (Closing judgment, 2024 QCCS 1151).

²² *Boulay c. Fédération des Caisses Desjardins du Québec*, 2022 QCCS 2301, para. 36; *Association des jeunes victimes de l'église c. Harvey*, 2022 QCCS 1956, paras. 35 to 38 (Closing judgment, 2023 QCCS 4754); *Vitoratos c. Takata Corporation*, 2021 QCCS 231, para. 47.

²³ *A.B. c. Corporation archiépiscopale catholique romaine de Montréal*, 2023 QCCS 2529, para. 164; *Sévigny c. Ville de Montréal*, 2023 QCCS 515, para. 28 (Closing judgment, 2024 QCCS 2085).

²⁴ *Bramante c. Restaurants McDonald du Canada limitée*, 2021 QCCS 955, para. 27.

²⁵ *Option Consommateurs c. Meubles Léon Itée*, *supra*, note 21, para. 53.

²⁶ *Option Consommateurs c. Banque Amex du Canada*, 2017 QCCS 200, para. 110 (Appeals rejected by the Court of Appeal, 2018 QCCA 305), quoted approvingly in *Option Consommateurs c. Banque Amex du Canada*, *supra*, note 18, para. 35.

²⁷ *Dufour c. Compagnie d'aviation Cubana*, 2021 QCCS 5226, paras. 45 to 47 (Closing judgement, 2022 QCCS 1038).

of a refusal, favours approval of the agreement.²⁸

- 32.3. The risks of continuing the litigation: This criterion compares the benefits to the group of settling their dispute on the proposed terms with those that the group could obtain by continuing the action. The court must therefore weigh the benefits of the agreement for the members as well as the drawbacks of discontinuing.²⁹ In doing so, it must consider the initial objectives of the proceedings.³⁰ The likelihood of success of the action is part of this exercise, as is an assessment of the costs and time required to bring the case to a successful conclusion. Nonetheless, one must remember that, at the settlement approval stage, the court generally has only limited knowledge of the circumstances and stakes of the dispute.³¹ What's more, an agreement negotiated to avoid the risks and costs of a trial necessarily involves mutual concessions. Since settlement discussions are protected by privilege, the court is not privy to these discussions and thus, the motives behind these compromises may not always be apparent.³²
- 32.4. The scope of the release: A class action judgment is binding on all members who have not opted out, regardless of whether they file a claim. The proposed release must be carefully drafted to ensure that it does not relieve the defendants of any liability for conduct that does not fall within the scope of the complaint. Any release that provides protection for claims for which the class obtains no compensation must be rigorously analyzed to ensure that the class action process remains true to its objective of indemnifying members for a prejudice suffered rather than an instrument to protect defendants from the consequences of their wrongdoing.³³
- 32.5. The opinion of the members: Since the approval of a transaction must take into consideration the fundamental interests of class members, the opinion of the members must be considered. The percentage of members who opposed the transaction or withdrew from the action may serve as an indication of whether the transaction is in their best interests. The reasons given by members who oppose approval should also be scrutinized.

²⁸ *Lamontagne c. Compagnie d'aviation Cubana*, 2023 QCCS 4822, paras. 37 to 41 (Closing judgment, 2024 QCCS 2078); *Dufour c. Compagnie d'aviation Cubana*, *supra*, note 27, para. 30; *Beauchamp c. Procureure générale du Québec*, 2019 QCCS 2421, paras. 33 and 40; *Kennedy c. Colacem Canada inc.*, 2019 QCCS 183, para. 62.

²⁹ *Option Consommateurs c. Banque Amex du Canada*, *supra*, note 18, para. 84; *Conseil québécois sur le tabac et la santé c. JTI-MacDonald Corp.*, 2011 QCCS 4981, para. 49.

³⁰ *Arrouart c. Anacolor inc.*, 2019 QCCS 4795, para. 20.

³¹ *Pellemans c. Lacroix*, 2011 QCCS 1345, para. 21.

³² *Option Consommateurs c. Banque Amex du Canada*, *supra*, note 18, para. 84; *Halfon c. Moose International inc.*, 2017 QCCS 4300, para. 23; *Option Consommateurs c. Infineon Technologies, a.g.*, 2013 QCCS 1191, paras. 39 and 40.

³³ *Leung c. Uber Canada inc.*, 2022 QCCS 1076, para. 57 (Approval of a settlement agreement, 2024 QCCS 4652); *Walter c. Ligue de hockey junior majeur du Québec inc.*, 2020 QCCS 3724, paras. 41 to 47.

32.6. The integrity of the judicial process and absence of collusion: The court must always ensure that the integrity of the judicial process is maintained.³⁴ Thus, the court must ensure that there is no collusion, and that the transaction has been concluded in good faith. A transaction negotiated over a long period of time and at arm's length by experienced lawyers is more likely to be approved. The court can take comfort when a settlement has intervened with the assistance of a seasoned mediator or when a foreign court has approved a similar settlement based on identical facts. A statement by the lawyers that the fees of the group's lawyers were negotiated after the agreement was concluded will make it easier to conclude that no collusion was involved.³⁵ On the other hand, a clause stating that the transaction forms a whole and that approval of the transaction is therefore dependent on approval of the fees may give members the impression that the lawyers have negotiated a lower settlement or a broader release in exchange for the agreed upon fees. Nevertheless, while vigilance is required, in the absence of a violation of public order,³⁶ the court should generally approve a transaction if it meets the criteria and is in the best interests of the members.³⁷

[33] The absence of an adversarial debate on a settlement approval motion complicates the court's role. For this reason, jurisprudence insists on the parties' obligation to make full and frank disclosure.³⁸

2.2 Discussion

[34] Analysis of the above factors supports the approval of the Settlement Agreement.

2.2.1 The Benefits that the Settlement confers to the Class Members

[35] There are 982 potential Class Members who are beneficiaries of the defined-benefit component of the RTCBU plan and/or the SERPs. The Settlement Agreement provides benefits to three categories of Class Members:

35.1. Active Employees (225 Members): These Class members are still employed by Rio Tinto and do not receive defined benefits under the RTCBU Plan or any SERP as of December 31, 2023, whereas they had already started receiving these benefits prior to January 1, 2023.

35.2. Terminated Employees with Deferred Benefits (68 Members): These Class Members have ceased employment but do not receive defined benefits under the RTCBU Plan or any SERP as of December 31, 2023, whereas

³⁴ Catherine PICHE, *Le règlement à l'amiable de l'action collective*, Cowansville, Éditions Yvon Blais, 2014, p. 164.

³⁵ *Holcman c. Restaurant Brands International*, 2023 QCCS 1671, para. 22.

³⁶ *M.G. c. Association Selwyn House*, *supra*, note 17, para. 22.

³⁷ *Jacques c. 189346 Canada inc. (Pétroles Therrien inc.)*, *supra*, note 18, para. 11.

³⁸ *Abihisira c. Johnston*, 2019 QCCA 657, para. 38.

they had already started receiving these benefits prior to January 1, 2023.

- 35.3. RTCBU Plan Retirees (and Surviving Spouses) (689 Members): Have been receiving defined benefits under the RTCBU Plan and/or a SERP (and are still receiving same) as of December 31, 2023, whereas they had already started receiving these benefits prior to January 1, 2023.

[36] Subgroup 1 includes the RTCBU Plan Retirees (and Surviving Spouses).

[37] Subgroup 2 includes all three categories of Class Members.

[38] The defined-benefit component of the RTCBU Plan has been closed to new employees hired on or after July 1, 2007. Since then, new employees are eligible to participate in the defined contribution component of the RTCBU Plan. This type of pension benefits does not give rise to indexation issues. The purported class is therefore closed.

[39] The Settlement Agreement broadly provides two types of benefits:

- 39.1. For the Class members part of Subgroup 1, payment of a lump sum of \$13.5M (the “**Settlement Amount**”) (which amount can be increased using unclaimed amounts of a hardship program put in place after the institution of the Oppression Proceedings) for the period between the last indexation in 2011 and December 31, 2023; and
- 39.2. For Subgroup 2, the adoption of a policy (the “**Use of Surplus and Indexation Policy**”) to assess potential indexation of defined pension benefits conditional upon the existence of surplus in the RTCBU Plan on a going forward basis.

2.2.1.1 The Settlement Amount

[40] The Distribution Protocol (Schedule D of the Settlement Agreement) sets out the distribution formula to calculate the share of each member of Sub-Group 1.

[41] The formula has two components, one accounting for the amount that would have been paid until December 31, 2023, if each retiree’s pension had been indexed at 50% of the CPI every two years since 2011 and one accounting for the future impact of the absence of indexation between 2011 and 2023.

[42] The Settlement Amount is net of all fees and expenses, including Class Counsel Fees or expenses related to the Notices and Distribution Protocol). Thus, the amount of Class Counsel Fees and other expenses will have no impact whatsoever on the monetary recovery for the Class Members.

[43] The Settlement Amount may also be increased if the budget allocated to the hardship program is not entirely distributed. The balance of the hardship program is referred to in the Settlement Agreement as the Contingent Supplemental Amount.

[44] The Settlement Amount represents approximately to 28.8% of the eligible Class Members' claims for the period running from the last indexation. This estimate was validated by the Plaintiffs' actuary expert.

[45] Other than the Oppression Plaintiffs, no Subclass 1 Class Members have instituted legal proceedings. Thus, without the Settlement Agreement, the prospect of such Class Members obtaining a financial compensation was low.

2.2.1.2 The Use of Surplus and Indexation Policy

[46] The Settlement Agreement also provides for the adoption of a Use of Surplus and Indexation Policy which will benefit all Class Members.

[47] The Use of Surplus and Indexation Policy sets out criteria to be considered annually by the sponsor of the RTCBU Plan in determining how to use available surplus in the RTCBU Plan while it is ongoing.

[48] In addition to the Court's approval of the Settlement Agreement, the adoption of the Use of Surplus Policy is contingent on regulatory approval of an amendment to the RTCBU Plan (the "**RTCBU Plan Amendment**") by Retraite Québec.

[49] On June 4, 2025, Rio Tinto sought this regulatory approval.

[50] Rio Tinto's objective is that the Policy becomes effective on October 1, 2025.

[51] This Policy removes any of the discretion that was the source of conflict under the old regime. It provides stability and predictability to Class Members regarding pension indexation of their RTCBU Plan and their SERPs.

[52] The Settlement Agreement also takes into consideration that Rio Tinto agreed to provide some benefits (including increased medical coverage and the hardship program) after the launch of the Oppression Proceedings.

2.2.2 The Claims Process and Administration Costs

[53] The application of the Settlement Agreement is automatic.

[54] Class Members have nothing to do to benefit from its advantages.

[55] The share of every eligible Subclass 1 Class Member will be calculated and paid based on a verified formula without class members having to provide any input.³⁹

[56] Payments will be made through deposits in the same bank account in which the Class Members already receive their pension benefits.⁴⁰

³⁹ Schedule E to the Settlement Agreement, Section 6.

⁴⁰ Schedule G to Settlement Agreement.

[57] Thus, this Settlement Agreement does not give rise to issues regarding the recovery rate or a remaining balance of the Settlement Amount after the distribution to the Class Members.

[58] Rio Tinto assumes all costs and expenses related to the distribution of the Settlement Amount.⁴¹

2.2.3 The risks of continuing the litigation

[59] Rio Tinto contested the Oppression Proceedings as well as indexation entitlements to the pension benefits.

[60] Other important risks attached to the carrying on of the litigation include the fact that :

- 60.1. the documents recording the meeting of the QIT's Board of Directors during the 1980s (when the alleged Indexation Policy was adopted, according to the Representatives) are no longer available;
- 60.2. the evidence administered at trial would involve witness testimony of several individuals regarding events that have occurred more than 30 years ago;
- 60.3. a trial on the merits would likely not occur in the short term such that important witnesses may no longer be available.

[61] More importantly, protracted litigation would mean that many Class members would not enjoy any tangible benefits during their lifetime.

2.2.4 The scope of the release

[62] The release of claims included in the Settlement Agreement is limited to Class Members' claims related to the indexation of their pension benefits.⁴²

[63] The release excludes any claim with respect to the application and enforcement of the Settlement Agreement, the RTCBU Plan Amendment and the Use of Surplus and Indexation Policy.

[64] Class Members retain the right to enforce the benefits arising from the Settlement Agreement.

⁴¹ Settlement Agreement, Section 5.5.1.

⁴² Settlement Agreement, Sections 1.1.1. u) ("Litigation Issues"), ii) ("Released Claims"), jj) ("Released Parties") and kk) ("Releasing Parties").

[65] Thus, the Court considers that the Released Claims, as defined by the Settlement Agreement, a) are sufficiently connected with the object of the settled dispute; b) are not defined overly broadly; and c) are reasonable considering the compensation that Class Members receive in exchange.

2.2.5 The opinion of Class Members

[66] Given that notices were sent after the Settlement Agreement was reached, Class Members had the opportunity to opt out from the Class Action in full knowledge of its terms.

[67] Concilia, the firm who handled the Notices' dissemination, confirmed that virtually all Affected Members received the notices informing the Affected Members of the Settlement Agreement.

[68] Three Class Members filed opt-out requests. After discussion with Class Counsel, two of these withdrew their opt-out request.

[69] No Class Members objected to the Settlement Agreement.

[70] The Settlement Agreement is further supported by the Oppression Plaintiffs and the Class Action Plaintiffs who together represent a diversity of views and backgrounds.

2.2.6 The Integrity of the Judicial Process and Absence of Collusion

[71] There are no issues in this regard.

[72] The Settlement Agreement was negotiated over a long period of time by reputable firms who benefitted from the assistance of a seasoned mediator.

[73] The Settlement Agreement was reached after extensive litigation in the Oppression Proceedings which had given rise to voluminous pre-trial disclosure.

3. Class Counsel's Fees

[74] Given the particulars of the present matter, Class Counsel's fee agreement was based on a straightforward hourly rate.

[75] The Settlement Agreement provides that Rio Tinto will pay Class Counsel Fees. Any amount previously paid by the Class Action Plaintiffs will be reimbursed to them.

[76] The Court has previously expressed reservations about this approach, especially when the amount of the fees is likely to exceed what is provided for in a fee agreement.⁴³

[77] These concerns remain but are not applicable here.

⁴³ *Walid c. Compagnie Nationale Royal Air Maroc*, 2024 QCCS 2674, paras. 100 and following (Approval of a settlement agreement, 2024 QCCS 3918).

[78] In the present case, the fee is based on an hourly rate. The result is much lower than what would typically be paid on a \$13.5 million settlement.

[79] The Settlement Agreement does not risk bringing the administration of justice into disrepute and the direct payment of fees by Rio Tinto confers a real advantage to the Class Members.

[80] The other factors set out in the *Code of Professional Conduct of Lawyers*⁴⁴ are also satisfied.

[81] The fees reflect the time dedicated to the negotiation of Settlement and the launch Class Action proceedings. They exclude fees related to the Oppression Proceedings.

[82] Redacted invoices were filed in support.⁴⁵

[83] The current amount invoiced is, for work completed between September 1, 2024, and June 30, 2025, of \$500,859.00, plus taxes and disbursements. The total amount to date with taxes and disbursements is \$579,334.28.

[84] Class counsel estimates that fees of a total of \$105,000 will be incurred between July 1, 2025, until the end of this matter (i.e., until the issuance of the closing judgment). This brings the total of Class counsel's fees to \$605,859, plus taxes and disbursements.

[85] Rio Tinto agrees to pay the future fees as well.

[86] The Class Counsel Fees are approved.

FOR THESE REASONS, THE COURT:

[87] **GRANTS** the present Application for Authorization to Bring a Class Action for Settlement Purposes and to Approve a Settlement Agreement (the "**Application**");

[88] **AUTHORIZES** the class action for the sole purpose of approving the Settlement Agreement dated February 14, 2025 (Exhibit P-1);

[89] **APPOINTS** for the sole purpose of obtaining the approval of the Settlement Agreement dated February 14, 2025, Applicants Bruce J. Grierson, Martine Caplette, Jean-François Turgeon, Jean Giroux, Yves Langlois, Yves Pépin and Christian Turgeon as representative plaintiffs of the following class:

i) Sub-group 1: "**RTCBU Plan Retirees**" which means:

i. the retired members under the RTCBU Plan who, on December 31, 2023, were in receipt of a lifetime defined benefit pension from the RTCBU Plan or in accordance with a SERP, with the exception of those retired members who

⁴⁴ *Code of Professional Conduct of Lawyers*, RLRQ, c. B-1, r. 3.1, art. 102.

⁴⁵ Exhibit P-24.

began receiving their pension payments between January 1, 2023, and December 31, 2023;

ii. the former members who had defined benefit entitlements under the RTCBU Plan or the Predecessor Plans and who: a) withdrew the present value of their pension benefits from such registered plan upon their termination of employment; and (b) were only in receipt of a lifetime pension in accordance with a SERP on December 31, 2023, with the exception of those retired members who began receiving their pension payments between January 1, 2023, and December 31, 2023; and

iii. the surviving spouses of retired or former members in Sub-group 1(i) or Sub-group 1(ii) above if such surviving spouses were in receipt of a lifetime pension from the RTCBU Plan or a SERP on December 31, 2023.

ii) Sub-group 2: all individuals with defined benefit entitlements under the RTCBU Plan, who will be subject to the Use of Surplus and Indexation Policy once adopted, as per subsection 6.2 of the Settlement Agreement dated February 19, 2025 (Exhibit P-1);

[90] **APPROVES** the Settlement Agreement dated February 19, 2025;

[91] **DECLARES** that any capitalized terms in this Judgment shall have the same meaning as that ascribed to them in the Settlement Agreement unless otherwise stipulated;

[92] **DECLARES** that, as of the Effective Date, the Settlement Agreement is: a) valid, fair and reasonable and in the best interest of Class Members; b) is hereby approved pursuant to article 590 of the *Code of Civil Procedure*; and c) shall be implemented in accordance with all its terms;

[93] **DECLARES** that, as of the Effective Date, the Settlement Agreement constitutes a transaction within the meaning of articles 2631 and following of the *Civil Code of Québec* and that this Judgment and the Settlement Agreement are binding upon all parties and all Class Members who have not excluded themselves in a timely manner;

[94] **ORDERS** and **DECLARES** that the Release shall become effective pursuant to the terms and conditions provided for in the Settlement Agreement;

[95] **DECLARES** that, as of the Effective Date, all Class Members, unless they opted out prior to the opt-out date, are deemed to have elected to participate in the settlement and shall be bound by the Settlement Agreement and this Judgment;

[96] **APPROVES** the form, content and mode of dissemination of the Letter to Settling RTCBU Plan Retirees re Consideration Award (Schedule G to Settlement Agreement);

[97] **AUTHORIZES** the Defendants to provide to Class Counsel and their actuary expert, Mr. Guy Martel, for their eyes only, the calculations of Settlement RTCBU Plan Members' Consideration pursuant to the formula set out in section 4 of Schedule D of the Settlement Agreement, on an anonymized basis, and **PRAYS ACT** of the Defendants' undertaking to provide said calculations on the Effective Date and of class counsel's undertaking to provide any comments thereon within 30 days from receipt;

[98] **ORDERS** the Defendants to disburse the Settlement Amount, including the Contingent Settlement Amount (if any), to Telus Health at the latest thirty (30) days after the Effective Date for the purpose of distribution to the Settling Class Members in accordance with the Distribution Protocol;

[99] **ORDERS** the Defendants to cause Telus Health, sixty (60) days after receipt of the Settlement Amount (including the Contingent Settlement Amount, if any) to distribute the Consideration calculated pursuant to Article 4 of the Distribution Protocol to each Settling RTCBU Plan Retiree (or their mandators, heirs, successors or assigns where applicable), subject to any applicable taxes and withholdings;

[100] **ORDERS** the Defendants to cause Telus Health, within sixty (60) days following the Distribution Date, to submit a report to them on the distribution of the Consideration to Settling RTCBU Plan Retirees (or their mandators, heirs, successors or assigns where applicable), confirming the Consideration distributed to each Settling RTCBU Plan Retiree and whether any remaining balance (*reliquat*) remains from the Settlement Amount or the Contingent Amount (if any) (the "**Telus Distribution Report**");

[101] **ORDERS** the Defendants to provide a copy of the Telus Distribution Report to the Class Representatives, their counsel and their expert;

[102] **ORDERS** the Defendants to submit to the Court, within thirty days of the receipt of the Telus Distribution Report, a report on the distribution of the Settlement Amount and the Contingent Supplemental Amount (if any) to Settling RTCBU Plan Retirees;

[103] **APPROVES** the Class Action Legal Fees submitted by Class Counsel and **ORDERS** the Defendants to pay same to Class Counsel in trust;

[104] **AUTHORIZES** the Plaintiffs and the Defendants to return before this Court for any issues relating to the Settlement Agreement until the issuance of the closing judgment;

[105] **THE WHOLE** without costs.

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Mtre Bogdan-Alexandru Dobrota
Mtre Laurence Ste-Marie
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FONDS D'AIDE AUX ACTIONS COLLECTIVES
Counsel for the Mis en cause

Hearing date: July 8, 2025.
Submitted for translation: July 23, 2025