

**ONTARIO
SUPERIOR COURT OF JUSTICE**

BETWEEN:

KAREN CILEVITZ

Plaintiff

- and -

TOOMAS KARMO, 2070424 ONTARIO INC. and CANADIAN
INTERNET REGISTRATION AUTHORITY

Defendants

MINUTES OF SETTLEMENT

WHEREAS the plaintiff Karen Cilevitz ("**Cilevitz**" or the "**Plaintiff**") and the defendant Toomas Karmo ("**Karmo**" or the "**Defendant**") wish to settle all possible claims against each other existing on or before the date of these Minutes of Settlement, which include, without limitation, the claims made by Cilevitz in the action commenced in the Ontario Superior Court of Justice at Newmarket bearing Court File Number CV-14-118225-SR (the "**Action**"), and the claims made by Cilevitz in relation to an application for a peace bond made by her against Karmo under section 810 of the *Criminal Code*, R.S.C., 1985, c. C-46, which application is scheduled for a hearing in Newmarket on May 5, 2014 (the "**Peace Bond Application**").

NOW THEREFORE, for good and valuable consideration, the sufficiency of which is hereby acknowledged, the parties agree to the following terms of settlement:

1. Karmo will transfer the following domain names to Cilevitz at his expense:
 - (i) karencilevitz.ca
 - (ii) karencilevitz.com

(iii) electkarencilevitz.ca

(iv) vstekarencilevitz.ca

(v) notkarencilevitz.ca

Karmo will formally begin the transfer process within two business days of the execution of these Minutes of Settlement by both parties. Karmo will provide Cilevitz's counsel with a copy of any communication to or from the domain registrar and/or the Canadian Internet Registration Authority related to the transfer. Karmo will remove the existing contents of the website "karencilevitz.ca" upon receipt from Cilevitz of the executed Minutes of Settlement.

2. Karmo agrees to never register another domain name including the chain of characters "cilevitz". If he does, he will immediately transfer it to Cilevitz at no cost to her.

3. Karmo will transfer the contents of karencilevitz.ca, as amended pursuant to **Schedule "A"** of these Minutes of Settlement, to one domain only, which will not include the chain of characters "cilevitz" (the **"New Website"**). In addition:

- (a) On the New Website, Karmo will take down the March 6, 2014 police report and any references to the events at the Second Cup on March 6, 2014;
- (b) Karmo and Cilevitz agree that neither of them will publish anything relating to the March 6, 2014 Second Cup incident, nor will they speak publicly about this incident. They remain free to speak privately about it (e.g., to friends and family) should they wish to do so. For clarity, this does not preclude the parties from publishing or posting on-line, without commentary, the Summons to Appear under s. 810 of the Criminal Code sworn by Cilevitz on March 7, 2014; and
- (c) Karmo will remove the words "friend" and "bully" from the New Website where they refer to Cilevitz.

4. Until October 28, 2014, at the top of the home page of the New Website Karmo will publish the following:

I, Toomas Karmo, have a difference of opinion with Karen Cilevitz. The words written on this website are my own, and they are my opinion.

I, Toomas Karmo, have no reason to believe Ms. Cilevitz to be either (a) a payroll employee of Metrus or (b) a payroll employee of any Metrus subsidiary (including Corsica). Nor do I have any reason to believe that Ms. Cilevitz has received any other monetary benefit from Metrus or Corsica. I regret any pain I may have caused Ms. Cilevitz through my injudicious use of the phrase "working for Metrus" in my 2014 Web publishing at the site, <http://www.karencilevitz.ca>, which I owned from September 2013 until the domain-name transfer to Ms. Cilevitz in 2014. I freely, openly, and without reservation admit that my incautiously chosen Web words "working for Metrus" could have been interpreted by a malicious reader as "working for pay for Metrus". I herewith affirm that I did not think of this particular interpretation when injudiciously writing these words.

5. Karmo will make a C\$5,000 donation to Autism Ontario in Cilevitz's name by June 1, 2014. Cilevitz agrees to not discuss, comment on or publicize this donation other than posting or publishing these entire Minutes of Settlement, as permitted by para. 10 below.
6. Cilevitz will have the Action dismissed without costs. Counsel for Cilevitz will be responsible for obtaining the order dismissing the action prior to May 19, 2014. Karmo hereby authorizes and directs his lawyers to execute a consent on his behalf to an order dismissing the action without costs.
7. Cilevitz and Karmo will execute a full and final mutual release in the form attached hereto as **Schedule "B"** and provide the executed release to their counsel by no later than May 9, 2014. The executed full and final mutual release will be held in escrow by counsel for the parties until all steps required to be taken by Cilevitz and Karmo under these Minutes of Settlement have been taken, at which time they will be released from escrow and exchanged.
8. Karmo will not attend any of Cilevitz's campaign events in connection with her running for Councillor, Ward 5, Richmond Hill, in the 2014 municipal election, even if such events are open to the public or held on public property.
9. Karmo will not record any of Cilevitz's oral communications unless they are made in a public meeting such as at the Ontario Municipal Board ("**OMB**"), Richmond Hill Town Council,

an all candidates' debate, or another public context. For clarity, Karmo will not record Cilevitz's comments when she is engaged in a private conversation in any place that he can overhear.

10. It is agreed by Cilevitz and Karmo that these Minutes of Settlement are not confidential. Either party may publish the Minutes of Settlement in written form or online, but s/he will include the entire document, including all schedules. The parties agree they will not orally describe the contents of the Minutes of Settlement, and they will not comment on the settlement terms either orally or in writing, except that each party has prepared a statement which forms part of these Minutes of Settlement and which will constitute their sole comment on the settlement. These statements are at **Schedules "C" and "D"** of these Minutes of Settlement.

11. Cilevitz and Karmo mutually agree that neither party will communicate with the other or come within 20 feet of the other, unless the parties are attending a public meeting or event where space does not allow for the 20 foot distance, in which case both parties will make best efforts to remain on opposite sides of the room or as close to 20 feet as practical given their roles or purpose for attending the meeting or event. Non-exhaustive examples of public meetings and events include the OMB, Richmond Hill Town Council, and an all candidates' debate. For clarity, this term does not preclude or limit either party from making submissions or exercising an official function at a public meeting or event. This term includes a reasonable opportunity to cure if there is inadvertent proximity of less than 20 feet. This term of the settlement agreement may be changed by mutual agreement in writing.

12. Upon execution of these Minutes of Settlement by both parties, Cilevitz or her counsel will forthwith take all necessary steps to withdraw the Peace Bond Application. Best efforts will be made by Cilevitz or her counsel to withdraw the Peace Bond Application prior to the hearing for same scheduled for May 5, 2014. The parties will bear their own costs in relation to the Peace Bond Application.

13. The parties affirm the following:

Karen Cilevitz affirms that Toomas Karmo has a constitutional right to freedom of expression under the Canadian *Charter of Rights and Freedoms* that includes the right to political criticism. Toomas Karmo affirms, in the direct words of Lebel J. of the Supreme Court of Canada in *WIC Radio v. Simpson*, 2008 SCC 40, that "Reputation is an important element of human dignity and must be protected."

Karen Cilevitz and Toomas Karmo jointly draw attention to, and jointly affirm, the following direct words of Binnie J. writing for the majority of the Supreme Court of Canada in the *WIC Radio* case:

"An individual's reputation is not to be treated as regrettable but unavoidable road kill on the highway of public controversy, but nor should an overly solicitous regard for personal reputation be permitted to "chill" freewheeling debate on matters of public interest."

14. These Minutes of Settlement shall be governed by and interpreted in accordance with the laws of Ontario, and subject to the exclusive jurisdiction of the courts of Ontario.

15. Both Parties have obtained legal advice regarding these Minutes of Settlement. They are signing these Minutes of Settlement with full understanding of their contents and of their own free will.

16. The terms of these Minutes of Settlement shall survive and remain in effect following the dismissal of the Action, the withdrawal of the Peace Bond Application, and the taking effect of the full and final mutual release referred to above.

The above represent the entire terms of settlement. These Minutes of Settlement may be executed by the parties in counterparts, all of which taken together will be deemed to constitute one and the same agreement, and a facsimile or electronically transmitted signature shall be deemed an original signature for the purposes of execution.

Toronto
DATED AT RICHMOND HILL, ONTARIO this 5th day of May, 2014.

Witness

Name:

Date:

[Signature]

Witness

Name: Iris Fischer

Date: May 5, 2014

KAREN CILEVITZ

[Signature]

TOOMAS KARMO