

TimberWest Forest Corp., Retirement Health Benefits Class Action

Proposed Settlement Agreement

Jablonsky v. TimberWest Forest Corp.

British Columbia Supreme Court, Vancouver Registry No. S-140490

What is this notice?

A class action lawsuit was started on behalf of retired former salaried, full-time non-unionized employees of any of TimberWest Forest Corp. (“**TimberWest**”) and its predecessors, spouses and dependent children of those employees (and, if a former employee is deceased, the estate, surviving spouse and dependent children of that deceased employee) who have or had coverage under the health benefits plan that TimberWest offered to its retired employees.

The plaintiff alleges that TimberWest was not entitled to reduce post-retirement health and welfare benefits in the manner it did on or about September 1, 2009, and May 1, 2010. TimberWest denies the plaintiff’s allegations and denies any wrongdoing or liability. The court has not taken any position as to the truth or merit of the claims or defences asserted by either side.

A settlement agreement has been concluded between the plaintiff and TimberWest, subject to Court approval, and distribution of this Preliminary Notice about that settlement has been approved by the Court. If you fit the description above, you may be a settlement class member or a potential settlement class member in this action. Your legal rights may be affected by this proposed settlement agreement.

What are the terms of the settlement?

Under the settlement agreement, if approved and implemented, settlement class members will be entitled to a revised benefits package. Benefits for extended health care, travel coverage, prescription drugs, emergency and hospital care, vision care and dental will remain unchanged from those you currently receive. (Note, the revised benefit package is not retroactive.)

For employees who retired before 1990, and their spouses and dependents, TimberWest will fully cover MSP premiums.

Employees who retired in 1990 or later, and their spouses and dependents, will receive benefits described in the settlement agreement from its implementation date. In particular, TimberWest will no longer pay any portion of their MSP premiums, but will set up health spending accounts to which TimberWest will credit annually, to each settlement class member an amount that can be used to pay eligible medical expenses (single: \$900, couple: \$1600, family: \$1800). That will provide a tax effective amount you can use for eligible medical expenses that is slightly more than the 2015 MSP premium amount. The amount TimberWest will credit to the health spending accounts will increase at a rate of 1% per year.

The settlement agreement also limits the ability of TimberWest to make modifications to post-retirement benefits in the future.

More information about the settlement agreement, including the full text of the agreement and details about the specific benefits is available online at <http://www.vslo.ca> via the links to class actions. Or, you can go directly to:

<http://www.vslo.ca/services/class-actions/timberwestclassaction>

What are the next steps?

The plaintiff and TimberWest will ask the Court to approve the settlement agreement at a hearing in Vancouver, British Columbia, on June 26, 2015. You can attend but you do not have to. If you want to object to the settlement agreement, you must send your objection in writing to Victory Square Law Office LLP (Class Counsel) so it is received by June 12, 2015. You can deliver it by mail, facsimile or email. See the contact information below.

Do I have to do anything right now?

At this point, you do not have to do anything.

Do I have to pay anything?

You do not have to pay anything. Under the settlement agreement, TimberWest has agreed to pay the settlement class lawyers' reasonable legal fees, plus disbursements and taxes.

How can I get more information?

For more information, contact the lawyers for the settlement class:

Allison Tremblay or David Blair
Victory Square Law Office LLP
Barristers & Solicitors
500 – 128 West Pender Street
Vancouver, BC V6B 1R8
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