

IN THE SUPREME COURT OF BRITISH COLUMBIA

BETWEEN:

WILLIAM ROBERT BROOMFIELD DYER, suing on his own behalf and in a representative capacity on behalf of all salaried, non-unionized Canadian retired employees of MacMillan Bloedel Limited, including such employees who became employees of Weyerhaeuser Company Limited, who were covered under the MB retirement medical benefit plan and who retired prior to January 1, 2002

PLAINTIFF

AND:

WEYERHAEUSER COMPANY LIMITED

DEFENDANT

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

SETTLEMENT AGREEMENT

(April 24, 2014)

PREAMBLE

The Plaintiff, as proposed representative plaintiff in the Proceeding, and the Defendant hereby enter into this Settlement Agreement providing for the settlement of claims arising out of or relating to post-retirement medical benefits of former salaried non-union employees who worked in Canada for MacMillan Bloedel Limited, or a subsidiary, who retired before January 1, 2002, and had coverage under the MB Legacy Plan, including, without limitation, claims relating to the Defendant's introduction of co-payments of premiums for the Medical Services Plan and the MB Legacy Plan, amendments to the MB Legacy Plan, and any and all claims that were asserted or could have been asserted in the Proceeding (all of which, collectively, are referred to as the "**Settled Claims**") pursuant to the terms and conditions of this Settlement Agreement, and subject to approval of the Court.

Capitalized terms in this Preamble and in the Recitals have the meanings set out in Section 1 unless otherwise defined.

RECITALS

A. WHEREAS, the Parties intend by this Settlement Agreement to resolve the Settled Claims;

- B. WHEREAS, the Defendant denies the facts and allegations made in the Proceeding, denies that any damages are payable, has not conceded or admitted and strictly denies liability, and has advanced defences to all of the claims in the Proceeding;
- C. WHEREAS, the Parties have engaged in arms-length negotiations each assisted by counsel with substantial experience in employee benefits law and with the assistance of a highly-experienced mediator, and these arms-length negotiations have, with the assistance of counsel and the mediator, resulted in a settlement as reflected in this Settlement Agreement;
- D. WHEREAS, the Plaintiff and Class Counsel have reviewed and fully understand the terms of this Settlement Agreement, and, based on their analyses of the facts and law applicable to the Plaintiff's claims, and having regard to the burden, time and expense associated with prosecuting the Proceeding, including the risks, time and uncertainties associated with trials and appeals, have concluded that the Settlement Agreement is fair, reasonable, and in the best interests of the Plaintiff and the Settlement Class the Plaintiff seeks to represent;
- E. WHEREAS, despite its belief that it is not liable in respect of the allegations made in the Proceeding and has good defences, the Defendant is entering into the Settlement Agreement in order to achieve a full and final resolution of every and all Settled Claims and every and all other past, present and future claims that could have been asserted against it by the Plaintiff and members of the Settlement Class, and to avoid further expense, inconvenience, and the distraction of burdensome and protracted litigation, and it is acknowledged that the Defendant would not have entered into this Settlement Agreement were it not for the foregoing full and final resolution;
- F. WHEREAS, the Parties therefore wish to, and hereby do, fully and finally resolve the Proceeding against the Defendant without any admission of liability or wrongdoing;
- G. WHEREAS, for the purposes of settlement only, and contingent on approval by the Court as provided in this Settlement Agreement, the Parties have consented to the certification of a Settlement Class in the Proceeding as defined below in Section 1;
- H. WHEREAS, the Defendant expressly reserves its rights to contest certification if this settlement is not approved or is otherwise terminated or void;
- I. WHEREAS, the Defendant expressly reserves its rights to assert that the Proceeding and Settlement Class would not be appropriately certified in the absence of the Settlement Agreement, and whereas the Plaintiff expressly reserves its right to assert that the certification is appropriate and the remedies sought are valid at law, the Parties confirm that this Settlement Agreement does not constitute in any way a precedent to support the certification of classes of this nature; and

J. WHEREAS, the Defendant has advised that the benefits provided under the Settlement Agreement, including the benefits provided under the Company Paid Plan and the MB Legacy Plan, are taxable under the laws of Canada, and that the Defendant will be complying with its legal obligations arising as a result of the fact.

NOW, THEREFORE, in consideration of the covenants, agreements and releases in this Settlement Agreement and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, it is agreed by the Parties that the Proceeding be settled, and that the Parties consent to a Court Order in the form attached as Schedule "I" (or substantially similar terms as agreed by the Parties) finally approving the Settlement Agreement and dismissing the Proceeding with prejudice, without costs to the Plaintiff, the Settlement Class he seeks to represent, or the Defendant, subject to the approval of the Court, on the following terms and conditions:

SECTION 1 - DEFINITIONS

For the purpose of this Settlement Agreement only, including the Preamble, Recitals and Schedules:

- (1) **Approval Notice** means notice delivered to Settlement Class Members in substantially the form attached as Schedule "C" and by means of the Notice Plan set out in Schedule "D" to this Settlement Agreement.
- (2) **Claims Administrator** means Class Counsel or such other entity appointed by the Court to serve as Claims Administrator.
- (3) **Class Counsel** means Victory Square Law Office LLP.
- (4) **Company Paid Plan** means the group benefit plan to be provided at the Defendant's cost to eligible Settlement Class Members who elect that plan, which, upon implementation, will have the benefits summarized under the heading "Amended Plan" at Schedule "A" and which, other than as set out in this Settlement Agreement, is subject to the normal terms and conditions applicable to benefit plans operated by Weyerhaeuser, including the internal appeal mechanism.
- (5) **Court** means the British Columbia Supreme Court and includes any judge of that Court.
- (6) **Defendant** means Weyerhaeuser Company Limited.
- (7) **Effective Date** means the date on which (a) the right to terminate the Settlement pursuant to Section 6.3 has expired; or (b) the final judgment or final order issued by the Court approving this Settlement Agreement has become a Final Order, whichever occurs later.
- (8) **Election Deadline** means 60 days from the date of the Order approving the Settlement Agreement.

- (9) **Election Form** means the form to be completed by eligible Settlement Class Members in order to elect the Company Paid Plan, attached as Schedule “E” to this Settlement Agreement.
- (10) **Fail-to-Opt-In** means a person who is not a resident of British Columbia according to the most recent contact information in the records of the Defendant and would otherwise be a Settlement Class Member and who is not an Opt-In before the Opt-Out/Opt-In Deadline.
- (11) **Final Order/Orders** means the final judgment or final approval order made by the Court in respect of the certification of this proceeding as a class proceeding for settlement purposes and the approval of this Settlement Agreement, and the expiration of the time to appeal or to seek leave to appeal such final judgment or final approval order without any appeal being taken, or if an appeal from the final judgment or final approval order is taken, the affirmation of such final judgment or final approval order in its entirety by the court of last resort to which an appeal of such final judgment or final approval order may be taken.
- (12) **Lacey Plaintiffs** means the plaintiffs in *Lacey v. Weyerhaeuser Company Limited*, British Columbia Supreme Court, Vancouver Registry, Court file No. S-101925, British Columbia Court of Appeal Docket CA039826, and their spouses.
- (13) **MB** means MacMillan Bloedel Limited.
- (14) **MB Legacy Plan** means the group benefit plan currently in force for eligible Settlement Class Members, currently having the benefits summarized under the heading “Current Plan” at Schedule “A”.
- (15) **MB Retirees Club** means MacMillan Bloedel/ Weyerhaeuser Retired Salaried Employees Club, a registered society which represents retired salaried employees of MacMillan Bloedel Limited and Weyerhaeuser Company Limited.
- (16) **Mediator** means Donald R. Munroe, QC.
- (17) **MSP** means the Medical Services Plan of British Columbia.
- (18) **Opt-In** means a person who is not a resident of British Columbia according to the most recent contact information in the records of the Defendant and who would otherwise be a Settlement Class Member as defined in section 1(33)(a) of this Settlement Agreement and who opts into the Proceeding by completing and returning an Opt-In Form to the Claims Administrator by the Election Deadline or with leave of the Court on such terms and conditions as the Court considers appropriate. For greater clarity, once a person opts into the Proceeding, he or she is a member of the Settlement Class from the time he or she opts in and is subject to (a) all terms and conditions applicable by Court Order; and (b) all terms and conditions of this Settlement Agreement.

- (19) **Opt-In Form** means the form to be completed by Opt-Ins who wish to opt into the Proceeding to join the Settlement Class, attached as Schedule “F” to this Settlement Agreement.
- (20) **Opt-Out** means a person who would have been a Settlement Class Member except for his or her submission of an Opt-Out Form before the Opt-Out/Opt-In Deadline.
- (21) **Opt-Out Form** means the form to be completed by any Settlement Class Members who wish to opt out of the Proceeding, in accordance with the provisions of Section 6.1, attached as Schedule “G” to this Settlement Agreement.
- (22) **Opt-Out/Opt-In Deadline** means 60 days from the date of the Order approving the Settlement Agreement.
- (23) **Opt-Out/Opt-In Report** means the report of the Claims Administrator as set out in Section 6.2.
- (24) **Parties** means the Plaintiff and the Defendant.
- (25) **Plaintiff** means the proposed representative plaintiff William Robert Broomfield Dyer.
- (26) **Preliminary Notice** means notice delivered to purported Settlement Class Members in substantially the form attached as Schedule “B” and by the means in Schedule “D” to this Settlement Agreement.
- (27) **Proceeding** means *William Robert Broomfield Dyer v. Weyerhaeuser Company Limited*, British Columbia Supreme Court, Vancouver Registry, Court File No. S-122788.
- (28) **Released Claims** means any and all manner of claims, complaints, demands, actions, suits, allegations, assertions, liabilities, statutory liabilities, trusts or deemed trusts, causes of action, equitable claims, debts, dues, duties, accounts, bonds, covenants, and contracts, alleged or that could have been asserted in the Proceeding, whether currently known or unknown, whether direct or indirect, class, individual, or otherwise in nature, for any order, equitable relief, declaration or damages of any nature or kind whatsoever, including without limitation claims for interest, costs, expenses, penalties, and lawyer and expert fees and costs that the Releasers, or any one of them ever had, now have, or may hereafter have against the Releasees, or any one or more of them, arising from or in connection with or in consequence of any conduct, cause, matter or thing existing up to the date of execution of this Settlement Agreement including, without limiting the generality of the foregoing, every and all of the Settled Claims.
- (29) **Releasees** means, jointly and severally, the Defendant, MB and each of their respective present and former parents, subsidiaries, affiliates, officers, directors, employees, contractors, insurers, agents, attorneys, servants, estates, representatives, trustees in bankruptcy, and the successors, heirs, executors, administrators, trustees, and assigns of each of them.

- (30) **Releasors** means, individually and collectively, the Plaintiff and the Settlement Class Members who are not Opt-Outs and their respective successors, heirs, executors, administrators, trustees, and assigns.
- (31) **Right of Election** means the right of election described in Section 4.1(1).
- (32) **Settlement Agreement** means this agreement, including the Recitals and Schedules.
- (33) **Settlement Class** or **Settlement Class Members** means:
- (a) All British Columbia residents who are former salaried, non-union employees who worked in Canada for MB or a subsidiary of it, including those who became employees of Weyerhaeuser Company Limited, who were covered under one or both of the MB medical benefit plans described in documents titled:
- (i) “You and MacMillan Bloedel” (also known as the “Red Book”); and
- (ii) “Partnerships for Success”
- both described by Weyerhaeuser as the “MB Legacy Plan”, who retired from MB or Weyerhaeuser or a subsidiary of either of them prior to January 1, 2002, and did not become members of the Advantages Retirees Benefits Plan established by Weyerhaeuser in 2001, any surviving spouse of any deceased person described above and the estate of any person described above; and
- (b) all Opt-Ins.

The Settlement Class or Settlement Class Members do not include the Lacey Plaintiffs.

SECTION 2 – CONDITIONS PRECEDENT

2.1 Court Approval

- (1) Subject to Section 7.3 below, this Settlement Agreement shall be null and void and of no force or effect unless the Court approves this Settlement Agreement, and the orders so given have become Final Orders and the Effective Date has occurred.

SECTION 3 – SETTLEMENT APPROVAL

3.1 Best Efforts

- (1) The Parties shall use their best efforts to fully effectuate this Settlement.

3.2 Preliminary Approval

- (1) The Plaintiff will file a Notice of Application before the Court on a date to be agreed for an order:
 - (a) approving Preliminary Notice; and
 - (b) allowing the Defendant to provide the names and addresses of purported Settlement Class Members to the Class Counsel, along with information pertaining to those individuals' participation status in the MB Legacy Plan.
- (2) The Plaintiff will deliver the Preliminary Notice to proposed Settlement Class Members within 14 days after the Order approving the Preliminary Notice.
- (3) The Claims Administrator shall perform the duties, roles and functions set out in this Settlement Agreement subject to the supervision of the Court.
- (4) The order referred to in Section 3.2(1) shall be in a form substantially similar to that attached as Schedule "H", subject to approval by the Court.

3.3 Settlement Approval

- (1) The Plaintiff shall file a Notice of Application before the Court on a date to be agreed for an order:
 - (a) certifying the Proceeding as a class proceeding for settlement purposes only;
 - (b) certifying the Settlement Class;
 - (c) approving this Settlement Agreement;
 - (d) approving the Approval Notice;
 - (e) establishing the Opt-Out/Opt-In Deadline and process; and
 - (f) appointing the Claims Administrator.
- (2) If after this Settlement Agreement is executed, the Court recommends any changes to the definition of the Settlement Class, or either or both parties in good faith recognize any need to change it, any change to the definition of the Settlement Class shall be subject to approval by the Defendant and Class Counsel.
- (3) The Plaintiff will deliver the Approval Notice to Settlement Class Members within 14 days of the order approving the Settlement Agreement.

- (4) The order referred to in Section 3.3(1) shall be in a form substantially similar to that attached as Schedule “I”, subject to approval by the Court.

SECTION 4 - SETTLEMENT BENEFITS

4.1 Right of Election

- (1) Settlement Class Members who are currently enrolled in the MB Legacy Plan or who have voluntarily terminated enrollment since June 1, 2010, will be provided with a one-time opportunity to elect to join the Company Paid Plan and terminate their membership in the MB Legacy Plan.
- (2) To exercise the Right of Election, a Settlement Class Member must submit a completed Election Form or Opt-In Form to the Claims Administrator on or before the Election Deadline.
- (3) Subject to Section 4.4(6), any Settlement Class Member who is currently enrolled in the MB Legacy Plan and does not deliver an Election Form to the Claims Administrator by the Election Deadline, or does not elect in the Election Form to join the Company Paid Plan, shall be deemed to have elected the MB Legacy Plan.

4.2 Eligibility

- (1) Any dispute with respect to an individual’s eligibility to exercise the Right of Election under section 4.1 shall be referred to the Mediator for final determination.

4.3 Election to Remain on MB Legacy Plan

- (1) Settlement Class Members who remain on the MB Legacy Plan will be entitled to continuing coverage under the MB Legacy Plan under the existing terms and conditions of participation, as modified by the Defendant from time to time, including the co-payment of MSP premiums and MB Legacy Plan premiums. Subject to section 4.3(2), the Defendant does not guarantee to maintain current or future benefits, financial contributions or subsidies associated with the MB Legacy Plan and all current terms and conditions of the MB Legacy Plan, including the internal appeal mechanism, continue to apply. Any changes made to the MB Legacy Plan will not reduce the benefits provided under the MB Legacy Plan to a level inconsistent with industry standards for retiree health benefits. This will not restrict the Defendant from benefiting from efficiencies, and from plan changes general in nature and common in the industry.
- (2) The Defendant agrees that for at least a 48-month period following the date of Court approval of this Settlement Agreement, it will not reduce the \$100,000 lifetime maximum of the MB Legacy Plan.

4.4 Election to Join the Company Paid Plan

- (1) Eligible Settlement Class Members who elect to join the Company Paid Plan will be entitled to coverage under the Company Paid Plan.
- (2) The Defendant will implement the Company Paid Plan as soon as administratively possible after the Effective Date.
- (3) As of the date of implementation of the Company Paid Plan, the Company will pay 100% of the MSP premiums and Company Paid Plan premiums for all Settlement Class Members who elect the Company Paid Plan.
- (4) The Defendant agrees that for at least a 24-month period following the date of implementation of the Company Paid Plan, it will not reduce the specific benefits set out in the Company Paid Plan. The Defendant warrants that it is not currently contemplating any changes to the Company Paid Plan after that period. Any changes made to the Company Paid Plan will not reduce the benefits provided under the Company Paid Plan to a level inconsistent with industry standards for retiree health benefits. The Defendant will consult with one or more of the directors of the MB Retirees Club prior to making any such changes. This will not restrict the Defendant from benefiting from efficiencies, and from plan changes general in nature and common in the industry.
- (5) The Defendant will pay to the Claims Administrator, for the Settlement Class Members who elect to join the Company Paid Plan, a sum of money equivalent to those Settlement Class Members' MSP and MB Legacy Plan co-payment amounts from April 1, 2012 to the date of implementation of the Company Paid Plan.
- (6) Settlement Class Members who have died since April 1, 2012, or who die between the date of this Settlement Agreement and the Election Deadline without having made an election, will be deemed to have elected the Company Paid Plan, and the Defendant will pay to the Claims Administrator a sum of money equivalent to those Settlement Class Members' MSP and MB Legacy Plan co-payment amounts from April 1, 2012 to their dates of death. For clarity, if the deceased member has a surviving spouse who does not elect to join the Company Paid Plan, the refund will be limited to the deceased member's MSP and MB Legacy co-payment amounts and will not include such amounts applicable to the deceased member's surviving spouse or other dependants.

4.5 Coverage for Adult Disabled Dependent Children

- (1) Subject to the normal plan termination and other provisions of the MB Legacy Plan and Company Paid Plan, adult disabled dependent children of Settlement Class Members shall be covered by the plan the

Settlement Class Member elects, provided that the child's disability occurred before the child reached the age of majority.

4.6 Obligation to apply for MSP Premium Subsidy

- (1) Each Settlement Class Member who is eligible for an MSP premium subsidy, whether or not electing the Company Paid Plan, must apply for such subsidy, and the Defendant is only liable to pay the portion of the Settlement Class Member's MSP premiums in excess of any subsidy for which the Settlement Class Member is eligible, whether or not any Settlement Class Member who is so eligible has applied for or is in receipt of such subsidy. For clarity, the MSP premium paid by the Defendant will be set at the applicable MSP premium assistance rate for the affected Settlement Class Member and/or spouse, as set annually by the Government of British Columbia.

4.7 Lacey Plaintiffs' Right to Elect

- (1) Each of the Lacey Plaintiffs shall have a one-time right to make an election in accordance with the procedure set out in section 4.1
- (2) Each Lacey Plaintiff who exercises his or her right to elect shall have the right to participate in the MB Legacy Plan or Company Paid Plan, as the case may be, as set out in this Section 4.
- (3) Notwithstanding Section 4.7(2) of this Settlement Agreement, no Lacey Plaintiff who elects to join the Company Paid Plan will have the right to receive any of the payments described in sections 4.4(5) or 4.4(6).

SECTION 5 - RELEASES AND DISMISSALS

5.1 Release of Releasees

- (1) Upon the Effective Date, the Releasors forever fully and absolutely release, acquit, and discharge the Releasees from the Released Claims. For the consideration provided, the Releasors agree and covenant not to make any claim or take or continue any proceedings arising out of or relating in any way to the subject matter of the Released Claims against any other person, corporation or entity (including, without limitation, any insurer, health benefits provider, consultant, lawyer, law firm, contractor, advisor, governmental body or agency (including the British Columbia Ministry of Health, BC PharmaCare or the Medical Services Plan of British Columbia), or any trustee in bankruptcy) which might claim damages and/or contribution and indemnity and/or other relief under any statute, or the common law for any relief whatsoever, including, without limitation, relief of a monetary, declaratory or injunctive nature, from any one or more of the Releasees.

- (2) The Parties intend that this Settlement Agreement will be approved by the Court and will result in the dismissal of all Settled Claims and Released Claims on the terms set out in this Settlement Agreement.
- (3) Without limiting any other provisions of this Settlement Agreement, each Settlement Class Member who did not opt out, whether or not he or she submits an Election Form, will be deemed by the Settlement Agreement completely and unconditionally to have released and forever discharged the Releasees from any and all Settled Claims and Released Claims.
- (4) The Parties agree that each Settlement Class Member who did not opt out, whether or not he or she submits an Election Form, will be forever barred and enjoined from continuing, commencing, instituting or prosecuting any action, litigation, complaint, investigation or other proceeding in any court of law or equity, arbitration, tribunal, proceeding, governmental forum, administrative forum or any other forum, directly, representatively or derivatively, asserting against any of the Releasees, or anyone who could claim over against any of the Releasees, any claims that relate to or constitute any Released Claims covered by the final Settlement Agreement.

5.2 Dismissal of Proceedings

- (1) The Parties shall, on consent, as part of the application for approval of the Settlement, ask the Court to dismiss, as of the Effective Date, the Proceeding, on a with prejudice and without costs basis.

SECTION 6 – RIGHT TO TERMINATE THE SETTLEMENT AGREEMENT (OPT-OUT AND OPT-IN)

6.1 Procedure

- (1) On or before the Opt-Out/Opt-In Deadline, Settlement Class Members who do not want to participate in the Settlement must submit to the Claims Administrator a timely and valid request for exclusion from the Settlement Class by completing the Opt-Out Form in substantially the form attached as Schedule “G” and by the means set out in Schedule “G” to this Settlement Agreement.
- (2) Individuals who reside outside British Columbia but do not file an Election Form on or before the Opt-Out/Opt-In Deadline will be counted as Fail-to-Opt-Ins for the purposes of this section 6.
- (3) The parties agree that representatives of estates will not be included in the calculations of persons for either section 6.3(1) or 6.3(2).
- (4) For the purposes of termination rights pursuant to the Settlement Agreement, information provided by the Defendant will be determinative of whether someone resides in British Columbia or outside British Columbia.

- (5) Class Counsel may retain assistance in performing searches for Settlement Class Members who are not resident in British Columbia.

6.2 Opt-Out/Opt-In Report

- (1) Within 10 days after the expiration of the Opt-Out/Opt-In Deadline, the Claims Administrator shall provide the Opt-Out/Opt-In Report to the Defendant and Class Counsel advising as to the names of any Opt-Outs and the reasons for their opting out to the extent known, and the names of Opt-Ins.
- (2) If the total number of Opt-Outs and Fail-to-Opt-Ins meets or exceeds the threshold for termination set out in Section 6.3(1), the Opt-Out/Opt-In Report shall include, as a schedule, copies of all Opt-Out Forms received by the Claims Administrator where the individual has indicated he or she is opting out for reasons other than to commence litigation or where the intention is unclear.

6.3 Right to Terminate / Credit

- (1) If the number of Opt-Outs exceeds 50 persons, the Defendant may, at its sole option, either:
- (a) terminate this Settlement Agreement; or
 - (b) proceed with the Settlement Agreement.
- (2) If the number of Fail-to-Opt-Ins exceeds 50 persons, the Defendants may, at its sole option, either:
- (a) terminate the Settlement Agreement; or
 - (b) proceed with the Settlement Agreement
- (3) An Opt-Out or Fail-to-Opt-In will not be counted for the purposes of Section 6.3(1) or section 6.3(2) if he or she has indicated, to Defendant's sole discretion, that he or she does not intend to begin individual litigation against the Defendants with respect to the Released Claims. If the individual is opting out and the Opt-Out's intentions are not clear on the Opt-Out Form, Class Counsel may contact the individual to inquire and will provide the Defendant with sufficient information to exercise the rights described in this Settlement Agreement. Similarly, Class Counsel may contact any individual known to Class Counsel who would be required to opt into the Proceeding in order to join the Settlement Class to inquire as to the reason the person is not opting in, and may provide the Defendant with sufficient information to exercise the rights described in this Settlement Agreement. The Defendant agrees to exercise this discretion reasonably, and any disputes as to whether an Opt-Out or Fail-to-Opt-In should reasonably be counted for the purposes of sections 6.3(1) or 6.3(2) based on the information provided will be resolved by the Mediator.

SECTION 7 - TERMINATION OR NON-APPROVAL OF SETTLEMENT

7.1 Manner of Termination

- (1) If the Defendant exercises its right to terminate this Settlement Agreement pursuant to paragraph 6.3(1)(a) or 6.3(2)(a), then it shall give written notice of the termination to Class Counsel no later than 10 days after receipt of the Opt-Out/Opt-In Report, subject to extension on consent of the Parties if the circumstances described in Section 6.3(3) so require.
- (2) The Settlement Class shall be given notice of any termination of this Settlement Agreement if the Settlement Agreement is terminated after notice of the hearing to approve the Settlement is provided.

7.2 Effect of Termination

- (1) If this Settlement Agreement is terminated pursuant to Section 6.3, notwithstanding any other provisions of this Settlement Agreement, this Settlement Agreement shall be null and void and shall have no force or effect, and the Parties shall not be bound by its terms, with the sole exception of the agreements and commitments contained in Sections 10 and 11, which shall survive. In such case, all Parties shall be restored to their respective positions in and with respect to the Proceeding immediately before the date on which this Settlement Agreement is signed by all Parties. Any certification order made for the purposes of settlement shall be rescinded on consent.
- (2) The Parties further agree that in case of termination of this Settlement Agreement, any certification of a Settlement Class for the purposes of this Settlement shall be without prejudice to any position that any of the Parties may later take on any issue in the Proceeding, and the Defendant's consent to certification for the purposes of settlement shall not constitute and shall not be deemed or construed as any admission on the part of the Defendant, including any admission that the Proceeding, or any other putative class proceeding involving the issues settled and released in this Settlement Agreement, is appropriate for certification or trial as a class proceeding.

7.3 Not Approved by the Court

- (1) If this Settlement Agreement is not approved by the Court:
 - (a) it shall be null and void and shall have no force or effect, and the Parties shall not be bound by its terms, with the sole exception of the agreements and commitments contained in Sections 10 and 11, which shall survive; and

- (b) all negotiations, statements and proceedings relating to the settlement and the Settlement Agreement are and shall be deemed to be without prejudice to the rights of the Parties, and the Parties shall be deemed to be restored to their respective positions existing immediately before it was executed.
- (2) The Parties expressly reserve all of their respective rights to the extent that the Court does not approve this Settlement Agreement.

SECTION 8 – DISTRIBUTION OF PAYMENTS TO CLASS MEMBERS

8.1 Settlement Distribution

- (1) Within 14 days of the Effective Date, the Claims Administrator shall provide to counsel for the Defendant the names of Settlement Class Members who have elected the Company Paid Plan.
- (2) Within 14 days of receipt of the names of Settlement Class Members who have elected the Company Paid Plan, counsel for the Defendant will provide to the Claims Administrator, in trust, an amount equivalent to the total amounts payable to those Settlement Class Members who have elected the Company Paid Plan. The Defendant will also provide the calculations of the amounts payable for each Settlement Class Member who has elected the Company Paid Plan.
- (3) The parties make the following acknowledgements and agreements with respect to tax matters. The Defendant is obligated by tax law to withhold on behalf of the Settlement Class Members and remit to the Canada Revenue Agency (the “CRA”) a sum representing taxes payable by the Settlement Class Members on the settlement payments. The parties agree that the Defendant will gross up the settlement payment by 25% in light of such withholding obligation. This means that the Defendant will pay cash to or for the benefit of the applicable Settlement Class Members in a larger amount, with the goal that, after 20% withholding tax, the Settlement Class Members will receive cash that approximates the sum that would have been received by them if such 20% withholding were not required by law. This grossed up amount will be reported by the Defendant to the CRA as the remuneration paid to or for the benefit of the Settlement Class Members. The Settlement Class Members are required to report to the CRA the grossed up amount for income tax purposes in their T1 Income Tax Return for the taxation year the settlement amount is received. The parties agree that the Defendant shall not be required to pay or remit more than is provided in this section.
- (4) The Claims Administrator will distribute the amounts due to the Settlement Class Members who elect the Company Paid Plan to those Settlement Class Members.

- (5) In no event shall the Defendant have any responsibility, financial obligations, or liability whatsoever with respect to the distribution of funds to the Settlement Class Members, except to make the payments and provide the calculations expressly required by Section 8.1(2).

SECTION 9 – CLASS COUNSEL FEES AND DISBURSEMENTS

- (1) The Defendant will pay Class Counsel an amount by way of reasonable fees and disbursements of all work from and after the *Lacey* trial proceedings to the date of this Settlement Agreement, and to the date of Court approval, and for the administration of this Settlement Agreement, less amounts already paid in respect of the *Lacey* trial proceedings. Such amount will be as agreed between counsel and/or as approved or ordered by the Court through taxation or otherwise.
- (2) Settlement Class Members who retain or have retained lawyers to assist them in making their individual claims under this Settlement Agreement shall be personally responsible for the legal fees and expenses of such lawyers.

SECTION 10 - NO ADMISSION OF LIABILITY

- (1) The Parties agree that, whether or not this Settlement Agreement is finally approved or is terminated, this Settlement Agreement and anything contained in it, 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 facts, claims or allegations made in the Proceeding or in any other pleading filed by the Plaintiff.
- (2) The Parties agree that, whether or not this Settlement Agreement is finally approved or is terminated, neither this Settlement Agreement nor any document relating to it shall be offered in evidence in any action or proceeding in any court, agency or tribunal, except to seek court approval of this Settlement Agreement or to give effect to and enforce the provisions of this Settlement Agreement.

SECTION 11 - MISCELLANEOUS

11.1 Motions for Directions

- (1) With respect to matters falling outside the jurisdiction of the Mediator as set out in Section 11.5, the Plaintiff, Class Counsel, the Claims Administrator, or the Defendant may apply to the Court for directions in respect of the implementation and administration of this Settlement Agreement.
- (2) All applications contemplated by this Settlement Agreement, including applications to the Court for directions, shall be on notice to the Parties.

11.2 Timing

- (1) The Parties will make their best efforts to bring the application to approve the Settlement Agreement within 60 days of the execution of the Settlement Agreement.

11.3 Releasees Have No Liability for Administration

- (1) The Releasees have no responsibility for and no liability whatsoever with respect to the administration of the Settlement Agreement.

11.4 Headings

- (1) In this Settlement Agreement:
 - (a) the division of the Settlement Agreement into sections and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation of this Settlement Agreement; and
 - (b) the terms “this Settlement Agreement”, “the Settlement Agreement”, “hereof”, “hereunder”, “herein”, “hereto”, and similar expressions refer to this Settlement Agreement and not to any particular section or portion of this Settlement Agreement.

11.5 Ongoing Jurisdiction

- (1) The parties agree that the Mediator has jurisdiction to conclusively determine any issues related to the interpretation, application or implementation of this Settlement Agreement. Any such issue will be determined through an expedited mediation/arbitration process established by the Mediator consulting with the parties. If the Mediator is unable to act, and the parties cannot agree on an alternate, then either party can request the British Columbia International Commercial Arbitration Centre to appoint a Mediator.

11.6 Governing Law

- (1) This Settlement Agreement shall be governed by and construed and interpreted in accordance with the laws of the Province of British Columbia.

11.7 Entire Agreement

- (1) This Settlement Agreement constitutes the entire agreement among the Parties, and supersedes any and all prior and contemporaneous understandings, undertakings, negotiations, representations, communications, promises, agreements, and agreements in principle in connection herewith. The Parties agree that they have not received or relied on any agreements, representations, or promises other than as contained in this

Settlement Agreement. None of the Parties shall be bound by any prior obligations, conditions, or representations with respect to the subject matter of this Settlement Agreement, unless expressly incorporated in it. This Settlement Agreement may not be modified or amended except in writing and on consent of all Parties hereto, and any material modification or amendment must be approved by the Court.

11.8 Binding Effect

- (1) Once the Settlement Agreement is approved by the Court, this Settlement Agreement shall be binding upon, and shall enure to the benefit of the Plaintiff, Settlement Class Members, the Releasers, the Defendant, the Releasees, Class Counsel, and the Claims Administrator, subject to the provisions in the Settlement Agreement.

11.9 Survival

- (1) The representations and warranties contained in this Settlement Agreement shall survive its execution and implementation.

11.10 Counterparts

- (1) This Settlement Agreement may be executed in counterparts, all of which taken together will be deemed to constitute one and the same agreement, and a signature by facsimile or other electronic means shall be deemed an original signature for purposes of executing this Settlement Agreement. This Settlement Agreement may be delivered and is fully enforceable in original, faxed or other electronic form provided that it is duly executed.

11.11 Negotiated Agreement

- (1) This Settlement Agreement has been the subject of negotiations and discussions among the Parties, each of whom has been represented and advised by competent counsel, so that any statute, case law, or rule of interpretation or construction that would or might cause any provision to be construed against the drafter of this Settlement Agreement shall have no force and effect. The Parties further agree that the language contained or not contained in previous drafts of this Settlement Agreement, or any agreement in principle, shall have no bearing upon the proper interpretation of this Settlement Agreement

11.12 Language

- (1) The Parties acknowledge that they have required and consented that this Settlement Agreement and all related documents be prepared in English; les parties reconnaissent avoir exigé que la présente convention et tous les documents connexes soient rédigés en anglais.

1.13 Dates

- (1) The Dates referred to in this Settlement Agreement may be altered only with the written consent of the Parties. The Dates prescribed in 6.2(1) and 7.1(1) may be extended on consent of the Parties without approval of the Court.
- (2) Any other dates that are extended on consent of the Parties must be approved by the Court if the change is material.

11.14 Confidentiality

- (1) No press release or written description of the Settlement Agreement will be issued by Class Counsel unless the form and content is approved by the Defendant.
- (2) The Parties on their own behalf and on behalf of all Settlement Class Members agree that no public statements shall be made regarding this Proceeding or its settlement which are in any way inconsistent with the terms of the Settlement Agreement. In particular, the Parties agree that any public statements (including website postings) regarding this Proceeding will be limited and will indicate clearly that the settlement has been negotiated, agreed and approved by the Court without any admissions or findings of liability or wrongdoing, and without any admissions or conclusions as to the truth of any of the facts alleged in the Proceeding, all of which are specifically denied by the Defendant.
- (3) Each Party agrees not to disparage the opposite Parties or their counsel with respect to any of the matters in issue in the Proceeding or the manner in which the Proceeding was conducted or settled. The Parties agree that any public statements that are inconsistent with the terms of this Settlement Agreement could cause irreparable harm, including harm to the reputation or businesses of the Defendant.

11.15 Recitals

- (1) The recitals to this Settlement Agreement are true and form part of the Settlement Agreement.

11.16 Schedules

- (1) The Schedules annexed hereto form part of this Settlement Agreement.

11.17 Acknowledgements

- (1) Each of the Parties hereby affirms and acknowledges that:
 - (a) he, she, or a representative of the Party with the authority to bind the Party with respect to the matters in this Settlement Agreement has read and understood it;

- (b) the terms of this Settlement Agreement and the effects thereof have been fully explained to him, her, or the Party's authorized representative by his, her, or its counsel;
- (c) he, she, or the Party's authorized 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 with respect to the first Party's decision to execute this Settlement Agreement on behalf of the Parties.

11.18 Authorized Signatures

- (1) Each of the undersigned represents that he or she is fully authorized to enter into the terms and conditions of, and to execute, this Settlement Agreement.

11.19 Notice

- (1) Where this Settlement Agreement requires a Party to provide notice or any other communication or document to another, such notice, communication, or document shall be provided by email, facsimile, or letter by overnight delivery to the representatives for the Party to whom notice is being provided, as identified below:

**John Rogers, Q.C.
Stefanie Quelch
Counsel for the Plaintiff**

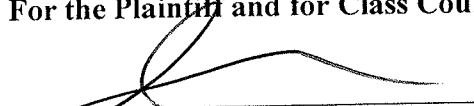
Victory Square Law Office LLP
Barristers & Solicitors
500 – 128 West Pender Street
Vancouver, BC V6B 1R8
Telephone: 604-684-8421
Facsimile: 604-684-8427

**Craig A.B. Ferris
Marko Vesely
Counsel for the Defendant**

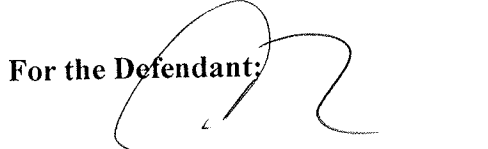
Lawson Lundell LLP
Barristers & Solicitors
1600 – 925 West Georgia Street
Vancouver, BC V6C 3L2
Telephone: 604-685-3456
Facsimile: 604-669-1620

The Parties have executed this Settlement Agreement as of the date on the cover page.

For the Plaintiff and for Class Counsel:


Per: John Rogers, Q.C.

For the Defendant:


Per: Craig A.B. Ferris

SCHEDULE "A"



The chart below provides summary information about the benefits provided under the Weyerhaeuser Extended Health benefit plan (Current Plan) and the Company-Paid Plan. Please note that this is not a complete explanation of covered services, exclusions, limitations, or reductions under the plans. An expense must be eligible to be considered for payment. Please review the chart carefully before making any enrollment decisions.

More detailed information about the benefits and covered services eligible for payment under each plan may be found in the benefits booklets available by calling Manulife at 800.268.6195 or at www.weyerhaeuser.com/retirees.



COVERAGE	CURRENT PLAN	COMPANY-PAID PLAN
Your calendar deductible	\$25 Individual; \$25 Family Deductible does not apply to Out of Country / Emergency Travel Assistance or Hospital (other than Chronic care)	\$75 Individual; \$125 Family
Lifetime max the plan will pay	\$100,000 per person	\$50,000 per person
Benefit percentage of eligible expenses the plan will pay	Hospital expenses covered at 100%; no deductible Other services covered at 80% on the first \$1,000 of paid expenses (\$1,250 in charges plus deductible); remaining expenses covered at 100%	Hospital expenses covered at 90%; no deductible Other services covered at 80% on the first \$2,000 of paid expenses (\$2,500 in charges plus deductible); remaining expenses covered at 100%
Extended Health & MSP premiums	You pay 50% of the pre-2010 premiums and 100% of any cost increases above 2010 premiums	Weyerhaeuser pays monthly premium
Prescription drugs	Dispensed by a licensed pharmacist with a written prescription of a physician or dentist	Provincial Formulary Plan applies and includes only those drugs requiring a prescription and only if dispensed by a licensed pharmacist Mandatory generic with mark-up limits; see reverse side for details
Pharmacy (Rx) dispensing fee	Plan covers dispensing fee	Plan covers \$10 maximum
Professional services per calendar year (Chiropractor, Naturopath, Podiatrist, Massage therapist, Physiotherapist, Acupuncturist)	No prescription required Chiropractor/Naturopath: 80% of \$200 per person or 80% of \$500 per family; combined for all chiropractic & naturopathic services Acupuncture: 80% of \$100 Podiatry, Massage Therapy, Physiotherapy: unlimited	Prescription required The plan pays \$300 maximum for each type of practitioner For the first 24 months after implementation, the annual maximum for Physiotherapy, Podiatry & Massage Therapy will be \$500 for each type of practitioner
Medical services/supplies	Limited to the cost of the device or item that adequately meets the fundamental medical needs	
Ambulance	In the province of residence, including air ambulance, to transfer to the nearest hospital where adequate treatment is available	
Medical equipment	Rental or when approved, purchase	
Non-dental prostheses, supports, hearing aids, other supplies & services	See Plan descriptions for more details	
Out of Province/Canada emergency medical treatment & emergency travel	Covered at 100%; lifetime max applies	
Survivor extended benefit	If you die while your dependents are covered, their coverage will continue until the earliest of: 1) The date your spouse remarries (your dependent children continue to be covered), 2) The date your dependent no longer meets the definition of dependent, 3) The date similar coverage is obtained elsewhere, 4) The date any premium contributions, as applicable, are not paid, or 5) The date the Plan Document terminates.	

COMPANY-PAID PLAN PRESCRIPTION DRUG DETAILS

What is a Provincial Formulary Plan?

Your current benefits plan allows coverage for almost all drugs that are medically necessary & require a prescription from a licensed doctor (MD) or dentist. If you select the Company-Paid Plan, the list of covered drugs will be more restrictive than what is covered under the Current Plan, as it will cover a defined list of drugs through a Provincial Formulary Plan.

A provincial formulary plan matches the list of drugs that are covered by your provincial government. The list of drugs differs from province to province; however, the provincial formularies generally include drugs that are considered to have the best outcomes from a cost/benefit perspective. These drugs are not always limited to the lowest cost alternative for treating a particular condition, but rather are chosen based on consideration of both cost & health outcomes.

If you select the Company-Paid Plan:

- Existing prescriptions will not be grandfathered. If you or a dependent is currently taking drugs that are not covered on the provincial formulary, you will need to speak with your doctor about changing to a drug on the formulary.
- You will only qualify for drugs listed in your Provincial Drug Formulary. For details on which drugs are eligible, use the corresponding link below. A PDF of this document can also be found on the Manulife Plan Member Secure website with electronic links to the provincial drug formularies. Your Provincial Drug Formulary is for the province in which you reside, not where the drug was purchased.

British Columbia: <http://www.health.gov.bc.ca/pharmacare/benefitslookup/faces/Search.jsp>

Note: Only drugs on the BC Fair PharmaCare Formulary will be eligible. To search for eligible drugs, select "Fair PharmaCare" from the "Select PharmaCare Plan" drop down menu. Drugs that require special authority will not be eligible.

Alberta: https://www.ab.bluecross.ca/dbl/idbl_main1.html

Saskatchewan: <http://formulary.drugplan.health.gov.sk.ca/>

Ontario: http://www.health.gov.on.ca/en/pro/programs/drugs/odbf_eformulary.aspx

Manitoba: <http://web6.gov.mb.ca/eFormulary/>

Quebec:

<http://www.ramq.gouv.qc.ca/en/publications/citizens/legalpublications/Pages/listmedications.asp>

X

Nova Scotia: <http://novascotia.ca/dhw/pharmacare/formulary.asp>

What is mandatory generic with mark-up limits?

Even if the doctor prescribes a brand name, the plan will only pay for the generic equivalent. If there is no generic or lower cost equivalent, the plan will pay the brand cost. This would also include retail mark-up limits. Retail mark-ups are covered in addition to the manufacturers' costs & limited to usual & customary mark-up amounts.

- There is no overall dollar maximum for drug expenses, except for the lifetime benefit maximum that applies to all medical expenses on a combined basis. See reverse side for lifetime benefit maximum.

- Anti-smoking drugs are limited to \$300 lifetime.
- Advance supply limitation, lesser of: amount prescribed by your physician or dentist or a 3-month supply.

FOR MORE INFORMATION

If you have any questions, please call **Manulife at 800.268.6195.**

This document is only a summary. It does not provide a complete description of the available benefits and it does not create legal rights. Refer to the official plan document for a complete description of plan benefits.

Subject to law, and the provisions of the Settlement Agreement dated April 24, 2014, which shall govern, the Company continues to reserve the right to amend, modify, suspend, or terminate any benefits in whole or in part, at any time and for any reason. Nothing in this document creates a guarantee of current or future benefits or financial contributions or subsidies. This provision does not derogate in any way from the terms of the Settlement Agreement.

MAY 2014

8468 Salaried 05/2014

SCHEDULE “B” – PRELIMINARY NOTICE

Weyerhaeuser Company Limited, Retirement Health Benefits Class Action

Proposed Settlement Agreement

William Robert Broomfield Dyer v. Weyerhaeuser Company Limited
British Columbia Supreme Court, Vancouver Registry No. S-122788

~ Pour obtenir des informations en français au sujet du règlement proposé de ce recours collectif, veuillez contacter les avocats des demandeurs à l'adresse ci-dessous ~

What is this notice?

A proposed class action lawsuit was started on behalf of former salaried, non-union employees of MacMillan Bloedel Limited and its subsidiaries who retired before January 1, 2002, and who have or had coverage under the health benefits plan MacMillan Bloedel Limited offered to its retired employees (the “**MB Legacy Plan**”), and on behalf of the surviving spouses and estates of those former employees.

The plaintiff alleges that MacMillan Bloedel Limited’s successor, Weyerhaeuser Company Limited, was not entitled to introduce co-payments for the MB Legacy Plan’s premiums, or for premiums required by the Medical Services Plan of British Columbia.

Weyerhaeuser Company Limited 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.

The parties have reached a settlement agreement that must now be approved by the court. If you fit the description above, you may be a potential settlement class member in this action. Your legal rights may be affected by the proposed settlement agreement.

What are the terms of the settlement?

Under the proposed settlement agreement, settlement class members will be entitled to a one-time opportunity to elect to join a modified plan, under which Weyerhaeuser will pay the full premiums for a modified health benefit plan and the full premiums required by the Medical Services Plan of British Columbia (the “**Company Paid Plan**”).

The Company Paid Plan introduces some limitations to the health benefits provided, including, among other things, limitations to pharmaceutical drug coverage and paramedical benefits, and a reduction to the plan’s lifetime maximum from \$100,000 to \$50,000 per individual. Weyerhaeuser will not be entitled to reduce the specific benefit in the Company Paid Plan for at least two years from the date that plan is implemented. If there are any subsequent changes, the plan must remain consistent with industry standards for retiree health benefits.

Settlement class members who elect the Company Paid Plan will be refunded the amounts they have paid for the MB Legacy Plan premiums and the Medical Services Plan premiums from April 1, 2012 to the date the Company Paid Plan is implemented.

Settlement class members who have deceased since April 1, 2012 will be automatically entitled to the above payments.

Premium co-payments will continue for settlement class members who remain on the MB Legacy Plan. Weyerhaeuser has agreed that, for at least the next four years, it will not reduce the lifetime maximums of those settlement class members below the current \$100,000 level.

More information about the settlement agreement, including the full text of the agreement and details about the specific benefits provided in the MB Legacy Plan and Company Paid Plan, is available online at <http://www.vsls.ca>.

What are the next steps?

The lawyers for both sides will ask the Court to approve the settlement agreement at a hearing in Vancouver, British Columbia, on ____, 2014. 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 the lawyers for the settlement class by ____, 2014.

Do I have to do anything right now?

At this point you do not have to do anything.

If you live in British Columbia you are automatically included in the settlement class. If you are currently covered under the MB Legacy Plan, or have voluntarily discontinued enrollment since June 1, 2010, you will, after the settlement is approved, have the right to elect to join the Company Paid Plan. If you are covered under the MB Legacy Plan but do not make an election, your coverage will continue under that plan.

If you live outside British Columbia you will need to opt in to the settlement agreement by submitting an opt-in form in which you will elect to either remain on the MB Legacy Plan or join the Company Paid Plan.

The election forms and opt-in forms will be available after the settlement is approved, along with details for submitting these forms.

Will I have to pay anything?

You do not have to pay anything. Under the settlement agreement, Weyerhaeuser Company Limited 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:

Stefanie Quelch
Victory Square Law Office LLP
Barristers & Solicitors
500 – 128 West Pender Street
Vancouver, BC V6B 1R8
Telephone: 604-684-8421
Facsimile: 604-684-8427
mb-classaction@vslo.bc.ca

SCHEDULE “C” – APPROVAL NOTICE

Weyerhaeuser Company Limited, Retirement Health Benefits Class Action

Settlement Agreement Approved By Court

William Robert Broomfield Dyer v. Weyerhaeuser Company Limited
British Columbia Supreme Court, Vancouver Registry No. S-122788

*~ Pour obtenir des informations en français au sujet du règlement de ce recours collectif, veuillez contacter les
avocats des demandeurs à l'adresse ci-dessous ~*

What is this notice?

A class action lawsuit was started on behalf of former salaried, non-union employees of MacMillan Bloedel Limited and its subsidiaries who retired before January 1, 2002, and who have or had coverage under the health benefits plan MacMillan Bloedel Limited offered to its retired employees (the “**MB Legacy Plan**”), and on behalf of the surviving spouses and estates of those former employees.

The plaintiff alleges that MacMillan Bloedel Limited’s successor, Weyerhaeuser Company Limited, was not entitled to introduce co-payments for the MB Legacy Plan’s premiums or for premiums required by the Medical Services Plan of British Columbia.

Weyerhaeuser Company Limited 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 recommended by the plaintiff’s lawyers and the MacMillan Bloedel Retiree Club, and 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.

What are the terms of the settlement?

Under the settlement agreement, settlement class members are entitled to a one-time opportunity to elect to join a modified plan, under which Weyerhaeuser will pay the full premiums for a modified health benefit plan and the full premiums required by the Medical Services Plan of British Columbia (the “**Company Paid Plan**”).

The Company Paid Plan introduces some limitations to the health benefits provided, including, among other things, limitations to pharmaceutical drug coverage and paramedical benefits, and a reduction to the plan’s lifetime maximum from \$100,000 to \$50,000 per individual. Weyerhaeuser will not be entitled to reduce the specific benefit in the Company Paid Plan for at least two years from the date that plan is implemented. If there are any subsequent changes, the plan must remain consistent with industry standards for retiree health benefits.

Settlement class members who elect the Company Paid Plan will be refunded the amounts they have paid for the MB Legacy Plan premiums and the Medical Services Plan premiums from April 1, 2012 to the date the Company Paid Plan is implemented.

Settlement Class Members who have deceased since April 1, 2012 will be automatically entitled to the above payments.

Premium co-payments will continue for settlement class members who remain on the MB Legacy Plan. Weyerhaeuser has agreed that, for at least the next four years, it will not reduce the lifetime maximums of those settlement class members below the current \$100,000 level.

More information about the settlement agreement, including the full text of the agreement and details about the specific benefits provided in the MB Legacy Plan and Company Paid Plan, is available online at <http://www.vslo.ca>.

Do I have to do anything to participate in the settlement?

If you live in British Columbia you are automatically included in the settlement class. If you are currently covered under the MB Legacy Plan or have voluntarily discontinued enrollment since June 1, 2010, you have the right to elect to join the Company Paid Plan. If you are covered under the MB Legacy Plan but do not make an election, your coverage will continue under that plan.

In order to exercise your right to elect, you must complete an election form and return it the address below before ____, 2014.

If you live outside British Columbia you will need to opt in to the settlement agreement by completing an opt-in form in which you will elect to remain on the MB Legacy Plan or the join the Company Paid Plan. You must complete and return the opt-in form to the address below before ____, 2014.

Will I have to pay anything?

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

What if I don't want to take part?

If you live in British Columbia and **do not** want to take part, you have to opt out of the action by completing an opt-out form and returning it to the lawyers for the settlement class by ____ 2014. If you opt out you will not be bound by the results of this lawsuit, but you will not receive any benefits under the settlement. Opt-out forms are available from the lawyers for the settlement class.

How can I get more information?

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

Stefanie Quelch/ Laura Raposo
Victory Square Law Office LLP
Barristers & Solicitors
500 – 128 West Pender Street
Vancouver, BC V6B 1R8
Telephone: 604-684-8421
Facsimile: 604-684-8427
mb-classaction@vslo.bc.ca

SCHEDULE “D” – NOTICE PLAN

Subject to Court approval, Preliminary Notice and Approval Notice in the forms approved by the Court will be distributed to Settlement Class Members by the following means:

1. **Direct notice** will be provided to each Settlement Class Member and each Lacey Plaintiff by regular mail or email to the most recent address for in the possession of Class Counsel or acquired through counsel for the Defendant;
2. **Media notice** will be published once, in a size no less than 1/8 of a page, in each of the following newspapers:
 - a. *The Globe & Mail*; and
 - b. *The Vancouver Sun*; and
3. **Internet notice** will be published on Class Counsel’s website.

SCHEDULE "E" – ELECTION FORM

Weyerhaeuser Company Limited, Retirement Health Benefits Class Action

William Robert Broomfield Dyer v. Weyerhaeuser Company Limited
British Columbia Supreme Court, Vancouver Registry No. S-122788

Election to Join Company Paid Plan

BY SUBMITTING THIS FORM YOU AGREE TO CANCEL COVERAGE UNDER THE MB LEGACY PLAN AND TO JOIN THE COMPANY PAID PLAN

Please complete this form and mail or email it to the address below **before** ____, 2014. Election Forms received after ____, 2014 will not be accepted.

You can only make an election if you meet the following two criteria:

1. You meet the following definition of the Settlement Class:

All persons resident in Canada who are former salaried, non-union employees who worked in Canada for MacMillan Bloedel ("MB") or a subsidiary of it, including those who became employees of Weyerhaeuser Company Limited, who were covered under one or both of the MB medical benefit plans described in documents titled:

- (i) "You and MacMillan Bloedel" (also known as the "Red Book");
and
- (ii) "Partnerships for Success"

both described by Weyerhaeuser as the "MB Legacy Plan", who retired from MB or Weyerhaeuser or a subsidiary of either of them before January 1, 2002, and did not become members of the Advantages Retirees Benefits Plan established by Weyerhaeuser in 2001, any surviving spouse of any deceased person described above and the estate of any person described above;

and

2. You are currently covered under the MB Legacy Plan or have voluntarily discontinued enrollment since June 1, 2010.

Check ONE of the following:

**I AM ELECTING TO CANCEL COVERAGE UNDER THE MB LEGACY PLAN AND
TO JOIN THE COMPANY PAID PLAN:**

- on my own behalf (and, if applicable, my eligible spouse's behalf), as a former employee of MacMillan Bloedel Limited or a subsidiary
- as the spouse of _____, a deceased former employee of MacMillan Bloedel Limited or a subsidiary
- on behalf of the estate of _____, a former employee of MacMillan Bloedel Limited or a subsidiary.
- on behalf of the estate of _____, the spouse of _____, a former employee of MacMillan Bloedel Limited or a subsidiary.

Name of Elector	
Mailing Address	
Telephone	() -
Email (optional)	
Signature	
Date Signed	

If you are electing on behalf of the estate of a settlement class member, or in a representative capacity on behalf of a living settlement class member, please provide evidence establishing that you have the right to make this election.

Send your completed Election Form to:

Stefanie Quelch
 Victory Square Law Office LLP
 Barristers & Solicitors
 500 – 128 West Pender Street
 Vancouver, BC V6B 1R8
 Telephone: 604-684-8421
 Facsimile: 604-684-8427
 mb-classaction@vslo.bc.ca

SCHEDULE "F" – OPT-IN FORM

Weyerhaeuser Company Limited, Retirement Health Benefits Class Action

William Robert Broomfield Dyer v. Weyerhaeuser Company Limited
British Columbia Supreme Court, Vancouver Registry No. S-122788

Opt-In and Election Form

BY SUBMITTING THIS FORM YOU AGREE TO OPT IN TO THE SETTLEMENT AGREEMENT

Please complete this form and mail or email it to the address below **before** ____, 2014. Opt-In and Election Forms received after ____, 2014 will not be accepted.

You can only make an election if you meet the following two criteria:

1. You meet the following definition of the Settlement Class:

All persons resident in Canada who are former salaried, non-union employees who worked in Canada for MacMillan Bloedel Limited ("MB") or a subsidiary of it, including those who became employees of Weyerhaeuser Company Limited, who were covered under one or both of the MB medical benefit plans described in documents titled:

- (i) "You and MacMillan Bloedel" (also known as the "Red Book");
and
- (ii) "Partnerships for Success"

both described by Weyerhaeuser as the "MB Legacy Plan", who retired from MB or Weyerhaeuser or a subsidiary of either of them before January 1, 2002, and did not become members of the Advantages Retirees Benefits Plan established by Weyerhaeuser in 2001, any surviving spouse of any deceased person described above and the estate of any person described above;

and

2. You are currently covered under the MB Legacy Plan or have voluntarily discontinued enrollment since June 1, 2010.

Check ONE of the following:

I am Opting-In and Electing:

- on my own behalf (and, if applicable, my eligible spouse's behalf), as a former employee of MacMillan Bloedel Limited or a subsidiary
- as the spouse of _____, a deceased former employee of MacMillan Bloedel Limited or a subsidiary
- on behalf of the estate of _____, a former employee of MacMillan Bloedel Limited or a subsidiary.
- on behalf of the estate of _____, the spouse of _____, a former employee of MacMillan Bloedel Limited or a subsidiary.

Name of Elector	
Election	Check ONE of the Following: <div style="display: flex; justify-content: space-between;"> <div style="width: 45%;"> <p>—</p> <p>I am currently covered under and wish to remain on the MB Legacy Plan</p> </div> <div style="width: 45%;"> <p>—</p> <p>I wish to join Company Paid Plan and , if applicable, cancel my current coverage under the MB Legacy Plan</p> </div> </div>
Mailing Address	
Telephone	() -
Email (optional)	
Signature	
Date Signed	

If you are opting-in and electing on behalf of the estate of a settlement class member, or in a representative capacity on behalf of a living settlement class member, please provide evidence establishing that you have the right to opt in and elect on behalf of a settlement class member.

Send your completed Opt-In and Election Form to:

Stefanie Quelch
Victory Square Law Office LLP
Barristers & Solicitors
500 – 128 West Pender Street
Vancouver, BC V6B 1R8
Telephone: 604-684-8421
Facsimile: 604-684-8427
mb-classaction@vslo.bc.ca

SCHEDULE "G" – OPT-OUT FORM

Weyerhaeuser Company Limited, Retirement Health Benefits Class Action

William Robert Broomfield Dyer v. Weyerhaeuser Company Limited
British Columbia Supreme Court, Vancouver Registry No. S-122788

Opt-Out Form

DO NOT USE THIS FORM IF YOU WANT TO RECEIVE BENEFITS UNDER THE SETTLEMENT.

**THIS IS NOT A REGISTRATION FORM OR ELECTION FORM.
IT EXCLUDES YOU FROM MAKING A CLAIM IN THIS SETTLEMENT.**

Please complete this form and mail it to the address below **before** ___, 2014. Opt-Out Forms received after ___, 2014 will not be accepted.

If you complete this form, you **will not receive any benefit** under the settlement agreement, but you will not be bound by the result.

Purpose of Opting-Out (check only one):

- ___ My current intention is to begin individual litigation against Weyerhaeuser Company Limited, and/or its directors or officers and to seek to recover damages related to or arising from Weyerhaeuser Company Limited's provision of health benefits to former salaried, non-union employees of MacMillan Bloedel Limited or a subsidiary, and/or the introduction of co-payments for such benefits;
- ___ I am opting-out of the class action for a reason other than to begin individual litigation. I do not intend to begin individual litigation against Weyerhaeuser Company Limited and/or its directors or officers with respect to Weyerhaeuser Company Limited's provision of health benefits to former salaried non-union employees of MacMillan Bloedel Limited or a subsidiary, or the introduction of co-payments for such benefits.

Name	
Mailing Address	
Telephone	() -
Email (optional)	

Signature	
Date Signed	

If you are opting-out on behalf of the estate of a settlement class member, or in a representative capacity on behalf of a living settlement class member, please provide evidence establishing that you have the right to opt-out on behalf of the settlement class member.

Send your completed Opt-Out Form by _____, 2014 to:

Stefanie Quelch
Victory Square Law Office LLP
Barristers & Solicitors
500 – 128 West Pender Street
Vancouver, BC V6B 1R8
Telephone: 604-684-8421
Facsimile: 604-684-8427
mb-classaction@vslo.bc.ca

SCHEDULE “H” – PRELIMINARY ORDER

NO. S-122788
VANCOUVER REGISTRY

IN THE SUPREME COURT OF BRITISH COLUMBIA

BETWEEN:

WILLIAM ROBERT BROOMFIELD DYER, suing on his own behalf and in a representative capacity on behalf of all salaried, non-unionized Canadian retired employees of MacMillan Bloedel Limited, including such employees who became employees of Weyerhaeuser Company Limited, who were covered under the MB retirement medical benefit plan and who retired prior to January 1, 2002

PLAINTIFF

AND:

WEYERHAEUSER COMPANY LIMITED

DEFENDANT

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

ORDER MADE AFTER APPLICATION

**BEFORE THE HONOURABLE
MADAM JUSTICE WATCHUK**

FRIDAY, THE 30TH DAY OF MAY, 2014

ON THE APPLICATION of the Plaintiff coming on for hearing at Vancouver, British Columbia, on the 30th day of May, 2014, AND ON HEARING John Rogers, Q.C. and Stefanie Quelch, counsel for the Plaintiff, and Craig A.B. Ferris and Marko Vesely, counsel for the Defendant;

THIS COURT ORDERS and BY CONSENT that:

1. Preliminary Notice of the proposed Settlement Agreement in this action (the “**Proposed Settlement Agreement**”), attached as Exhibit “A” to the 2nd Affidavit of Annamaria

Pears (the “**Preliminary Notice**”), is approved in substantially the form attached as Schedule “A” to this Order;

2. The Plaintiff will no later than 14 days after the date of this Order:
 - (a) Mail by regular mail or email the Preliminary Notice to all proposed Settlement Class Members whose name and address information is in the possession of Class Counsel;
 - (b) Publish an advertisement no less than 1/8 of a page in size in *The Globe & Mail* and *The Vancouver Sun*;
 - (c) Post the Preliminary Notice on Class Counsel’s website;
3. Costs of preparing and distributing the Preliminary Notice will be paid by Class Counsel as a disbursement;
4. The date of September 9, 2014 is hereby fixed for the hearing for the final approval of the Proposed Settlement;
5. Within 7 days after the date of this order, the Defendant will provide information currently in its possession to Class Counsel which discloses the potential class members’ names, addresses and participation status in the MB Legacy Plan.
6. The Parties will bear their own costs of this Application.
7. The Parties have liberty to apply to the Court for further direction with respect to the Orders contained herein.

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:

JOHN ROGERS, Q.C.
COUNSEL FOR THE PLAINTIFF

CRAIG A.B. FERRIS
COUNSEL FOR THE DEFENDANT

BY THE COURT

REGISTRAR

SCHEDULE "I" – APPROVAL ORDER

NO. S-122788
VANCOUVER REGISTRY

IN THE SUPREME COURT OF BRITISH COLUMBIA

BETWEEN:

WILLIAM ROBERT BROOMFIELD DYER, suing on his own behalf and in a representative capacity on behalf of all salaried, non-unionized Canadian retired employees of MacMillan Bloedel Limited, including such employees who became employees of Weyerhaeuser Company Limited, who were covered under the MB retirement medical benefit plan and who retired prior to January 1, 2002

PLAINTIFF

AND:

WEYERHAEUSER COMPANY LIMITED

DEFENDANT

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

ORDER MADE AFTER APPLICATION

BEFORE THE HONOURABLE _____, THE ____ DAY OF _____, 2014
MADAM JUSTICE WATCHUK

ON THE APPLICATION of the Plaintiff coming on for hearing at Vancouver, British Columbia, on the __ day of __, 2014, AND ON HEARING John Rogers, Q.C. and Stefanie Quelch, counsel for the Plaintiff, and Craig A.B. Ferris and Marko Vesely, counsel for the Defendant;

THIS COURT ORDERS and BY CONSENT that:

CERTIFICATION

1. This action is certified as a class action pursuant to section 4(1) of the *Class Proceedings Act*, R.S.B.C. 1996, c. 50;

2. The “**Class**” included all “**Settlement Class Members**” (including Settlement Class Members who have opted into the Proceeding by the Election Deadline) meeting the following definition:

All persons resident in Canada who are former salaried, non-union employees who worked in Canada for MacMillan Bloedel Limited (“MB”) or a subsidiary of it, including those who became employees of Weyerhaeuser Company Limited, who were covered under one or both of the MB medical benefit plans described in documents titled:

- (i) “You and MacMillan Bloedel” (also known as the “Red Book”);
and
- (ii) “Partnerships for Success”

both described by Weyerhaeuser as the “MB Legacy Plan”, who retired from MB or Weyerhaeuser or a subsidiary of either of them before January 1, 2002, and did not become members of the Advantages Retirees Benefits Plan established by Weyerhaeuser in 2001, any surviving spouse of any deceased person described above and the estate of any person described above.

3. William Robert Broomfield Dyer is appointed as the “**Representative Plaintiff**” for the Class;
4. The common issues are:
- (a) Did Weyerhaeuser contract to provide Class Members with retirement health benefits?
 - (b) Did Weyerhaeuser breach its contract with the Class Members when Weyerhaeuser ceased to pay all of the cost of the retirement health benefits provided to each Class Member as of June 1, 2010?
 - (c) If Weyerhaeuser did not contract to provide those Class Members described as “spouses” with retirement health benefits, has Weyerhaeuser been unjustly enriched by ceasing to pay all of the cost of the retirement health benefits of those Class Members?
 - (d) Have Class Members suffered damage after June 1, 2010, or will they suffer damage in the future, as a result of Weyerhaeuser ceasing to pay all of the cost of the retirement health benefits?
 - (e) If the answer to (d) is “yes”:
 - (i) Should the damage calculation be limited to the amount each Class Member paid to Weyerhaeuser for the cost of retirement health benefits?

- (ii) What is the appropriate method of calculating the damages owed to each Class Member?
- (f) Are the Class Members entitled to a declaration that Weyerhaeuser is contractually bound to pay all of the cost of the retirement health benefits for the lifetime of each of the Class Members; and
- (g) Are the Class Members entitled to a declaration that Weyerhaeuser cannot change the terms of the retirement health benefits to the detriment of a Class Member without the agreement of the Class Member?

SETTLEMENT APPROVAL

- 5. The Settlement in this action, dated _____, 2014, and attached as **Schedule “A”** to this Order (the “**Settlement**” or the “**Settlement Agreement**”), is approved as fair, reasonable and in the best interests of those affected by it and shall be implemented in accordance with its terms;
- 6. The definitions set out in the Settlement Agreement apply to and are incorporated into this Order;
- 7. The Settlement Agreement with its attached schedules is incorporated by reference into and forms part of this Order and is binding upon the Representative Plaintiff, upon all Settlement Class Members, and upon the Defendant;

APPROVAL NOTICE

- 8. The “Approval Notice” is approved in substantially the form attached as Schedule “C” to the Settlement Agreement.
- 9. The Approval Notice will be delivered to potential Settlement Class Members no later than 14 days after the date of this Order in accordance with the Notice Plan in Schedule “D” to the Settlement Agreement.

OPT OUTS

- 10. Settlement Class Members may opt out of this Proceeding by completing and submitting an Opt-Out Form before the Opt-Out/Opt-In Deadline.

OPT INS

- 11. A person who is not a resident of British Columbia and would otherwise be a Settlement Class Member as defined in section 1(32)(a) of the Settlement Agreement may opt in to the Proceeding by completing and submitting an Election Form to the Claims Administrator by the Election Deadline.

RELEASE

12. All Settlement Class Members who are not Opt-Outs, and all such Settlement Class Members' respective successors, heirs, executors, administrators, trustees, and assigns, shall be deemed to have released and do hereby release and forever discharge the Releasees from the Released Claims in accordance with section 5 of the Settlement Agreement.

APPOINTMENT OF THE CLAIMS ADMINISTRATOR

13. Class Counsel is appointed as the Claims Administrator;
14. The Claims Administrator will execute its obligations as laid out in the Settlement Agreement;
15. The Claims Administrator will file a final report with the Court outlining the number of completed Elections Forms and Opt-Out Forms received;
16. Any Party having issues or concerns with the administration of the Settlement can apply to the Court for directions; and

CLASS COUNSEL FEES

17. Class Counsel's fees and disbursements in the amount of \$_____ and as described in the Affidavit of _____ filed _____, 2014 are hereby approved in accordance with Part 5 of the *Class Proceedings Act* and Section 9 of the Settlement Agreement.
18. Class Counsel is at liberty to bring a further application to approve fees and disbursements with respect to acting as Claims Administrator provided such application is made within 60 days of the Opt-Out Deadline.

DISMISSAL

19. This Court Orders and Adjudges that this Action be and is hereby dismissed against the Defendants, without costs and with prejudice.