

**PRE-1986/POST-1990 HEPATITIS C
SETTLEMENT AGREEMENT**

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**PRE-1986/ POST-1990 HEPATITIS C
SETTLEMENT AGREEMENT**

THIS AGREEMENT is made as of the ~~14th~~ day of ~~December~~ 2006

B E T W E E N:

THE ATTORNEY GENERAL OF CANADA

-and-

EDWARD KILLOUGH, PATRICIA NICHOLSON, IRENE FEAD, DAPHNE MARTIN, DEBORAH LUTZ and MELANIE CREHAN, plaintiffs in the British Columbia Class Action, MICHAEL McCARTHY, CHRISTINE McCARTHY, DEREK MARCHAND, plaintiffs in the Ontario Class Action, GUY DESJARDINS and JEAN ROCHON, plaintiffs in the Quebec Class Action, SHIRLEY ADRIAN, DEBBIE ANDERSON, RICHARD EDWARD AUTEN, JAMES EDGAR BAKER, CONSTANCE DOREEN BAKER, JEFF BEESTON, ISABELL BRESSE, JOHN BRESSE, HARRY CHICHAK, BRIAN EDWIN FERGUSON, RON GEORGE, JANICE PATRICIA HAMMOND, DELORES HICKMOTT, GARY HICKMOTT, JAMES MILTON JOBE, BRIAN W. JOHNSON, WENDY LEE RAMEY, MARLENE DOROTHY KEEP, DENNIS KEEP, CAROL DIANNE KNOTT, BYRON KNOTT, LAURA CATHERINE KRISTIANSON, RALPH SAMUEL KRISTIANSON, KIMBERLY ANN LEBEUF, ALEXANDER PATRICK NOWOSAD, ELENA RICIOppo, DALVINO RICIOppo, SHANNON RICKETTS, KEVIN ROE, KATHY ROMANIW, ELLEN SANDERSON, JEAN DARLENE SNIPES, RICHARD JOSEPH LIPSCOMBE, DEBORAH ANNE STABRYLA, ELIZABTH TREAU, GUISEPPE VOLPE and JUNE VOLPE, plaintiffs in the Alberta Class Action (collectively the "Class Action Representative Plaintiffs").

WHEREAS:

A. The Parties wish to settle all outstanding claims against Canada, including Charter Claims, relating to or arising from the infection of persons with Hepatitis C through the blood system during the Class Period in a single, pan-Canadian settlement;

B. Canada entered into a Memorandum of Understanding dated November 17, 2005 with Class Counsel for those Canadians infected with Hepatitis C during the Class Period, committing it to compensate the Class Members according to eligibility, categories and amounts to be negotiated;

C. The Canadian Red Cross Society has settled claims with some Class Members;

D. Some Provincial governments have provided compensation to some Class Members;

E. Canada and the Provinces and Territories have previously settled class actions with persons infected with Hepatitis C through the blood system in Canada between January 1, 1986 and July 1, 1990;

F. Canada's contribution to the 1986-1990 settlement was 8/11ths of the total compensation fund;

G. A Framework Agreement, based on the principles of parity with the 1986-1990 settlement, the efficient delivery of compensation to Class Members and the minimization of administrative delay and expense was signed in counterparts by the Parties on June 23, 2006;

H. The Parties, subject to the Approval Orders, have agreed to a present value approach whereby eligible Class Members will receive one time lump sum payments based on current disease level and the probability of disease progression;

I. Class Counsel and the representative plaintiffs, subject to the Approval Orders, agree that the outstanding Class Actions be settled on the terms and conditions contained in this Agreement, as submitted to the appropriate Courts for approval.

THEREFORE, in consideration of the premises and the covenants and agreements herein contained, the Parties agree that, subject to the approval of this Agreement by the Courts, all actions, causes of actions, liabilities, claims and demands whatsoever of the Class Members, including Charter Claims, relating to or arising from the infection of persons with Hepatitis C through the blood system during the Class Period, are to be settled on the terms set out in this Agreement.

Article One General

1.01 Definitions

In this Agreement, the following terms will have the following meanings:

“1986-1990 Hepatitis C Settlement Agreement” means the agreement dated June 15, 1999 entered into between Canada, the Provinces, the Territories and the representative plaintiffs in class actions brought on behalf of people infected with Hepatitis C through the blood system in Canada between January 1, 1986 and July 1, 1990, and includes all existing Schedules, Appendices and Approval Orders;

“Administrator” means the administrator appointed from time to time by the Courts pursuant to this Agreement;

“Approval Date” means the date when the last Approval Order becomes final, provided there are no material differences in the Approval Orders approved by the Courts;

“Approval Orders” means the judgments or orders of the Courts certifying the Class Actions and approving this Agreement as submitted, as fair, reasonable and in the best interests of the Class Members for the purposes of settlement of the Class Actions pursuant to the applicable class proceedings legislation, the common law or Quebec civil law;

“Approved Dependant” means a Dependant whose Claim made pursuant to Section 4.03 has been accepted by the Administrator;

“Approved Family Member” means a Family Member referred to in clause (a) of the definition of Family Member as defined herein, whose

Claim made pursuant to Section 4.01 has been accepted by the Administrator;

“Approved HCV Infected Class Member” means an HCV Infected Class Member whose Claim has been accepted by the Administrator;

“Approved HCV Personal Representative” means an HCV Personal Representative whose claim made pursuant to Section 3.01 or Section 5.05 has been accepted by the Administrator;

“Average Industrial Wage in Canada” means the Average Weekly Earnings, unadjusted for seasonal variation for all of Canada, as published in Statistics Canada’s on-line statistical data base created from The Canadian Socio-Economic Information Management System (CANSIM) data base (data series v1558664 from Table 281-0026 as of November 2006), or any successor data base, for the most recent period for which such information is published at the date the determination provided for in Section 2.05 is to be made;

“Blood” means:

(a) in the case of Primarily-Infected Persons, except those Primarily-Infected Persons who have or had Thalassemia Major, whole blood and the following blood products: packed red cells, platelets, plasma (fresh frozen and banked), white blood cells and cryoprecipitate. Blood does not include Albumin 5%, Albumin 25%, Factor VIII, Porcine Factor VIII, Factor IX, Factor VII, Cytomegalovirus Immune Globulin, Hepatitis B Immune Globulin, Rh Immune Globulin, Varicella Zoster Immune Globulin, Immune Serum Globulin, (FEIBA) FEVIII Inhibitor Bypassing Activity, Autoplex (Activate Prothrombin Complex), Tetanus Immune Globulin, Intravenous Immune Globulin (IVIG) and Antithrombin III (ATIII); and

(b) in the case of Primarily-Infected Hemophiliacs and those Primarily-Infected Persons who have or had Thalassemia Major, whole blood and blood products including packed red cells, platelets, plasma (fresh frozen and banked), white blood cells and cryoprecipitate and clotting factor products including Factor VII, Factor VIII and Factor IX, supplied, directly or indirectly, by the Canadian Red Cross Society. Blood does not include Albumin 5%,

Albumin 25%, Cytomegalovirus Immune Globulin, Hepatitis B Immune Globulin, Rh Immune Globulin, Varicella Zoster Immune Globulin, Immune Serum Globulin, Tetanus Immune Globulin, Intravenous Immune Globulin (IVIG) and Antithrombin III (ATIII);

“Business Day” means a day other than a Saturday or a Sunday or a day observed as a holiday under the laws of the Province or Territory in which the person who needs to take action pursuant to this Agreement is situated or a holiday under the federal laws of Canada applicable in the said Province or Territory;

“Canada” means the Government of Canada and the Attorney General of Canada;

“Charter Claims” means any claim, demand, actions or proceeding made pursuant to the *Canadian Charter of Rights and Freedoms, Constitution Act, 1982*, and without limiting the generality of the foregoing includes any claim whatsoever brought by a Class Member pursuant to s. 15 of the *Canadian Charter of Rights and Freedoms, Constitution Act, 1982* in any way relating to or arising from the infection of a Class Member with Hepatitis C through the blood system during the Class Period;

“Child” includes:

- (a) an adopted child;
- (b) a child conceived before and born alive after his or her parent's death; or
- (c) a child to whom a person has demonstrated a settled intention to treat as a child of his or her family;

but does not include a foster child placed in the home of an HCV Infected Class Member for valuable consideration;

“Claim” means a claim made and a claim that may be made in the future pursuant to the provisions of this Agreement;

“Class Actions” mean collectively the class actions listed in Schedule “A” attached hereto;

“Class Counsel” means the law firms of Klein Lyons, Roy Elliott Kim O’Connor, Lauzon Belanger, Kolthammer Batchelor Laidlaw, Marshall Attorneys, and Docken & Company, and such further or other lawyers or law firms and their successors and assigns as may be appointed by the Courts from time to time;

“Class Members” means all Primarily-Infected Class Members, all Secondly-Infected Persons, all HCV Personal Representatives and all Family Members and Dependants, but excludes all persons who opt out, or are deemed to have opted-out, of a Class Action;

“Class Period” means collectively the period from January 1, 1958 to December 31, 1985 and the period from July 2, 1990 to September 28, 1998, excluding the period from January 1, 1986 to July 1, 1990;

“Cohabit” means to live together in a conjugal relationship, whether within or outside marriage;

“Compensation Fund” means the sum of one billion, twenty-three million, four hundred and seventy five thousand five hundred and seventy-five dollars (\$1,023,475,575.00), which is comprised of nine hundred and sixty-two million dollars (\$962,000,000.00) for Class Member compensation, twenty million dollars (\$20,000,000.00) for the costs of administering the settlement, and thirty-seven million, two hundred and ninety thousand dollars (\$37,290,000.00) for class counsel fees, two million two hundred and thirty-seven thousand four hundred dollars (\$2,237,400.00) for GST on class counsel fees, one million three hundred seventy-eight thousand one hundred seventy-five dollars (\$1,378,175.00) for PST on class counsel fees and five hundred thousand (\$500,000.00) for disbursements, thirty thousand (\$30,000.00) for GST on disbursements and forty thousand (\$40,000.00) for PST on disbursements;

“Compensation Plan” means the plan to provide compensation to Class Members for claims arising from or related to the infection of any HCV Infected Class Member through the blood system during the Class Period as set out in this Agreement;

“Courts” mean collectively the Supreme Court of British Columbia, the Superior Court of Justice for Ontario, the Superior Court of Quebec, and the Court of Queen’s Bench of Alberta;

“Dependant” means a Family Member of an HCV Infected Class Member referred to in clauses (a) and (c) of the definition of a Family Member in this Agreement to whom that HCV Infected Class Member was providing support or was under a legal obligation to provide support on the date of the HCV Infected Class Member’s death;

“EAP” means the HIV Extraordinary Assistance Plan announced by the government of Canada on December 14, 1989;

“Family Member” means:

- (a) the Spouse, Child, Grandchild, Parent, Grandparent or Sibling of an HCV Infected Class Member;
- (b) the Spouse of a Child, Grandchild, Parent or Grandparent of an HCV Infected Class Member;
- (c) a former Spouse of an HCV Infected Class Member;
- (d) a Child or other lineal descendant of a Grandchild of an HCV Infected Class Member;
- (e) a person who Cohabited with an HCV Infected Class Member for a period of at least one year with that HCV Infected Class Member immediately before his or her death;
- (f) a person who Cohabited with an HCV Infected Class Member at the date of the HCV Infected Class Member's death and to whom that HCV Infected Class Member was providing support or was under a legal obligation to provide support on the date of the HCV Infected Class Member 's death; and
- (g) any other person to whom an HCV Infected Class Member was providing support for a period of at least three years immediately prior to the HCV Infected Class Member's death;

unless any person described above opts out of the Class Action in which he or she would otherwise be a Class Member;

“Grandchild” means the Child of a Child;

“Grandparent” means the Parent of a Parent;

“HCV” and **“Hepatitis C”** mean the Hepatitis C virus;

“HCV Antibody Test” means a blood test performed in Canada using a commercially available assay acceptable to the Administrator demonstrating that the HCV antibody is present in the blood of a person;

“HCV Drug Therapy” means interferon or ribavirin, used alone or in combination, or any other treatment that has a propensity to cause adverse side effects and that has been approved by the Courts;

“HCV Infected Class Member” means collectively Primarily-Infected Class Members and Secondarily-Infected Persons. No person is an HCV Infected Class Member for the purposes of this Agreement if he or she is a Primarily-Infected Person, Primarily-Infected Hemophiliac, or Secondarily-Infected Person under the 1986-1990 Hepatitis C Settlement Agreement;

“HCV Infected Opt-Out Person” means a person who would otherwise be an HCV Infected Class Member but is not because he or she is an Opt-out Person;

“HCV Personal Representative” means the Personal Representative of an HCV Infected Class Member, whether the HCV Infected Class Member is deceased, a minor or mentally incompetent, who does not opt out of a Class Action or is not deemed to have opted-out;

“HIV” means the human immunodeficiency virus;

“HIV Secondarily-Infected Person” means a person who is entitled to receive compensation under Schedule C of the 1986-1990 Hepatitis C Settlement Agreement;

“Implementation Date” means the date 30 days after the Approval date;

“Investment Advisors” means the investment advisors and their successors appointed by the Courts from time to time pursuant to the provisions of this Agreement;

"MPTAP" means the HIV Multi-Provincial/Territorial Assistance Program announced by the governments of the Provinces and Territories on 15 September 1993;

"Nova Scotia Compensation Plan" means the Nova Scotia HIV Assistance Program introduced in 1993 which provides financial assistance and other benefits to persons infected in Nova Scotia by HIV through the Canadian Blood supply;

"Opt-out Period" means 60 days from the date on which Notice of Certification is published, or such other period as may be agreed by the Parties and approved by the Courts;

"Opt-out Person" means any person who opts out, or is deemed to have opted-out, of a Class Action in which he or she would otherwise be a class member;

"PCR Test" means a polymerase chain reaction test result from a commercially available assay acceptable to the Administrator demonstrating that HCV is present in a sample of blood of the person;

"Parent" includes a person who has demonstrated a settled intention to treat a Child as a child of his or her family;

"Pension Index" has the meaning set out in Section 5.08;

"Primarily-Infected Class Member" means collectively "Primarily-Infected Person" and "Primarily-Infected Hemophiliac". No person is a Primarily-Infected Class Member for the purposes of this Agreement if he or she is a Primarily-Infected Person or a Primarily-Infected Hemophiliac or Secondarily-Infected Person under the 1986-1990 Hepatitis C Settlement Agreement;

"Primarily-Infected Hemophiliac" means a person who:

(a) has or had a congenital clotting factor defect or deficiency including a defect or deficiency in Factors V, VII, VIII, IX, XI, XII, XIII or von Willebrand factors;

(b) received or took Blood during the Class Period; and

(c) is or was infected with HCV unless:

(i) such person used non-prescription intravenous drugs, and such person has failed to establish on the balance of probabilities that he or she was infected for the first time with HCV by Blood; or

(ii) such person opts out or is deemed to have opted-out of the Class Action in which he or she would otherwise be a Class Member;

“Primarily-Infected Opt-out Person” means a person who would otherwise be a Primarily-Infected Class Member but is not because he or she is an HCV Infected Opt-out Person;

“Primarily-Infected Person” means a person who received Blood in Canada during the Class Period, including a person who has or had Thalassemia Major, and who is or was infected with HCV unless:

(a) such person is a Primarily-Infected Hemophiliac;

(b) it is established on the balance of probabilities by the Administrator that such person was not infected for the first time with HCV by receiving Blood in Canada during the Class Period;

(c) such person used non-prescription intravenous drugs, and such person has failed to establish on the balance of probabilities that he or she was infected for the first time with HCV by receiving Blood in Canada during the Class Period; or

(d) such person opts out or is deemed to have opted-out of the Class Action in which he or she would otherwise be a Class Member;

"Prime Rate" means the rate of interest per annum established and reported by the Bank of Montreal, or such other bank as the Courts may direct, to the Bank of Canada from time to time as a reference rate of interest for the determination of interest rates that the Bank of Montreal, or such other bank as the Courts may direct, charges to customers of varying degrees of creditworthiness in Canada for Canadian dollar loans made by it in Canada;

“Red Cross Settlement” means the Canadian Red Cross Society CCAA Amended Plan of Compromise and Arrangement as approved by the Court;

“Releasees” means Canada, each of the past, present, and future ministers and employees of Canada, each of the past and present agents of Canada, the Canadian Blood Agency, the Canadian Blood Committee and its members, including their respective past, present, and future parent, subsidiary and affiliated corporations, employees, agents, officers, directors, shareholders, volunteers, representatives, executors, administrators, successors and assigns. Each Releasee is a trustee for the purpose of asserting the benefit of the release covenants in this Agreement for all Releasees except Canada and holds the benefit of those covenants on their behalf as well as on its own behalf. Notwithstanding the foregoing, neither the Crown in Right of any Province or Territory nor the Canadian Red Cross Society and its successors is a Releasee;

“Secondarily-Infected Person” means:

(a) a Spouse of a Primarily-Infected Class Member or a Primarily-Infected Opt-out Person who is or was infected with HCV by such Primarily-Infected Class Member or Primarily-Infected Opt-out Person provided the claim of the Spouse is made:

(i) before the expiration of three years from the date the Primarily-Infected Class Member first makes a Claim, his or her HCV Personal Representative makes the first Claim on his or her behalf or the Primarily-Infected Class Member opts out; or

(ii) in accordance with the provisions of Section 3.01, where an HCV Personal Representative makes the first Claim on behalf of a Primarily-Infected Class Member who is deceased; or

(iii) in accordance with the provisions of Section 5.01, where the Primarily-Infected Class Member has not made a Claim; or

(b) a Child of an HCV Infected Class Member or HCV Infected Opt-out Person, and who is or was infected with HCV by such HCV Infected Class Member or HCV Infected Opt-out Person;

but does not include:

(c) such Spouse or Child, if he or she used non-prescription intravenous drugs, and fails to establish on the balance of probabilities that he or she is or was infected for the first time with HCV by:

(i) such Primarily-Infected Class Member or Primarily-Infected Class Member Opt-out Person, in the case of a Spouse; or

(ii) such HCV Infected Class Member or HCV Infected Opt-out Person, in the case of a Child; or

(d) such Spouse or Child if he or she opts out of the Class Action in which he or she would otherwise be a Class Member;

No person can be a Secondarily-Infected Person for the purposes of this Agreement if he or she is any of a Primarily-Infected Person or Primarily-Infected Hemophiliac or Secondarily-Infected Person under the 1986-1990 Hepatitis C Settlement Agreement;

"Sibling" means a Child of one or both of the Parents of an HCV Infected Class Member;

"Spouse" means:

(a) either of two persons who,

(i) are married to each other;

(ii) have together entered into a marriage that is voidable or void, in good faith on the part of the person asserting a right under this Plan;

(iii) have Cohabited for at least two years; or

(iv) have Cohabited in a relationship of some permanence if they are the Parents of a Child;

"Termination Date" means the date on which the Courts declare that this Agreement is terminated;

“Traceback Procedure” means a targeted search for and investigation of the donor and/or the units of Blood received by an HCV Infected Class Member;

“Trust Fund” at any time, means each of the following money and other assets that are at such time held by the Trustee pursuant to this Agreement:

- (a) the funds received by the Trustee in trust from time to time from Canada;
- (b) any investments in which such funds may from time to time be invested;
- (c) any proceeds of disposition of any investments; and
- (d) all income, interest profit gains and accretions and additional assets, rights and benefits of any kind or nature whatsoever arising, directly or indirectly, from or in connection with or accruing to any of the foregoing.

1.02 No Admission of Legal Liability

Canada does not admit any of the allegations in the Class Actions and nothing in this Agreement will be construed as an admission of liability by Canada.

1.03 No Additional Liability

On or after the Approval Date, the only obligations and liabilities of Canada, including its past, present and future Ministers and employees, past and present agents, and their respective successors, under this Agreement are those set out herein. For greater certainty Canada will not be liable to provide any additional funding beyond the funding set out herein.

1.04 Headings

The division of this Agreement into Articles, Sections and Appendices and the insertion of a table of contents and headings are for convenience of reference only and do not affect the construction or interpretation of this Agreement. The terms “herein”, “hereof”, “hereunder” and similar

expressions refer to this Agreement and not to any particular Article, Section or other portion hereof. Unless something in the subject matter or context is inconsistent therewith, references herein to Articles, Sections and Appendices are to Articles, Sections and Appendices of this Agreement.

1.05 Extended Meanings

In this Agreement, words importing the singular number include the plural and *vice versa*, words importing any gender include all genders and words importing persons include individuals, partnerships, associations, trusts, unincorporated organizations, corporations and governmental authorities. The term “including” means “including without limiting the generality of the foregoing”.

1.06 No Contra Proferentem

The Parties acknowledge that they have reviewed and participated in settling the terms of this Agreement and they agree that any rule of construction to the effect that any ambiguity is to be resolved against the drafting Parties is not applicable in interpreting this Agreement.

1.07 Statutory References

In this Agreement, unless something in the subject matter or context is inconsistent therewith or unless otherwise herein provided, a reference to any statute is to that statute as enacted on the date hereof or as the same may from time to time be amended, re-enacted or replaced and includes any regulations made thereunder.

1.08 Day for Any Action

Where the time on or by which any action required to be taken hereunder expires or falls on a day that is not a Business Day, such action may be done on the next succeeding day that is a Business Day.

1.09 Full and Final Release

In addition to the Releases set out in Article Thirteen of this Agreement, and prior to receiving compensation under this Agreement, each Class Member will be required to provide a full and final release of all claims, including

Charter claims, such Class Member ever had, now has or may hereafter have against the Releasees in any way arising from or related to the infection of any HCV Infected Class Member with Hepatitis C through the blood system during the Class Period. The release will be in a form substantially similar to "Schedule B" attached hereto.

1.10 Court Approval

This Agreement will not be effective and binding unless and until the Courts have issued the Approval Orders without material differences, and such Approval Orders are final, but approval of this Agreement is not conditional on approval of Class Counsel fees.

1.11 Binding Nature of Agreement

- (1) Notwithstanding Section 1.10, this Agreement will only become effective and be binding on Canada and the Class Members on the Implementation Date.
- (2) Subject to Section 1.11(3), each Approval Order will constitute approval of this Agreement in respect of all Class Members (including minors and mentally incompetent persons) in each jurisdiction.
- (3) Class Members residing, at the date of the Approval Order, in Newfoundland and Labrador, Nova Scotia, Prince Edward Island, New Brunswick, Manitoba, Saskatchewan, Nunavut, Northwest Territories, the Yukon Territory or residing outside of Canada will be bound by the Approval Order issued by the Superior Court of Ontario, and the Ontario class shall specifically include Class Members residing in those Provinces and Territories, and outside of Canada.

1.12 Applicable Law

The interpretation of this Agreement will be governed by the Law of Ontario.

1.13 Final Order

For the purposes of this Agreement, a judgment or order becomes final when the time for appealing or seeking leave to appeal the judgment or order has

expired without an appeal being taken or leave to appeal being sought or, in the event that an appeal is taken or leave to appeal is sought, when such appeal or leave to appeal and such further appeals as may be taken have been disposed of and the time for further appeal, if any, has expired.

1.14 Appendices

The following Appendices to this Agreement are incorporated into and form part of it by this reference as fully as if contained in the body of this Agreement:

Schedule "A" – Hepatitis C Class Actions

Schedule "B" – Full and Final Release

Schedule "C1" – Compensation to Alive HCV Infected Class Members

Schedule "C2" – Compensation to Estates of Deceased HCV Infected Class Members

Schedule "C3" – Notional Fund Amounts for Family Members

Schedule "C3a" – Compensation to Family Members

Schedule "C4" – Compensation to Spouses and Permanent Dependants of Deceased HCV Infected Class Members

Schedule "C5" - Compensation to Dependants under Age 25 of Deceased HCV Infected Class Members

Schedule "C6" - Compensation to Dependants - Adjustment Factor for Date of Death

Schedule "D"- Pre 1986 – Post 1990 Notice Program

1.15 Currency

All references to currency in this Agreement are to lawful money of Canada.

Article Two

Compensation to HCV Infected Class Members

2.01 Eligibility - Primarily-Infected Class Member

(1) A person claiming to be a Primarily-Infected Class Member must deliver to the Administrator an application form prescribed by the Administrator together with:

(a) medical, clinical, laboratory, hospital, The Canadian Red Cross Society, Canadian Blood Services or Hema-Québec records demonstrating that the claimant received Blood in Canada during the Class Period;

(b) an HCV Antibody Test report, PCR Test report or similar test report pertaining to the claimant;

(c) a statutory declaration of the claimant including a declaration

(i) that he or she has never used non-prescription intravenous drugs, and

(ii) as to where the claimant first received Blood in Canada during the Class Period, and

(iii) as to the place of residence of the claimant, both when he or she first received Blood in Canada during the Class Period and at the time of delivery of the application hereunder; and

(iv) where the claimant is a Primarily-Infected Person, that to the best of his or her knowledge, information and belief, he or she was infected with HCV during the Class period;

(2) Notwithstanding the provisions of Section 2.01(1)(a), if a claimant cannot comply with the provisions of Section 2.01(1)(a), the claimant must deliver to the Administrator corroborating evidence independent of the personal recollection of the claimant or any person who is a Family Member of the claimant establishing on a balance of probabilities that he or she received Blood in Canada during the Class Period.

(3) Notwithstanding the provisions of Section 2.01(1)(c), if a claimant cannot comply with the provisions of Section 2.01(1)(c) because the claimant used non-prescription intravenous drugs, then he or she must deliver to the Administrator other evidence establishing on a balance of probabilities that he or she was infected for the first time with HCV by Blood in Canada during the Class Period.

2.02 Eligibility - Secondarily-Infected Person

(1) A person claiming to be a Secondarily-Infected Person must deliver to the Administrator an application form prescribed by the Administrator together with:

(a) evidence demonstrating on the balance of probabilities that the claimant was infected with HCV for the first time by a Spouse who is a Primarily- Infected Class Member or a Primarily-Infected Opt-out Person, or by a Parent who is an HCV Infected Class Member or an HCV Infected Opt-out Person, including a statutory declaration of the claimant declaring that:

(i) he or she never used non-prescription intravenous drugs; and

(ii) to the best of his or her knowledge, information and belief, the Primarily Infected Class Member or Primarily Infected Opt out Person was infected with HCV during the Class period;

(b) an HCV Antibody Test report, a PCR Test report or similar test report pertaining to the claimant; and

(c) the evidence required by Sections 2.01 and 2.03 in respect of his or her Spouse or Parent, as the case may be, unless the required evidence has already been delivered by the Spouse or Parent in respect of his or her personal Claim.

(2) Notwithstanding the provisions of Section 2.02(1)(a), if a claimant cannot comply with the provisions of Section 2.02(1)(a) because the claimant used non-prescription intravenous drugs, the claimant may still qualify for compensation if the claimant can deliver to the Administrator other evidence establishing on a balance of probabilities that the claimant was infected for the first time with HCV by his or her Spouse who is a Primarily-Infected Class Member or Primarily-Infected Opt-out Person, or Parent who is an HCV Infected Class Member or HCV Infected Opt-out Person, notwithstanding the claimant's non-prescription intravenous drug use.

2.03 Additional Proof

If requested by the Administrator, a person claiming to be an HCV Infected Class Member must also provide to the Administrator:

- (a) all medical, clinical, hospital or other such records in his or her possession, control or power;
- (b) a consent authorizing the release to the Administrator of such medical, clinical, hospital records or other health information as the Administrator may request;
- (c) a consent to an independent medical examination;
- (d) income tax returns and other records and accounts pertaining to income if the HCV Infected Class Member is making an income-related claim;
- (e) any other information, books, records, accounts or consents to examinations as may be requested by the Administrator to determine whether or not a claimant is an HCV Infected Class Member or to process the Claim;
- (f) any other information or records that have been delivered or held by the Administrator of the 1986-1990 Hepatitis C Settlement Agreement, the Red Cross Settlement, or the Provincial/Territorial compensation programs/plans relating to Blood received in Canada; and
- (g) where the claimant is a Primarily-Infected Person, documentation satisfactory to the Administrator confirming a positive traceback or confirming receipt in the class period of Blood from an HCV positive donor or a consent to a Traceback Procedure in addition to the proof set out in Section 2.03(a),(b),(c),(d),(e) and (f).

If any person claiming to be an HCV Infected Class Member refuses to provide any of the above information, documentation or other matters in his or her possession, control or power, the Administrator must not approve the Claim.

2.04 Compensation to Approved HCV Infected Class Members

(1) Each Approved HCV Infected Class Member who is alive will be paid compensation as set out in the compensation grid attached as Schedule C1 to this Agreement in accordance with the Approved HCV Infected Class Member's year of birth and Disease Level, subject to the deductions provided in this Agreement.

(2) Disease Level for the purpose of this Agreement will be determined as follows:

(a) "Disease Level 1" means the HCV Infected Class Member has a positive HCV Antibody Test.

(b) "Disease Level 2" means the HCV Infected Class Member has a positive PCR Test.

(c) "Disease Level 3" means the HCV Infected Class Member has

(i) developed fibrous tissue in the portal areas of the liver with fibrous bands extending out from the portal area but without any bridging to other portal tracts or to central veins (i.e., non-bridging fibrosis) or

(ii) received HCV Drug Therapy or

(iii) has met or meets a protocol for HCV Drug Therapy notwithstanding that such treatment was not recommended or, if recommended, has been declined.

(d) "Disease Level 4" means the HCV Infected Class Member has developed fibrous tissue in the portal areas of the liver with fibrous bands bridging to other portal areas or to central veins but without nodular formation or nodular regeneration ("bridging fibrosis").

(e) "Disease Level 5" means the HCV Infected Class Member has

(i) developed fibrous bands in the liver extending or bridging from portal area to portal area with the development of nodules and regeneration (i.e., cirrhosis), or (ii) in the absence

of a liver biopsy demonstrating the presence of cirrhosis, a diagnosis of cirrhosis as follows:

- a. hepato-splenomegaly and peripheral manifestations of liver disease such as gynecomastia in males, testicular atrophy, spider angiomas, protein malnutrition, palm or nail changes none of which are attributable to any cause other than cirrhosis; and/or
- b. portal hypertension evidenced by splenomegaly, abnormal abdominal and chest wall veins, or esophageal varices, or ascites none of which are attributable to any cause but cirrhosis;

and

- c. abnormal blood tests for a minimum of three months demonstrating:
 1. polyclonal increase in gamma globulins on a serum protein electrophoresis with decreased albumin;
 2. significantly decreased platelet count not attributable to any other cause such as autoimmune causes; and
 3. prolonged INR or Prothrombin time not attributable to any other cause.

or (iii) porphyria cutanea tarda which has failed to respond to a trial of phlebotomy, drug therapy, or the treatment of HCV and which is causing significant disfigurement and disability, or (iv) thrombocytopenia (low platelets) unresponsive to therapy, and which is associated with purpura or other spontaneous bleeding, or which results in excessive bleeding following trauma or a platelet count below 30×10^9 per ml., or (v) glomerulonephritis not requiring dialysis, which in any such case was caused by his or her infection with HCV.

- (f) "Disease Level 6" means the HCV Infected Class Member has had a liver transplant or has developed (i) decompensation of the liver or (ii) hepatocellular cancer or (iii) B-cell lymphoma or (iv) symptomatic mixed cryoglobulinemia or (v) glomerulonephritis requiring dialysis or (vi) renal failure, which in any such case was caused by his or her infection with HCV.
- (3) The evidence to be delivered pursuant to this Article is such medical evidence as is generally accepted by the medical profession and approved by the Courts.
- (4) Evidence that a Primarily Infected Haemophiliac, or a deceased HCV Infected Class Member at Disease Level 4 or higher, has a medical condition referred to in Sections 2.04(2)(c), (d), (e), or (f) may be established on a balance of probabilities by the delivery of the opinion of a medically qualified expert based on non-invasive testing and diagnosis.

2.05 Damages for Past Loss of Income

- (1) An HCV Infected Class Member at Disease Level 4 or higher, or the HCV Personal Representative of an HCV Infected Class Member at Disease Level 4 or higher who died on or after January 1, 1999, who delivers to the Administrator proof satisfactory to the Administrator that the HCV Infected Class Member's infection with HCV has caused Past Loss of Net Income (as defined below) will be paid compensation in an amount equal to 8/11ths of 70% of his or her Past Loss of Net Income for each year until he or she attained the age of 65 years, determined in accordance with the following provisions:
- (2) (a) "Past Loss of Net Income" for a year means the excess of
- (i) the HCV Infected Class Member's Pre-Claim Net Income for such year, multiplied by the ratio that the Pension Index for the year the Claim is approved bears to the Pension Index for the middle year of the three year period referred to in Subsection 2.05(2)(b); over
 - (ii) his or her Post-claim Net Income for such year, multiplied by the ratio that the Pension Index for the year the Claim is approved bears to the Pension Index for such year of Post-Claim Net Income.

(b) "Pre-claim Net Income" for a year means an amount determined as follows:

(i) an amount equal to the average of the HCV Infected Class Member's three highest consecutive years of Earned Income (as defined in Section 2.05(2)(d)) preceding the year of the HCV Infected Class Member's approval for compensation under Section 2.05 or if the HCV Infected Class Member or the Administrator demonstrates on a balance of probabilities that the HCV Infected Class Member's Earned Income for such year would have been higher or lower than such average but for the HCV Infected Class Member's infection with HCV, such higher or lower amount, (the applicable amount being hereinafter referred to as the "Pre-claim Gross Income"), provided that the amount determined under Section 2.05(2)(b)(i) will not exceed seventy five thousand dollars (\$75,000.00) multiplied by the ratio that the Pension Index for the year of approval bears to the Pension Index for 1999, minus

(ii) the Ordinary Deductions that would be payable by the HCV Infected Class Member on the amount determined under Section 2.05(2)(b)(i) on the assumption that such amount was the HCV Infected Class Member's only income for such year.

(c) "Post-claim Net Income" of an HCV Infected Class Member for a year means an amount determined as follows:

(i) the total of (A) the HCV Infected Class Member's Earned Income for the year or, if the Administrator demonstrates on a balance of probabilities that the HCV Infected Class Member's Earned Income for such year would have been higher than such amount but for the person claiming a level of impairment greater than the person's actual level of impairment, such Earned Income as determined by the Administrator, (B) the amount paid or payable to the person in respect of the Canada Pension Plan or the Québec Pension Plan on account of illness or disability for the year, (C) the amount paid or payable to the person in respect of Unemployment Insurance and/or Employment Insurance for the year, and (D) the amount paid or payable to the person for income

replacement under a sickness, accident or disability insurance plan for the year, and (E) the amount paid or payable to the person pursuant to the EAP, MPTAP and/or the Nova Scotia Compensation Plan (such total being hereinafter referred to as the "Post-claim Gross Income"), provided that the amount determined under this Section will not exceed the proportion of the amount determined under Section 2.05(2)(b)(i) for such year that the HCV Infected Class Member's Post-claim Gross Income for such year is of such person's Pre-claim Gross Income for such year, minus

(ii) the Ordinary Deductions that would be payable by the HCV Infected Class Member on the amount determined under Section 2.05(2)(c)(i) on the assumption that such amount was such person's only income for such year.

(d) "Earned Income" means taxable income for the purpose of the Income Tax Act (Canada) from an office or employment or from the carrying on of an active business and any taxable income for the purposes of the Income Tax Act (Canada) of a corporation from the carrying on of an active business to the extent that the person establishes to the satisfaction of the Administrator that the person has a significant shareholding in such corporation and that such income is reasonably attributable to the activities of such person.

(e) "Ordinary Deductions" means income taxes, Unemployment Insurance and/or Employment Insurance and Canada Pension Plan and/or Québec Pension Plan deductions applicable in the Province or Territory where the person is resident.

(f) Notwithstanding any of the foregoing, an HCV Infected Class Member who was not working prior to his or her infection with HCV and who was infected either before he or she attains 18 years of age or, if the person had attained 18 years of age, while the person was in full-time attendance at an accredited education institution in Canada and at a time when the person was yet to enter the workforce on a permanent and full-time basis, will be deemed to have Pre-claim Gross Income for the year which includes the date he or she attains 18 years of age and each subsequent year or, if the person had already attained 18 years of age, the year of completion of full-time

attendance at an accredited education institution and each subsequent year, in an amount equal to the then most recently available Average Industrial Wage in Canada (such amount will be prorated for the year in which the person attains 18 years of age or, completes full-time attendance at an accredited education institution for the number of days in the year in which the person has attained 18 years of age or, completes full-time attendance at an accredited education institution), or, if such person demonstrates on a balance of probabilities that his or her Earned Income for such year would have been higher than such amount, such higher amount.

(g) For the purposes of all income tax calculations required under this Section, the only deductions and tax credits that apply to the HCV Infected Class Member which will be taken into account will be his or her alimony and maintenance payments deduction, basic personal tax credit, married person's or equivalent to married tax credit, disability tax credit, Unemployment or Employment Insurance premium tax credit and Canada Pension Plan or the Québec Pension Plan contribution tax credit.

(3) On notice to Canada, Class Counsel may apply to the Courts 120 days or more after each of June 30, 2010, June 30, 2013 and June 30, 2016, on or after return of the Plaintiffs' motion pursuant to Section 5.07(2), to seek directions as to the retroactive and prospective removal in whole or in part of the 70% limit and seventy five thousand dollars (\$75,000.00) limit set out in Sections 2.05(1) and 2.05(2)(b)(i).

(4) Simple interest (not compounded) will be paid to approved claimants on all payments made pursuant to Section 2.05(3), calculated from the date of approval of the Claim up to the date the payment is made at the Prime Rate on January 1 of each year that interest is payable.

2.06 Damages for Past Loss of Services in the Home

(1) An HCV Infected Class Member at Disease Level 4 or higher, or the HCV Personal Representative of an HCV Infected Class Member at Disease Level 4 or higher who died on or after January 1, 1999, who delivers to the Administrator proof satisfactory to the Administrator that the HCV Infected Class Member's infection with HCV has caused his or her inability to



perform his or her household duties will be paid compensation for that past loss of such services as set out in this Section.

(2) The amount of compensation for the loss of services in the home pursuant to Section 2.06(1) is 8/11ths of twelve dollars (\$12) per hour to a maximum of 8/11ths of two hundred and forty dollars (\$240) per week.

(3) The amounts in Section 2.06(2) will be indexed from January 1, 1999 in accordance with the Pension Index to the date the claim is approved for payment. These amounts will be adjusted on the first day of January of each year commencing on January 1, 2000, by being multiplied by the ratio that the Pension Index for the calendar year bears to the Pension Index for 1999.

(4) No Claim for compensation for damages for Past Loss of Income and compensation for damages for Past Loss of Services in the home may be made for the same period.

2.07 Past Economic Loss and Dependants Fund

(1) The Trustee upon implementation of this Settlement will transfer ninety three million one hundred thousand dollars (\$93,100,000.00) from the Compensation Fund into a separate fund to be known as the Past Economic Loss and Dependants Fund, for the purpose of providing compensation for damages for past loss of income and past loss of services in the home to Approved HCV Infected Class Members or Approved HCV Personal Representatives pursuant to Sections 2.05 and 2.06, and for compensation to Dependants pursuant to Sections 4.03 and 4.04.

(2) All amounts payable under Sections 2.05, 2.06 and Section 4.04 will be paid from the Past Economic Loss and Dependants Fund.

(3) Notwithstanding Section 2.07(1) and (2), in the event that the Past Economic Loss and Dependants Fund is insufficient to provide compensation for damages for past loss of income and past loss of services in the home to Approved HCV Infected Class Members or Approved HCV Personal Representatives as provided in Sections 2.05 and 2.06, and for compensation to Dependants pursuant to Sections 4.03 and 4.04, the Courts, on application by Class Counsel, may order the Trustee to transfer an additional amount from the Compensation Fund to the Past Economic Loss and Dependants Fund, but only to the extent that the funds held in the

Compensation Fund after such a transfer remain sufficient pursuant to Section 5.07(2).

(4) Any undistributed funds remaining in the Past Economic Loss and Dependents Fund on the completion of all payments required to be made under Sections 2.05, 2.06 and 4.04 will be transferred back to the Compensation Fund.

Article Three
Compensation for HCV Infected Class Members
Who Have Died

3.01 Eligibility - HCV Infected Class Members Who Have Died

(1) A person claiming to be the HCV Personal Representative of an HCV Infected Class Member who has died must deliver to the Administrator, within three years after the death of such HCV Infected Class Member or within two years after the Implementation Date, whichever event is the last to occur, an application form prescribed by the Administrator together with:

- (a) an original or notarial copy of the death certificate of the HCV Infected Class Member; and
 - (b) unless the required proof has already been previously delivered to the Administrator:
 - (i) if the deceased was a Primarily-Infected Class Member, the proof required by Sections 2.01 and 2.03; or
 - (ii) if the deceased was a Secondarily-Infected Person, the proof required by Sections 2.02 and 2.03;
 - (c) the original certificate of appointment of estate trustee, grant of probate or of letters of administration or notarial will (or a copy thereof certified to be a true copy by a lawyer or notary) or such other proof of the right of the claimant to act for the estate of the deceased as may be required by the Administrator;
- and

(d) proof that the death of the HCV Infected Class Member was caused by his or her infection with HCV except as provided in Section 3.03(1)(ii).

(2) Notwithstanding the provisions of Section 2.01(1)(b), if a deceased Primarily-Infected Class Member was not tested for the HCV antibody or HCV, the HCV Personal Representative of such deceased Primarily-Infected Class Member may deliver, instead of the evidence referred to in Section 2.01(1)(b), evidence of any one of the following:

(a) a liver biopsy consistent with HCV in the absence of any other cause of chronic hepatitis;

(b) an episode of jaundice within three months of receiving Blood in the absence of any other cause;

(c) a diagnosis of cirrhosis in the absence of any other cause; or

(d) where the claimant is a Primarily-Infected Hemophiliac, that the Primarily-Infected Hemophiliac has tested positive for HIV prior to his or her death.

Nothing in Section 3.01 will relieve any claimant from the requirement to prove that the death of the Primarily-Infected Class Member who died prior to January 1, 1999 was caused by his or her infection with HCV.

(3) Notwithstanding the provisions of Section 2.02(1)(b), if the HCV Personal Representative of a deceased Secondly-Infected Class Member cannot comply with the provisions of Section 2.02(1)(b), the HCV Personal Representative must deliver to the Administrator other evidence establishing on a balance of probabilities that such deceased Secondly-Infected Person was infected with HCV.

(4) For the purposes of Sections 3.01 (1) the statutory declaration required by Sections 2.01(1)(c) and 2.02(1)(a) must be made by a person who is or was sufficiently familiar with the HCV Infected Class Member to declare that to the best of his or her knowledge, information and belief the HCV Infected Class Member did not use non-prescription intravenous drugs and, in the case of Primarily-Infected Persons that they were infected with HCV during the Class Period. If such a statutory declaration cannot be provided because the HCV Infected Class Member used non-prescription

intravenous drugs, the HCV Personal Representative must deliver to the Administrator other evidence establishing on a balance of probabilities that:

- (a) a Primarily-Infected Person was infected for the first time with HCV by receiving Blood in Canada during the Class Period; or
 - (b) a Primarily Infected Hemophiliac was infected with HCV by Blood;
 - (c) a Secondly-Infected Person was infected for the first time with HCV by his or her Spouse who is or was a Primarily-Infected Class Member or Primarily-Infected Opt-out Person, or by a Parent who is or was an HCV Infected Class Member or an HCV Infected Opt-out Person.
- (5) If requested by the Administrator, the HCV Personal Representative must also provide to the Administrator:
- (a) all medical, clinical, hospital or other such records in his or her possession, control or power regarding the HCV Infected Class Member;
 - (b) a consent authorizing the release to the Administrator of such medical, clinical, hospital records or other health information regarding the HCV Infected Class Member as the Administrator may request;
 - (c) income tax returns and other records and accounts pertaining to the income of the HCV Infected Class Member if an income-related claim is being made;
 - (d) any other information, books, records, accounts or consents as may be requested by the Administrator to determine whether or not a person is an HCV Infected Class Member or to process the Claim; and
 - (e) where the claim is with respect to a Primarily-Infected Person, documentation satisfactory to the Administrator confirming a positive traceback or confirming receipt in the class period of Blood from an HCV positive donor or a consent to a Traceback Procedure in addition to the proof set out in Section 3.01(5)(a),(b),(c) and (d);

If any HCV Personal Representative refuses to provide any of the above information, documentation or other matters in his or her possession, control or power, the Administrator must not approve the Claim.

3.02 Compensation if Deceased Prior to January 1, 1999

(1) If an HCV Infected Class Member died prior to January 1, 1999 and his or her HCV Personal Representative delivers to the Administrator the evidence required under Article Two, Section 3.01, 5.01 and 5.04 within the period set out in Section 3.01(1) or Section 5.01, the Approved HCV Personal Representative is entitled to be reimbursed for the uninsured funeral expenses incurred up to a maximum of 8/11ths of five thousand dollars (\$5,000.00) and, subject to the provisions of Section 3.02(2), the Approved HCV Personal Representative will be paid the amount of 8/11ths of forty five thousand dollars (\$45,000.00) in full satisfaction of any and all Claims that the HCV Infected Class Member would have had under this Agreement if he or she had been alive on or after January 1, 1999. This 8/11ths of forty five thousand dollars (\$45,000.00) payment to the Approved HCV Personal Representative is in addition to the Claims of Dependents and other Family Members pursuant to Article Four and will not affect the personal Claim of someone who is also an HCV Infected Class Member.

(2) Instead of the 8/11ths of forty five thousand dollars (\$45,000.00) payment pursuant to Section 3.02(1), and the payment of the Claims of Dependents and other Family Members pursuant to Article Four, the Approved HCV Personal Representative of an HCV Infected Class Member who died prior to January 1, 1999 and all the deceased HCV Infected Class Member's Dependents and other Family Members having Claims under this Agreement may agree to be paid 8/11ths of one hundred and eight thousand dollars (\$108,000.00) in full satisfaction of all their Claims pursuant to this Agreement (including all potential Claims pursuant to Article Four), and such amount will be paid jointly to them, but such payment will not affect the personal Claim of someone who is also an HCV Infected Class Member.

(3) Notwithstanding the provisions of Sections 3.02(1) and (2), if the deceased HCV Infected Class Member was also an HIV Secondarily-Infected Person who died prior to January 1, 1999, no amount will be payable pursuant to Section 3.02(1) unless, and then only to the extent that, the Claims of the Approved HCV Personal Representative and the deceased HCV Infected Class Member's Dependents and other Family Members

pursuant to Article Four exceed an aggregate of two hundred and forty thousand dollars (\$240,000.00) and no amount will be payable pursuant to Section 3.02(2).

(4) The amounts in Sections 3.02(1),(2),(3), (6) and 3.03(1)(i), 3.03(2) and 5.10(1) and (2) will be indexed from January 1, 1999 in accordance with the Pension Index to the date the claim is approved for payment. These amounts will be adjusted on the first day of January of each year commencing on January 1, 2000, by being multiplied by the ratio that the Pension Index for the calendar year bears to the Pension Index for 1999.

(5) Notwithstanding any other provision in this Agreement, no compensation is payable to any Class Member under this Agreement with respect to an HCV Infected Class Member who died prior to January 1, 1999 unless there is proof acceptable to the Administrator that the death of the HCV Infected Class Member was caused by his or her infection with HCV.

(6) Instead of payment pursuant to either Section 3.02(1) or (2), if a Primarily-Infected Hemophiliac was also infected with HIV and died prior to January 1, 1999 and his or her HCV Personal Representative and all the deceased Primarily-Infected Hemophiliac's Dependents and other Family Members having Claims under this Agreement agree to be paid 8/11ths of sixty four thousand eight hundred dollars (\$64,800.00) in full satisfaction of all their Claims pursuant to this Agreement (including all Claims pursuant to Article Four), such amount will be paid jointly to them upon receipt of the following:

- (a) the original certificate of appointment of estate trustee, grant of probate or of letters of administration or notarial will (or a copy thereof certified to be a true copy by a lawyer or notary) or such other proof of the right of the claimant to act for the estate of the deceased as may be required by the Administrator;
- (b) the evidence referred to in Section 2.01(1)(a):
- (c) the evidence referred to in Section 3.01(2)(a), (b), (c) or (d):
- (d) a statutory declaration referred to in Section 3.01(3); and

- (e) any evidence required by the Administrator pursuant to Section 3.01(4).

Such payment will not affect the personal Claim of someone who is also an HCV Infected Class Member.

(7) Any payments made pursuant to Section 3.02(2) will be paid in the following proportions and from the following sources:

- (a) 41.7% from the Compensation Fund;
- (b) 35.0% from the Dynamic Non-Segregated Family Fund; and
- (c) 23.3% from the Past Economic Loss and Dependents Fund.

3.03 Compensation if Deceased on or after January 1, 1999

(1) If an HCV Infected Class Member died or dies on or after January 1, 1999 and the evidence required under Article Two, Section 3.01, 5.01 and 5.04 has been submitted to the Administrator by him or her prior to his or her death or by his or her HCV Personal Representative after his or her death and within the period set out in Section 3.01(1), the Approved HCV Personal Representative will be paid

- (i) the uninsured funeral expenses incurred up to a maximum of 8/11ths of five thousand dollars (\$5,000.00);
and

- (ii) whether or not the evidence required under Section 3.01(1)(d) is provided, the amount as set out in Schedule C2 with reference to the highest Disease Level attained to the date of death;

but such payments are in addition to the amounts referenced in Section 2.05 and 2.06 and the Claims of Dependents and Family Members pursuant to Article Four and will not affect the personal Claim of someone who is also an HCV Infected Class Member.

(2) Notwithstanding the provisions of Section 3.03(1), if the deceased HCV Infected Class Member was also an HIV Secondarily-Infected Person, no amount will be payable pursuant to Section 3.03(1) unless, and then only to



the extent that, the Claims of the Approved HCV Personal Representative and the deceased HCV Infected Class Member's Dependents and other Family Members pursuant to Article Four exceed an aggregate of two hundred and forty thousand dollars (\$240,000.00).

3.04 When Compensation Payable

For greater certainty, compensation under Article Four, Section 3.02(1) and (2) and 3.03(1)(i) is only payable with respect to a deceased HCV Infected Class Member where the deceased HCV Infected Class Member had attained Disease Level 4 or higher prior to death.

Article Four Compensation to Dependents and Family Members

4.01 Eligibility - Family Member

(1) To be eligible for Family Member compensation, a person claiming to be the Spouse, Child, Grandchild, Parent, Grandparent or Sibling of an alive HCV Infected Class Member or an HCV Infected Class Member whose death was caused by the HCV Infected Class Member's infection with HCV must deliver to the Administrator, within one year after the date of approval of an application for compensation under this Agreement by or on behalf of such HCV Infected Class Member or within one year of the claimant attaining his or her age of majority, whichever event is the last to occur, an application form prescribed by the Administrator together with:

- (a) the applicable proof with respect to the HCV Infected Class Member as required by Sections 2.01 or 2.02, and 2.03, unless the required proof has been previously delivered to the Administrator; and
- (b) proof that the claimant is or was the Spouse, Child, Grandchild, Parent, Grandparent or Sibling of the HCV Infected Class Member.

4.02 Compensation to Approved Family Members

(1) The Trustee will create a notional fund within the Compensation Fund, to be known as the "Dynamic Non-Segregated Family Benefits Fund", for the purpose of monitoring and accounting for compensation to Approved Family Members.

(2) Upon approval of the Claim of an HCV Infected Class Member or an HCV Infected Class Member whose death was caused by the HCV Infected Class Member's infection with HCV, the Administrator will notionally transfer the amount corresponding to the HCV Infected Class Member's Disease Level, as set out in Schedule C3, to the Dynamic Non-Segregated Family Benefits Fund.

(3) Subject to Section 5.02(2), each Approved Family Member will be paid compensation in the amounts set out in Schedule C3A in relation to the Disease Level of the HCV Infected Class Member, or in relation to an HCV Infected Class Member whose death was caused by HCV. On payment of such compensation, a corresponding deduction will be made to the notional balance of the Dynamic Non-Segregated Family Benefits Fund.

(4) Any positive balance remaining in the Dynamic Non-Segregated Family Benefits Fund on the Termination Date will be distributed pro-rata to Approved HCV Infected Class Members or their HCV Personal Representative based upon the amounts notionally transferred pursuant to Section 4.02(2).

4.03 Eligibility - Dependant

(1) A person claiming to be a Dependant of an HCV Infected Class Member whose death was caused by the HCV Infected Class Member's infection with HCV must deliver to the Administrator, within one year after the death of such HCV Infected Class Member or within two years after the Implementation Date or within one year of the claimant attaining his or her age of majority, whichever event is the last to occur, an application form prescribed by the Administrator together with:

(a) proof as required by Sections 3.01(1)(a) and (b) (or, if applicable, Section 3.01(2) or (3)) and 3.01(4) and (5), unless the required proof has been previously delivered to the Administrator; and

(b) proof acceptable to the Administrator that the death of the HCV Infected Class Member was caused by his or her infection with HCV; and

(c) proof that the claimant was a Dependant of the HCV Infected Class Member.

4.04 Compensation to Dependents

- (1) If an HCV Infected Class Member is deceased, the Approved Dependents of that HCV Infected Class Member shall be paid compensation from the Past Economic Loss and Dependents Fund equal to the Approved Dependents Amount.
- (2) The Approved Dependents Amount will be calculated in accordance with Schedules C4, C5 and C6 using:
 - (a) 70% of the amount calculated in accordance with Sections 2.05 (1) and (2), and subject to Sections 2.05(3) and (4), up to the date that the HCV Infected Class Member would have reached age 65; and
 - (b) the HCV Infected Class Member's Past Loss of Services determined in accordance with Section 2.06 after the date that the HCV Infected Class Member would have reached age 65.
- (3) Where the Dependant establishes, to the satisfaction of the Administrator that the HCV Infected Class Member, prior to attaining the age of 65, was for a period or periods not in receipt of Earned Income but did perform household duties, then an Approved Dependents Amount, for such period or periods may be calculated in accordance with Section 2.06.
- (4) The mathematical formulae necessary to the calculation of Approved Dependents Amounts as provided in this Section and Schedules C4, C5 and C6 shall be contained in a Court Approved Protocol to be agreed by the parties.
- (5) The amounts payable pursuant to this Section will be allocated as the Approved Dependents may agree, or failing any agreement, as the Administrator so determines based on the extent of support received by each of the Dependents prior to the death of the HCV Infected Class Member. Notwithstanding any of the provisions hereof, the Approved Dependents of an HCV Infected Class Member whose death was caused by his or her infection with HCV cannot claim compensation for loss of support and compensation for the loss of services in the home for the same period.

4.05 Limitation

Dependants and other Family Members of an HCV Infected Class Member will only be entitled to make Claims pursuant to Sections 4.02 and 4.04 and they will not be entitled to make any other Claims or to any additional or other compensation. Nothing in this Section will affect the personal Claim of someone who is also an HCV Infected Class Member.

Article Five Compensation – Miscellaneous

5.01 First Claim Deadline

- (1) Except as otherwise expressly provided in this Agreement, the Administrator shall not consider an application made for the first time after June 30, 2010 under this Agreement except:
 - (a) where a Class Member was infected with Hepatitis C after July 1, 1990 and fails to submit an application by no fault of their own; or
 - (b) where an application is made by a Family Member or Dependant within one year following the date on which the application submitted on behalf of the HCV Infected Class Member from whom the claim is derived was approved; or
 - (c) where an application is made up to one year after the applicant attains his or her age of majority; or
 - (d) where an application is made within three years following the date upon which the HCV Infected Class Member first learned of his or her infection with HCV as a result of receiving Blood in the Class Period or being infected by a Class Member who received Blood in the Class Period, and the Court having jurisdiction over that person grants them leave to apply for compensation.
- (2) Notwithstanding any provision of this Agreement, the final deadline for submitting claims under this Agreement is June 30, 2016, and in no circumstances will the Administrator consider a claim submitted after June 30, 2016.

(3) The applications for compensation under Sections 2.04, 2.05, 2.06, 3.02 and 3.03 must be made concurrently but need not be approved or paid concurrently.

5.02 Deductions

(1) 8/11ths of the amount that has been paid to or on behalf of an Approved HCV Infected Class Member pursuant to the Red Cross Settlement as compensation for being infected with HCV will be deducted from the compensation paid to or on behalf of that Approved HCV Infected Class Member under Articles Two and Three of this Agreement.

(2) 8/11ths of the amount that has been paid to or on behalf of a Family Member pursuant to the Red Cross Settlement as compensation for being a Family Member of an Approved HCV Infected Class Member will be deducted from the compensation paid to or on behalf of that Approved Family Member as compensation for being an Approved Family Member of that HCV Infected Class Member under Section 4.02 of this Agreement.

(3) No deduction shall be made to any amounts payable under this Agreement for amounts paid to or on behalf of any Class Member from any Provincial/Territorial compensation programs/plans relating to Blood received in Canada.

(4) If compensation is received by or on behalf of an HCV Infected Class Member in their capacity as an HCV Infected Person under the 1986-1990 Hepatitis C Settlement Agreement, but that HCV Infected Class Member is subsequently disqualified from that settlement, 8/11ths of any compensation received in relation to the HCV Infected Class Member's infection with HCV by or on behalf of the HCV Infected Class Member, a Family Member or Dependant under the 1986-1990 Hepatitis C Settlement Agreement will be deducted from any compensation paid under this Agreement.

(5) In the absence of fraud, any amount paid under this Agreement is not refundable if it is later determined that the recipient was not entitled to receive or be paid all or part of the amount so paid, but the recipient may be required to account for any amount that he or she was not entitled to receive against any future payments that he or she would otherwise be entitled to receive under this Agreement.

5.03 Duration

No application for compensation will be accepted and no compensation will be paid under this Agreement prior to the Implementation Date or after the Termination Date.

5.04 Traceback Procedure

(1) Notwithstanding any other provision of this Agreement but subject to the provisions of Sections 5.04(2) and (3), the Administrator must reject the Claim of a Primarily-Infected Person (and all Claims pertaining to such Primarily-Infected Person or Primarily-Infected Opt-out Person, including Claims of Secondarily-Infected Persons, HCV Personal Representatives, Dependants and Family Members) if the results of a Traceback Procedure demonstrate that:

(a) where the Primarily Infected Person did not receive Blood prior to January 1, 1986, one of the donors or units of Blood received at any time between January 1, 1986 and July 1, 1990 inclusive, by the Primarily-Infected Person was HCV antibody positive; or

(b) that none of the donors or units of Blood received by the Primarily-Infected Person during the Class Period is or was HCV antibody positive.

(2) A claimant may prove that the relevant Primarily-Infected Person or Primarily-Infected Opt-out Person was infected, for the first time, with HCV by receiving Blood in Canada during the Class Period, notwithstanding the results of the Traceback Procedure. For greater certainty, the costs of obtaining evidence to refute the results of a Traceback Procedure must be paid by the claimant unless otherwise ordered by a Court.

(3) If there is evidence that the relevant Primarily-Infected Person or Primarily-Infected Opt-out Person received Blood between January 1, 1986 and July 1, 1990, inclusive, a claimant under this Agreement must provide:

(i) confirmation that a claim for the relevant Primarily-Infected Person or Primarily Infected Opt-out Person under the 1986-1990 Hepatitis C Settlement Agreement has been denied; or

(ii) a positive Traceback for Blood received prior to 1986 by the relevant Primarily-Infected Person or Primarily-Infected Opt-out Person.

(4) Subject to Section 5.01(2), if the claimant is relying on Section 5.04(3)(i), the deadline for filing a claim under this Agreement is extended to one year after the denial of the claim under the 1986-1990 Hepatitis C Settlement Agreement.

(5) Notwithstanding any other provision of this Agreement, the claims of and claims deriving from Primarily-Infected Hemophiliacs are exempt from the Traceback Procedures.

5.05 HCV Personal Representative of Minor or Incompetent

(1) In addition to the evidence required by Section 2.01 or 2.02 and 2.03, a person claiming to be the HCV Personal Representative of an HCV Infected Class Member who is a minor or incompetent must deliver to the Administrator the Court order or power (or a copy thereof certified to be a true copy by a lawyer or notary) or such other proof of the right of the claimant to act for the HCV Infected Class Member as may be required by the Administrator.

(2) Where an HCV Personal Representative acts on behalf of a minor or incompetent person, the statutory declaration required by Sections 2.01(1)(c) and 2.02(1)(a) must be made by a person who is or was sufficiently familiar with the HCV Infected Class Member to declare that to the best of his or her knowledge, information and belief the HCV Infected Class Member did not use non-prescription intravenous drugs and, in the case of Primarily-Infected Persons that they were infected with HCV during the Class Period. If such a statutory declaration cannot be provided because the HCV Infected Class Member used non-prescription intravenous drugs, the HCV Personal Representative must deliver to the Administrator other evidence establishing on a balance of probabilities that:

- (a) a Primarily-Infected Person was infected for the first time with HCV by receiving Blood in Canada during the Class Period; or
- (b) a Primarily Infected Hemophiliac was infected with HCV by Blood;

(c) a Secondarily-Infected Person was infected for the first time with HCV by his or her Spouse who is or was a Primarily-Infected Class Member or Primarily-Infected Opt-out Person, or by a Parent who is or was an HCV Infected Class Member or an HCV Infected Opt-out Person.

5.06 Protocol and Standard Operating Procedures

(1) A Traceback Procedure Protocol, to be agreed by the Parties in consultation with Hema-Quebec and the Canadian Blood Services, that will reflect, to the extent appropriate, the traceback procedures set out in the Criteria for Traceback Procedure For Persons Claimed to Be Primarily-Infected Persons – Transfused HCV Plan under the 1986-1990 Hepatitis C Settlement Agreement.

(2) Other Standard Operating Procedures and Protocols to be agreed by the Parties that will reflect, to the extent appropriate, the standard operating procedures and protocols under the 1986-1990 Hepatitis C Settlement Agreement.

5.07 Claims Experience Premium

(1) Subject to Sections 5.07(2) and 4.02(4), the Courts may order that each Approved HCV Infected Class Member or the Approved HCV Personal Representative of an HCV Infected Class Member receive claims experience premium payments which shall not in total exceed 1/9th of the amount received by or in respect of the HCV Infected Class Member pursuant to Section 2.04 or 3.03(1)(ii) in respect of Disease Levels 2 through 6, or Section 3.02, save as to funeral expenses.

(2) On notice to Canada, Class Counsel shall apply to the Courts 120 days or more after each of June 30, 2010, June 30, 2013 and June 30, 2016 to assess the financial sufficiency of the Compensation Fund and may seek directions as to the amounts and timing of the payment of the claims experience premium set out in Section 5.07 (1).

(3) Simple interest (not compounded) will be paid to approved claimants on all payments ordered pursuant to Sections 5.07(1) and (2) calculated from the date of approval of the Claim up to the date the payment is made, at the Prime Rate on January 1 of each year that interest is payable.

5.08 Indexing and Interest

(1) The compensation amounts provided in Schedules C1, C2, C3 and C3a will be indexed from January 1, 2007 in accordance with the Pension Index as defined under the *Canada Pension Plan Act* to the date the claim is approved for payment. These amounts will be adjusted on the first day of January of each year commencing on January 1, 2008 to the amounts set out multiplied by the ratio that the Pension Index for the calendar year of such adjustment bears to the Pension Index for 2007.

(2) Interest will not accrue on amounts payable under this Agreement except as expressly provided in this Agreement.

(3) For greater certainty, the amounts payable to approved Class Members under this Agreement do not bear any prejudgment interest.

5.09 Sufficiency of the Fund and Disposition of Surplus

(1) In express recognition of the fact that Canada has not negotiated any discount for legal risk:

(a) the Parties agree that Canada will not be liable to provide further funding in the event that the Compensation Fund is inadequate to compensate all Class Members who have met the eligibility requirements. For greater certainty, any risk of insufficiency in the Compensation Fund will be borne by the Class Members.

(b) the Parties specifically agree that any funds remaining in the Trust Fund on the Termination Date will be the sole property of and will be transferred to Canada within 60 days of the Termination Date.

5.10 Compensation for HIV Co-Infected Persons

(1) The Parties agree that in order to avoid double recovery between this Agreement and the Federal/ Provincial/ Territorial Assistance Program for HIV Secondarily-Infected Individuals, an Approved HCV Infected Class Member who is also a HIV Secondarily-Infected Person may not receive any compensation he or she would otherwise be entitled to receive under this Agreement unless and until his or her entitlement to compensation hereunder exceeds a total of two hundred and forty thousand dollars (\$240,000.00) and then he or she will be entitled to be compensated for all amounts he or she

would otherwise be entitled to receive in excess of two hundred and forty thousand dollars (\$240,000.00), subject to Section 3.02(4).

(2) Notwithstanding any of the provisions of this Agreement (including Section 5.10(1)), a Primarily-Infected Hemophiliac who is an Approved HCV Infected Class Member who is also infected with HIV may elect to be paid 8/11ths of fifty thousand dollars (\$50,000.00) in full satisfaction of all his or her past, present or future Claims pursuant to this Agreement (including all potential Claims of his or her Dependents or other Family Members pursuant to Article Six) but such payment will not affect the personal Claim of someone who is also an HCV Infected Class Member. Evidence that an Approved HCV Infected Class Member has received payments under MPTAP or EAP or the Nova Scotia Compensation Plan will be proof that he or she also has HIV, subject to Section 3.02(4).

5.11 Thalassaemia Major

(1) Primarily-Infected Persons who have or had Thalassaemia Major are entitled to meet the required proof for compensation and to receive benefits under this Agreement, *mutatis mutandis*, as if they were Primarily-Infected Hemophiliacs and they are deemed, for the purposes of this Agreement, to be Primarily Infected Hemophiliacs except that the proviso in Section 2.04(4) of this Agreement shall not apply to them.

(2) Where a Primarily-Infected Person who has or had Thalassaemia Major infects their Spouse and/or Children with HCV, the Spouse and or Children so infected, are entitled to meet the required proof for compensation and to receive benefits under this Agreement, *mutatis mutandis*, as if they were the Spouse and/or Children of Primarily-Infected Hemophiliacs and they are deemed, for the purposes of this Agreement, to be the Spouse and/or Children of Primarily Infected Hemophiliacs except that the proviso in Section 2.04(4) of this Agreement shall not apply to them.

(3) Dependents and Family Members of a Primarily-Infected Person who has or had Thalassaemia Major, are entitled to meet the required proof for compensation and to receive benefits under this Agreement, *mutatis mutandis*, as if they were the Dependents and Family Members of Primarily-Infected Hemophiliacs and they are deemed, for the purposes of this Agreement, to be the Dependents and Family Members of Primarily Infected

Hemophiliacs except that the proviso in Section 2.04(4) of this Agreement shall not apply to them.

5.12 Status of Alive or Deceased

For the purposes of this Agreement, an HCV Infected Class Member's status as alive or deceased will be determined as at the Date of the application for compensation.

5.13 Compensation under one hundred dollars (\$100.00)

Where any amount of compensation payable pursuant to this Agreement would otherwise be less than one hundred (\$100.00) dollars, that amount will be deemed to be one hundred (\$100.00) dollars.

Article Six Funding

6.01 Funding

Canada will transfer the Compensation Fund on the Implementation Date to a Trustee to be agreed upon by the Parties, to be held in Trust for the Class Members on terms to be agreed by the Parties.

6.02 Monthly Payments for Compensation Plan

(1) Within eight Business Days after the end of each month, the Administrator on behalf of Class Members will requisition from the Trustee an amount or amounts equal to the amount or amounts of Compensation to be paid by the Administrator pursuant to the Compensation Plan in respect of the immediately preceding month.

(2) Within ten Business Days after the end of each month, the Trustee will transfer an amount equal to the amount or amounts requisitioned by the Administrator on behalf of the Class Members by electronic fund transfer to an account or accounts specified by the Administrator.

6.03 Claims by Opt-out Persons

(1) If any amount is payable by Canada pursuant to any of a final judgment of a Court in a contested action, a consent judgment, or a

settlement approved by one of the Courts to any Opt-out Person or any other person who claims over or brings a third party claim or makes any claim or demand or takes any action or proceeding against Canada, including Charter Claims, in any way relating to or arising from the infection of an HCV Infected Opt-out Person or an HCV Infected Class Member, the amount stipulated in Section 6.03(2) shall be reimbursed to Canada from the Compensation Fund, upon delivery to the Trustee of:

(a) a notarized copy of a final judgment (as defined in Section 1.13 of this Agreement) obtained by the Opt-out Person against Canada or a notarized copy of an order of a Court approving the minutes of settlement entered into by the Opt-out Persons and Canada, and

(b) proof that the judgment or settlement has been paid by Canada to the Opt-out Person.

(2) Within 30 days of the receipt of the proof set out in Section 6.03(1), the Trustee will transfer to Canada, in trust by electronic fund transfer, to an account specified by Canada, an amount equal to the amount that the Opt-out Person would have been entitled to receive from the Trust Fund had he or she qualified under the Compensation Plan, provided that in no circumstances shall the amount paid from the Trust Fund to Canada or its designate exceed the amount paid to the Opt-out Person by Canada pursuant to the judgment or settlement plus interest thereon.

(3) No other amount shall be paid out of the Trust Fund to settle any action instituted by any Opt-out Person or to pay any judgment or settlement in any action prosecuted by any Opt-out Person or to indemnify Canada from any judgment or settlement of any action instituted by any Opt-out Person relating to or arising from the infection of an HCV Infected Opt-out Person or an HCV Infected Class Member.

6.04 Payments to Class Counsel

If a notarized copy of an order of the Court in which a Class Action was commenced approving the fees, costs, disbursements and applicable taxes (other than income taxes) of Class Counsel representing the Class Action plaintiff in such Class Action is delivered to the Trustee, in the month following the receipt of such documents, the Trustee will transfer an amount

equal to the amount of such fees, costs, disbursements and taxes by electronic fund transfer to an account specified by such Class Counsel.

6.05 Payments for Administration Costs

If a notarized copy of an order of a Court approving any of the costs of administering this Agreement is delivered to the Trustee, in the month following the receipt of such documents the Trustee will pay an amount equal to the amount of such costs to or to the order of the payee thereof as set out in the Court Order by cheque or, if requested by such payee, by electronic fund transfer to an account specified by the payee. For greater certainty, a Court may approve specific costs or the terms of any commitment under which costs will be payable on an ongoing basis and, in the latter case, such costs will be payable by the Trustee in the month following delivery of an invoice therefor.

Article Seven The Trustee and Trust Fund

7.01 Trust

A Trust Fund will be established to hold the Compensation Fund and the Past Economic Loss and Dependants Fund.

7.02 Trustee

The Parties will ask that the Courts appoint a Trustee to act as the Trustee of the Trust Fund with such powers, rights, duties and responsibilities as the Courts direct. Without limiting the generality of the foregoing, the duties and responsibilities of the Trustee will include:

- (a) to establish a Trust Fund to hold the Compensation Fund and the Past Economic Loss and Dependants Fund;
- (b) to engage the services of professionals to assist in fulfilling the Trustee's duties;
- (c) to invest the Compensation Fund and the Past Economic Loss and Dependants Fund in the best interests of the beneficiaries of the Trust with a view to achieving a maximum rate of return without

undue risk of loss, having regard to the ability of the Trust to meet its financial obligations;

(d) to exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances, having regard to the overall rate of return and risk of loss of the entire portfolio of investments held in the Trust Fund;

(e) to keep such books, records and accounts as are necessary or appropriate to document the assets held in the Trust Fund, and each transaction of the Trust Fund;

(f) to provide such amounts to the Administrator from the Trust Fund as required from time to time as set out in Article Six of this Agreement;

(g) to take all reasonable steps and actions required under the *Income Tax Act* (Canada) as set out in Section 7.11 of this Agreement;

(h) to report to the Administrator and Canada and Class Counsel on a quarterly basis the assets held in the Trust Fund at the end of each such quarter as set out at Section 7.07 of this Agreement; and

(i) to do such other acts and things as are incidental to the foregoing, and to exercise all powers that are necessary or useful to carry on the activities of the trust or to carry out the provisions of this Agreement.

7.03 Trustee Fees

The fees, disbursements and other costs of the Trustee will be paid out of the Trust Fund at times, in a manner and in amounts approved by the Courts.

7.04 Nature of the Trust

The Trust will be established for the following purposes:

(a) to acquire the funds payable by Canada;

(b) to hold the Compensation Fund and the Past Economic Loss and Dependents Fund;

- (c) to make any necessary disbursements;
- (d) to invest cash in investments; and
- (e) to do such other acts and things as are incidental to the foregoing, and to exercise all powers that are necessary or useful to carry on the activities of the Trust or to carry out the provisions of this Agreement.

7.05 Legal Entitlements

The legal ownership of the assets of the Trust and the right to conduct the business of the Trust will be, subject to the specific limitations contained herein, and in particular Section 5.09(1)(b) of this Agreement, vested exclusively in the Trustee, and the Class Members and other beneficiaries of the Trust have no right to compel or call for any partition, division or distribution of any of the assets of the Trust except in an action to enforce the provisions of the Settlement Agreement. No Class Member or any other beneficiary of the Trust will have or is deemed to have any right of ownership in any of the assets of the Trust.

7.06 Records

The Trustee will keep such books, records and accounts as are necessary or appropriate to document the assets of the Trust and each transaction of the Trust. Without limiting the generality of the foregoing, the Trustee will keep, at its principal office, records of all transactions of the Trust and a list of the assets held in trust and a record of the Account Balance from time to time.

7.07 Quarterly Reporting

The Trustee will deliver to the Administrator, Canada and Class Counsel, within 30 days after the end of each calendar quarter, a quarterly report setting forth the assets held as at the end of such quarter in the Trust Fund (including the term, interest rate or yield and maturity date of each investment) and a record of the Account Balance during such quarter.

7.08 Annual Reporting

The Auditors will deliver to the Administrator, the Trustee, Canada, Class Counsel and the Courts, within 60 days after the end of each Fund Year:

(a) the audited financial statements of the Trust for the most recently completed Fund Year together with the report of the Auditors thereon; and

(b) a report setting forth a summary of the assets held in trust as at the end of the Fund Year for the Trust Fund and the Disbursements made during the preceding Fund Year.

7.09 Method of Payment

Any amounts paid out of the Trust will be considered to have been paid first out of the income of the Trust and next out of the capital of the Trust.

7.10 Additions to Capital

Any income of the Trust not paid out in a Fund Year will at the end of such Fund Year be added to the capital of the Trust.

7.11 Tax Elections

For each taxation year of the Trust, the Trustee will file any available elections and designations under the *Income Tax Act* (Canada) and equivalent provisions of the income tax act of any Province or Territory and take any other reasonable steps such that the Trust and no other person is liable to taxation on the income of the Trust, including the filing of an election under subsection 104(13.1) of the *Income Tax Act* (Canada) and equivalent provisions of the income tax act of any Province or Territory for each taxation year of the Trust and the amount to be specified under such election will be the maximum allowable under the *Income Tax Act* (Canada) or the income tax act of any Province or Territory, as the case may be.

7.12 Canadian Income Tax

(1) Given that Canada is the sole contributor to the Compensation Fund and the Past Economic Loss and Dependents Fund and the quantum of the

Compensation Fund was determined on the basis that the Trust Fund in which it is held would not be taxable, if any income taxes under the *Income Tax Act* (Canada) are paid by the Trustee in respect of income of the Trust, Canada, to which the taxes were paid, will pay an amount equivalent to the amount so paid to the Trustee and such amount will thereafter form part of the Trust Fund.

(2) In lieu of the mechanism proposed in subsection (1), Canada may take steps to amend the *Income Tax Act* (Canada) to provide an income tax exemption for income earned by the Trust in a taxation year in a manner similar to the provisions in place in respect of the 1986-1990 Hepatitis C Settlement Agreement entered into by Her Majesty in Right of Canada and Her Majesty in Right of each of the Provinces.

7.13 Investment Advisors

The Parties will ask the Courts to appoint Investment Advisors to provide the Trustee with advice on the investment of the funds held in the Compensation Fund and the Past Economic Loss and Dependents Fund.

Article Eight Administration

8.01 Administration

The Parties will ask that the Courts appoint an Administrator to administer the Compensation Plan with such powers, rights, duties and responsibilities as are agreed by the Parties and approved by the Courts. Without limiting the generality of the foregoing, the duties and responsibilities of the Administrator will include:

- (a) establishing and staffing "The pre 1986 / post-1990 Hepatitis C Claims Centre";
- (b) developing, installing and implementing systems and procedures for receiving, processing, evaluating and making decisions respecting Claims including making all necessary inquiries (including consulting medical personnel) to determine the validity of any Claim and requiring any claimant to have a medical examination;

- (c) reporting to the Courts, to Canada and to Class Counsel respecting Claims received and being administered;
- (d) providing personnel in such reasonable numbers as are required for the performance of its duties, and training and instructing them;
- (e) keeping or causing to be kept accurate accounts of its activities and its administration of the Compensation Plan, preparing such financial statements, reports and records as are required by the Courts, in form and content as directed by the Courts, and submitting them to the Courts, to Canada and to Class Counsel monthly or so often as the Courts direct;
- (f) receiving and responding to all enquiries and correspondence respecting Claims, supplying claim forms, reviewing and evaluating all Claims, making decisions in respect of Claims, giving notice of its decision, receiving compensation payments on behalf of the Class Members out of the Trust Fund and forwarding the compensation in accordance with the provisions of the Compensation Plan within a reasonable period of time and communicating with a claimant, in either English or French, as the claimant elects;
- (g) assisting in the completion of claim forms and attempting to resolve any disputes with claimants;
- (h) maintaining a database with all information necessary to permit the Courts to evaluate the financial viability and sufficiency of the Trust Fund from time to time;
- (i) such other duties and responsibilities as the Courts may from time to time by order direct;
- (j) appointing an Auditor;
- (k) obtaining consents from individual Class Members to dismissal of action without costs prior to providing any compensation and provide same to Canada; and
- (l) obtaining full and final releases from claimants prior to payment of claims and provide same to Canada.

8.02 Decisions of the Administrator

The Administrator will give notice of its decision in respect of a Claim to a claimant promptly after the decision is made. A decision of the Administrator in respect of a Claim will be final, subject to the claimant's right to appeal pursuant to Article Sixteen of this Agreement.

8.03 Administrative Fees and Expenses

The fees, disbursements, applicable taxes and other costs for the Administration of the settlement will be paid out of the Trust Fund at times, in a manner and in amounts approved by the Courts. The total fees, disbursements, and other costs for the Administration of the settlement, including the Trustee's fees, legal fees pursuant to Section 8.05(2) of this Agreement, disbursements, applicable taxes and other costs, shall not exceed twenty million dollars (\$20,000,000.00) except in exceptional circumstances and with the prior approval of the Courts and not for the sole or predominant purpose of funding legal fees under Section 8.05.

8.04 Calculation and Notice of Payments

The Administrator will notify the Trustee and Canada and Class Counsel of the amount of compensation to be made in respect of the preceding month within five business days after the end of each month. The notice from the Administrator will set out the facts upon which the calculation is based and the residence information set out in the statutory declaration of each claimant.

8.05 Class Counsel

(1) Following the Implementation Date and until the Termination Date, one Class Counsel from each jurisdiction with a Class Action, to a maximum of four Class Counsel, shall continue acting on behalf of the Class as a whole with respect to all acts required to give effect to the terms of this Agreement. Without limiting the generality of the forgoing, the duties and responsibilities of Class Counsel will include:

- (a) recommending to the Courts persons to be appointed as Administrator and Trustee;

- (b) recommending to the Courts the names of recognized professional investment and asset management advisors for appointment as the Investment Advisors.
 - (c) recommending to the Courts the establishment, amendment or rescission of protocols for the administration of this Agreement;
 - (d) receiving and assessing information from the Administrator and the Trustee as provided in this Agreement;
 - (e) providing advice and assistance to the Administrator and the Trustee regarding the administration of this Agreement;
 - (f) retaining actuaries to determine the financial sufficiency of the Trust Fund, and making recommendations to the Courts regarding installment payments to Class Members whose claims have been approved under this Agreement as required by Section 5.07(2);
 - (g) applying to the Courts for advice and directions; and
 - (h) participating in applications made to the Courts regarding the terms and administration of this Agreement.
- (2) The fees, disbursements and other costs of Class Counsel for work done pursuant to section 8.05(1) will be paid out of the Trust Fund at times, in a manner and in amounts approved by the Courts, subject to Section 8.03.
- (3) Class Counsel will provide Canada with 60 days notice of any Court approval hearing contemplated under Section 8.05(2) and Canada will have standing to make submissions and file material with regard to any such hearing.

Article Nine

Character of Payments

9.01 Canadian Income Tax

- (1) The amount of compensation paid to or received by a Class Member pursuant to this Agreement will not be required to be included in the income of the recipient thereof under the *Income Tax Act* (Canada) provided, however, that this provision will not apply in respect of any amount of

compensation paid to or received by a person other than the person that, but for any assignment of any amount of compensation payable under this Agreement, would be the person entitled to the compensation under this Agreement or in respect of any tax payable under Part XIII of the *Income Tax Act* (Canada) by any Class Member or any amount required to be withheld by the Trustee or Administrator on account of such tax in respect of any compensation paid or received under this Agreement.

(2) Nothing in Section 9.01 is to be construed as binding any Province or Territory of Canada in relation to the tax treatment of any compensation paid or received by a Class Member under this Agreement, nor will Canada be responsible for any obligation arising in that regard.

9.02 Federal Social Benefits

(1) Canada will make its best efforts to ensure that if a Class Member is or was receiving or would be entitled to receive any federal medical, ancillary medical, health or drug benefits, the receipt of payments pursuant to this Agreement will not affect the quantity, nature or duration of any corresponding federal benefits that any Class Member receives.

(2) Canada will make its best efforts to ensure that the receipt of any payments pursuant to this Agreement will not affect the quantity, nature or duration of any federal social benefits or federal social assistance benefits payable to a Class Member pursuant to any social benefit programs of the government of Canada such as old age security and Canada Pension Plan, as such payments either are not considered or, if considered, are otherwise exempted in the calculation of benefits under such legislation.

(3) Any benefit conferred under Section 9.02(1) or (2) cannot be assigned by the Class Member.

(4) Nothing in Section 9.02 is to be construed as binding any Province or Territory of Canada in relation to their individual treatment of any similar Provincial or Territorial benefits, nor will Canada be responsible for any obligation arising in that regard.

Article Ten
Approval Orders

10.01 Approval Orders

(1) Class Counsel will seek Approval Orders which will include provisions:

- (a) incorporating by reference this Agreement in its entirety;
- (b) ordering and declaring that such orders are binding on all Class Members, including minors or mentally incompetent persons, unless they opt-out or are deemed to have opted out on or before the expiry of the Opt-out period;
- (c) ordering and declaring that on the expiry of the Opt-out Period all class members, unless they have opted-out, or are deemed to have opted-out, on or before the expiry of the Opt-out Period, have released each of the Releasees from any and all actions, including Charter Claims they have, may have had or in the future may acquire against any of the Releasees relating to or arising from the infection of an HCV Infected Class Member with Hepatitis C through the blood system during the Class Period;
- (d) ordering and declaring that the obligations assumed by Canada under this Agreement are in full and final satisfaction of all claims against the Releasees, including Charter Claims, relating to or arising from the infection of an HCV Infected Class Member with Hepatitis C through the blood system during the Class Period and that the Approval Orders are the sole recourse on account of any and all claims referred to therein;
- (e) ordering and declaring that the Notice Program referred to in Article Twelve is approved by the Courts;
- (f) ordering and declaring that judgments or orders will be sought from the Courts in such form as is necessary to implement and enforce the provisions of this Agreement and to supervise the ongoing performance of this Agreement;

- (g) dismissing all Class Actions as against Canada;
 - (h) directing that the Administrator of the Red Cross Settlement provide to the Administrator appointed under this Agreement the name of the claimant, the name of the Primarily Infected Class Member, the address of the claimant, the date of birth of the claimant and such other information as may be required to accurately identify each person who received compensation under the Red Cross Settlement and the amount of such compensation;
- (2) Class Counsel will seek separate Orders approving Class Counsel fees and disbursements pursuant to Section 14.03.

Article Eleven Court Materials

11.01 Court Materials

- (1) Class Counsel agree to amend all pending class action claims as necessary, including the addition of Charter Claims where necessary, to ensure that identical relief is sought against Canada in each class action.
- (2) The Parties agree to exchange materials for review and comment prior to filing such materials with the Courts. Such exchange of materials does not, however, confer a right of approval with respect to any such materials.

Article Twelve Notice

12.01 Notice

- (1) Canada agrees to pay the reasonable cost of any notices to the class which may be ordered by the Courts prior to the settlement approval hearings.
- (2) Subject to the agreement of the Parties and Court approval, the Parties will implement a "Pre 1986 - Post 1990 Notice Program" generally in the form attached as Schedule "D".

(3) The Parties agree that the notice plan referred to in Section 12.01(2) will rely primarily on direct mail to claimants in the Red Cross Settlement and the Provincial settlements and compensation programs, such that the advertising component of the notice program can be limited.

Article Thirteen Releases

13.01 Releases

The Approval Orders will declare that each Class Member who has not opted-out, or has not been deemed to have opted-out, has released each of the Releasees, and that he or she will not make any claim or demand, or take any actions or proceedings against any Releasee, including Charter Claims, relating to or arising from the infection of an HCV Infected Class Member with Hepatitis C through the blood system during the Class Period.

13.02 Dismissal of Actions

Save as provided by the terms of the Approval Orders, each of the Class Actions will be dismissed without costs as against the Releasees on the Approval Date.

13.03 Cessation of Litigation

(1) The Parties agree to cooperate to obtain approval of the final settlement agreement and to facilitate general participation by Class Members in the Compensation Plan.

(2) On the Approval date, each Class Counsel will undertake to refrain at any time from commencing or assisting or advising on the commencement or continuation of any action or proceeding against any of the Releasees, in any way relating to or arising from any and all claims, including Charter Claims, relating to or arising from the infection of an HCV Infected Class Member with Hepatitis C through the blood system during the Class Period, provided that nothing in this Agreement prevents any Class Counsel from assisting with the administration of the Settlement Agreement, informing Class Members of the provisions of the Settlement Agreement assisting Class Members with their claims to the settlement or from advising any

person to obtain independent legal advice before deciding whether to opt out of a Class Action.

(3) Each Class Member who has commenced any action or proceeding, other than the Class Actions, must consent to a dismissal of such action or proceeding as against the Releasees without costs before receiving any payment under the Compensation Plan.

Article Fourteen Class Counsel Fees

14.01 Class Counsel Fees and Disbursements

(1) Following the negotiation of the amount to be paid for Class Member compensation and the costs of administration, the Parties negotiated and agreed that Canada will pay thirty-seven million, two hundred and ninety thousand dollars (\$37,290,000.00) plus GST and other applicable taxes for Class Counsel fees plus disbursements to be agreed among the parties and approved by the Courts to a maximum of five hundred thousand dollars (\$500,000.00), plus GST and other applicable taxes.

(2) The Trustee will create a notional fund within the Compensation Fund to be known as the “Non-Segregated Disbursement Fund” for the purpose of monitoring and accounting of the payment of disbursements.

(3) The Trustee will notionally transfer five hundred thousand dollars (\$500,000.00) to the Non-Segregated Disbursement Fund from the Compensation Fund within 30 days of the Implementation Date.

(4) On payment of any disbursements, a corresponding deduction will be made to the notional balance of the Non-Segregated Disbursement Fund.

(5) Any positive balance remaining in the Non-Segregated Disbursement Fund on the Termination Date will be notionally transferred back to the Compensation Fund.

14.02 Fee Calculation

Canada used a docketed time and multiplier approach in its calculation of the global amount Canada believes is appropriate for Class Counsel fees. It

is acknowledged that Class Counsel neither accepted nor agreed that the Class Counsel fees should be determined exclusively by the application of a docketed time and multiplier approach. Class Counsel accepted the global sum agreed to by Canada for Class Counsel fees. The Parties agree that the division of the global sum among Class Counsel is to be determined by Class Counsel. Class Counsel negotiated separately and determined the division of the global amount among the four groups of Class Counsel. The agreed Class Counsel fees will be subject to the approval of the Courts.

14.03 Court Approval of Fees

- (1) The applications for Court approval of the Class Counsel fees will be made concurrently with the applications for Court approval of this Agreement.
- (2) Canada will have standing to make submissions and file material with regard to Class Counsel Fees at any hearing addressing Class Counsel fees.
- (3) Canada may advise the Court, in any hearing respecting legal fees, of the basis Canada used to arrive at the amount of thirty-seven million two hundred and ninety thousand dollars (\$37,290,000.00), including advising as to the multipliers it applied, the periods of time for which such multipliers were applied and the ceiling applied for the maximum hours for future work after June 9, 2006. For greater certainty, Class Counsel agree that in no event shall the Class Counsel fees sought by them be in an amount in excess of thirty-seven million two hundred and ninety thousand dollars (\$37,290,000.00) plus GST and other applicable taxes; and in no event shall disbursements exceed five hundred thousand dollars (\$500,000.00), plus GST and other applicable taxes.
- (4) Canada acknowledges that each group of Class Counsel will seek approval of its share of Class Counsel fees before the Court in its jurisdiction, that Class Counsel will seek approval of its fees based on multiple factors with or without reference to a docketed time and multiplier approach, and that due to the division of the global amount among the four groups of Class Counsel, the multiplier approach used by Canada will not reflect the actual fees sought in each jurisdiction.

14.04 Payment of Fees

The Class Counsel fees, disbursements, GST and applicable taxes under Section 14.01, as approved by the Courts, will be paid by the Trustee to Class Counsel on the Implementation Date.

Article Fifteen Indemnification and Subrogation

15.01 Indemnification

In the event that a Class Member commences any action for compensation, including Charter Claims, relating to or arising from the infection of an HCV Infected Class Member with Hepatitis C through the blood system during the Class Period, that Class Member will claim only several liability as against the defendants in such action in such a manner that no claim over against the Releasees can arise, and will indemnify and save Canada harmless against any third party claims or other claims over arising in that action.

15.02 Subrogation

No compensation will be paid out of the Compensation Fund and the Past Economic Loss and Dependants Fund for any subrogated claim.

Article Sixteen Appeal Process

16.01 Appeal Process

A person who has submitted a claim may appeal any decision of the Administrator as to eligibility, deficiencies or amount of compensation with respect to that claim. An appeal of the Administrator's decision must be filed within 30 days of receipt of the decision appealed from, failing which the decision will be final and binding. The appeal will be made to the Court of the jurisdiction where the person submitting the appeal was resident on the Approval Date, and will be conducted exclusively in writing. The decision of the Court will be final and binding and shall not be subject to any further right of appeal. Notwithstanding that the Administrator has made a decision with respect to a claim, the Administrator has discretion to allow appeals which it determines will be successful.

Article Seventeen
Conditions, Amendment and Termination

17.01 Agreement Conditional

This Agreement will not be effective unless and until it is approved by the Court in each of the Class Actions, and if such approvals are not granted without any material differences therein, this Agreement will be thereupon terminated and none of the Parties will be liable to any of the other Parties hereunder, but approval of this Agreement is not conditional on approval of Class Counsel fees.

17.02 Amendments

Except as expressly provided in this Agreement, no amendment or supplement may be made to the provisions of this Agreement and no restatement of this Agreement may be made unless agreed to by all Parties in writing and subject to Court approval without any material differences.

17.03 Termination of Agreement

This Agreement will continue in full force and effect until the date on which the Courts have declared this Agreement to be terminated.

Article Eighteen
Miscellaneous

18.01 No Assignment

Except as directed by court order, no amount payable under this Agreement can be assigned and such assignment is null and void except as expressly provided for in this Agreement.

18.02 Compensation Inclusive

For greater certainty, any amounts payable to Class Members under this Agreement are inclusive of all amounts including any claim for prejudgment interest or other amounts that may be claimed by Class Members.

18.03 Entire Agreement

This Agreement constitutes the entire agreement between the Parties with respect to the subject matter hereof and cancels and supersedes any prior or other understandings and agreements between the Parties with respect thereto. There are no representations, warranties, terms, conditions, undertakings, covenants or collateral agreements, express, implied or statutory between the Parties with respect to the subject matter hereof other than as expressly set forth or referred to in this Agreement.

18.04 Benefit of the Agreement

This Agreement will inure to the benefit of and be binding upon the respective heirs, assigns, executors, administrators and successors of the Parties.

18.05 Information to Other Hepatitis C Compensation Programs

The Administrator may, upon the written direction of a claimant, release a copy of the Administrator's decision on approval and assessment of the claim, advise of the province in which the relevant Primarily Infected Class Member first received Blood qualifying the claimant for compensation under this Agreement, and provide any of the source information submitted to or collected by the Administrator with respect to the claimant's application, to the administrator of any Provincial or Territorial Hepatitis C compensation program as may be in place from time to time up to the Termination Date of this Agreement.

18.06 Counterparts

This Agreement may be executed in English or French in any number of counterparts, each of which will be deemed to be an original and all of which taken together will be deemed to constitute one and the same Agreement.

18.07 Notices

Any notice or other communication to be given in connection with this Agreement will be given in writing and will be given by personal delivery or by electronic communication addressed to the recipient as follows:

(a) to The Attorney General of Canada:

Justice Canada, Department of Health
Brooke Claxton Building, 2nd Floor
Tunney's Pasture
P.O. Box: Postal Locator 0902D
Ottawa, Ontario
K1A 0K9

Attention: Senior General Counsel
Facsimile No.: (613) 957-1327

(b) to Edward KILLOUGH, Patricia NICHOLSON, Irene FEAD,
Daphne MARTIN, Deborah LUTZ and Melanie CREHAN

c/o KLEIN LYONS
Barristers and Solicitors
1100 - 1333 West Broadway
Vancouver, British Columbia
V6H 4C1

Attention: David Klein
Tel: (604) 874-7171 - Fax: (604) 874-7180

(c) to Michael McCARTHY, Christine McCARTHY, Derek
MARCHAND

c/o ROY ELLIOTT KIM O'CONNOR LLP
Barristers
200 Front Street West,
23rd Floor, P.O. Box 45
Toronto, Ontario
M5V 3K2

Attention: David Harvey & Peter Roy
Tel: (416) 362-1989 - Fax: (416) 362-6204

(d) to Guy DESJARDINS et Jean ROCHON

LAUZON BÉLANGER INC.

Avocats

286 Saint-Paul West, Suite 100

Montréal, Québec

H2Y 2A3

Attention Michel Bélanger

Tel: (514) 844-4646 - Fax: (514) 844-7009

(e) to Shirley ADRIAN, Debbie ANDERSON, Richard Edward AUTEN, James Edgar BAKER, Constance Doreen BAKER, Jeff BEESTON, Isabell BRESSE, John BRESSE, Harry CHICHAK, Brian Edwin FERGUSON, Ron GEORGE, Janice Patricia HAMMOND, Delores HICKMOTT, Gary HICKMOTT, James Milton JOBE, Brian W. JOHNSON, Wendy Lee RAMEY, Marlene Dorothy KEEP, Dennis KEEP, Carol Dianne KNOTT, Byron KNOTT, Laura Catherine KRISTIANSON, Ralph Samuel KRISTIANSON, Kimberly Ann LEBEUF, Alexander Patrick NOWOSAD, Elena RICIOPPO, Dalvino RICIOPPO, Shannon RICKETTS, Kevin ROE, Kathy ROMANIW, Ellen SANDERSON, Jean Darlene SNIPES, Richard Joseph LIPSCOMBE, Deborah Anne STABRYLA, Elizabeth TREAU, Guisepppe VOLPE, June VOLPE

c/o KOLTHAMMER BATCHELOR & LAIDLAW LLP

Barristers and Solicitors

11062 - 156 Street, Suite 208

Edmonton, Alberta

T5P 4M8

Attention: Kenneth Kolthammer

Tel: (780) 489-5003 - Fax: (780) 486-2107

IN WITNESS WHEREOF the Parties have executed this Agreement.

SIGNED, SEALED AND DELIVERED)

in the presence of:)

) THE ATTORNEY GENERAL OF CANADA

)
)
)
) By: 

) Name: P. B. Vickery

) Office: Senior General Counsel

) Department of Justice Canada

)
)
)
) By: _____

) David Klein

) Klein Lyons

) Counsel to Deborah Lutz

) In the British Columbia Class Action

)
)
)
) By: _____

) Peter Roy

) Roy Elliott Kim O'Connor LLP

) Counsel to Michael McCarthy

) In the Ontario Class Action

)
)
)
) By: _____

) Michel Bélanger

) Lauzon Bélanger

) Counsel to Guy Desjardins and Jean Rochon

)
)
)
) By: _____

) Kenneth Kolthammer

) Kolthammer Batchelor Laidlaw LLP

) Counsel to Shirley Adrian

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) By: _____

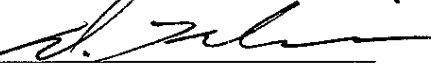
) Name: P. B. Vickery

) Office: Senior General Counsel

) Department of Justice Canada

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) Klein Lyons

) Counsel to Deborah Lutz

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) In the Ontario Class Action

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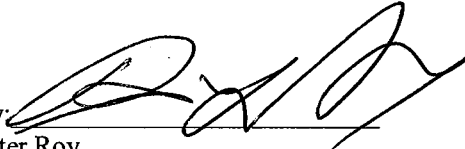
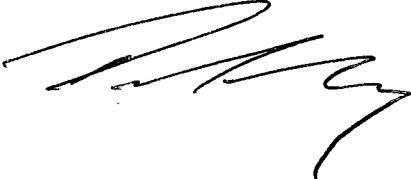
) Counsel to Guy Desjardins and Jean Rochon

) By: _____

) Kenneth Kolthammer

) Kolthammer Batchelor Laidlaw LLP

) Counsel to Shirley Adrian



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) By: _____

) Name: P. B. Vickery

) Office: Senior General Counsel

) Department of Justice Canada

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) Counsel to Shirley Adrian

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in the presence of:)

) THE ATTORNEY GENERAL OF CANADA

) By: _____

) Name: P. B. Vickery

) Office: Senior General Counsel

) Department of Justice Canada

) By: _____

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) Klein Lyons

) Counsel to Deborah Lutz

) In the British Columbia Class Action

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) Counsel to Michael McCarthy

) In the Ontario Class Action

) By: _____

) Michel Bélanger

) Lauzon Bélanger

) Counsel to Guy Desjardins and Jean Rochon

) By: 

) Kenneth Kolthammer

) Kolthammer Batchelor Laidlaw LLP

) Counsel to Shirley Adrian

SCHEDULE "A"
HEPATITIS C CLASS ACTIONS

British Columbia	
Edward KILLOUGH, Patricia NICHOLSON, Irene FEAD, Daphne MARTIN, Deborah LUTZ and Melanie CREHAN - and - THE CANADIAN RED CROSS SOCIETY, HER MAJESTY THE QUEEN IN RIGHT OF BRITISH COLUMBIA and THE ATTORNEY GENERAL OF CANADA	Court File Number: C976108
Ontario	
Michael McCARTHY, Christine McCARTHY, Derek MARCHAND -and- THE CANADIAN RED CROSS SOCIETY, THE ATTORNEY GENERAL OF CANADA	Court File Number: 98-CV-143334
Michael McCARTHY and Christine McCARTHY -and- CONNAUGHT LABORATORIES LIMITED, CONNAUGHT BIOLOGICS LIMITED, CONTINENTAL PHARMA CRYOSAN INC., NORTH AMERICA BIOLOGICALS INC. and THE ATTORNEY GENERAL OF CANADA	Court File Number: 99-CV-162855
Quebec	
Guy DESJARDINS et Jean ROCHON -c.- SOCIÉTÉ CANADIENNE DE LA CROIX-ROUGE, PROCUREUR GÉNÉRAL DU QUÉBEC et PROCUREUR GÉNÉRAL DU CANADA	Court File Number: 500-06-000065-983.

Alberta

Shirley ADRIAN, Debbie ANDERSON, Richard Edward AUTEN, James Edgar BAKER, Constance Doreen BAKER, Jeff BEESTON, Isabell BRESSE, John BRESSE, Harry CHICHAK, Brian Edwin FERGUSON, Ron GEORGE, Janice Patricia HAMMOND, Delores HICKMOTT, Gary HICKMOTT, James Milton JOBE, Brian W. JOHNSON, Wendy Lee RAMEY, Marlene Dorothy KEEP, Dennis KEEP, Carol Dianne KNOTT, Byron KNOTT, Laura Catherine KRISTIANSON, Ralph Samuel KRISTIANSON, Kimberly Ann LEBEUF, Alexander Patrick NOWOSAD, Elena RICIOPPPO, Dalvino RICIOPPPO, Shannon RICKETTS, Kevin ROE, Kathy ROMANIW, Ellen SANDERSON, Jean Darlene SNIPES, Richard Joseph LIPSCOMBE, Deborah Anne STABRYLA, Elizabeth TREAU, Guiseppe VOLPE, June VOLPE and John DOES 1 to 100 and Jane DOES 1 to 100

-and-

HER MAJESTY THE QUEEN IN RIGHT OF THE PROVINCE OF ALBERTA and THE ATTORNEY GENERAL OF CANADA AS REPRESENTED BY THE MINISTER OF HEALTH FOR CANADA

Court File Number - 9903 19153.

SCHEDULE "B"
FULL AND FINAL RELEASE

In this Release:

"Charter Claims" means any claim, demand, action or proceeding made against the Releasees pursuant to the *Canadian Charter of Rights and Freedoms, Constitution Act, 1982*, and without limiting the generality of the foregoing includes any claim whatsoever brought by a Class Member pursuant to s. 15 of the *Canadian Charter of Rights and Freedoms, Constitution Act, 1982* in any way relating to or arising from the infection of a Class Member with Hepatitis C through the blood system during the Class Period;

"Releasees" means, individually and collectively,

- a. Canada,
- b. each of the past, present, and future ministers and employees of Canada,
- c. each of the past and present agents of Canada,
- d. the Canadian Blood Agency,
- e. the Canadian Blood Committee and its members,

including their respective past, present, and future parent, subsidiary and affiliated corporations, employees, agents, officers, directors, shareholders, volunteers, representatives, executors, administrators, successors and assigns. Each Releasee is a trustee for the purpose of asserting the benefit of the release covenants in the PRE-1986/ POST-1990 HEPATITIS C SETTLEMENT AGREEMENT for all Releasees except Canada and holds the benefit of this Release on their behalf as well as on its own behalf. For greater certainty, neither the Crown in Right of any Province or Territory nor the Canadian Red Cross Society and its successors is a Releasee.

"Releasor" means the undersigned on his or her own behalf and his or her heirs, administrators, executors, Personal Representatives and successors.

In this Release, initially capitalized terms not defined in this Release have the meanings set out in the PRE-1986/ POST-1990 HEPATITIS C SETTLEMENT AGREEMENT, including its Appendices. Words importing

the singular number include the plural and vice versa, words importing any gender include all genders and words importing persons include individuals, partnerships, associations, trusts, unincorporated organizations, corporations and governmental authorities. The term "including" means "including without limiting the generality of the foregoing".

THIS RELEASE WITNESSES that in consideration of the right of the Releasor to participate in the Compensation Plan and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged:

1. Direct Release

- a. The Releasor fully and forever releases, acquits and discharges each of the Releasees from any and all actions, causes of action, liabilities, claims and demands including Charter Claims, whatsoever of every nature or kind for damages, contribution, indemnity, costs, expenses and interest which the Releasor ever had, now has or may hereafter have in any way relating to or arising from the infection of a Class Member with HCV through the blood system during the Class Period whether such claims were made or could have been made in any proceeding including the Class Actions as provided in the Approval Orders.
- b. The Releasor agrees that the same consideration is in full and final settlement and satisfaction of any and all such claims against the Releasees now and in the future including Charter Claims.

2. Cessation of Litigation

- a. The Releasor hereby consents to the dismissal without costs of any claim, including Charter Claims, or proceeding of any kind directly or indirectly against any Releasee in any way relating to or arising from the infection of a Class Member with HCV through the blood system during the Class Period including the Class Actions as provided in the Approval Orders. A Releasee may not claim the benefit of any of the provisions of this Release unless and until the Releasee consents to the dismissal without costs of such claim or proceeding to be so dismissed by the Releasor.

b. The Releasor undertakes not to now or at any time hereafter:

- i. commence;
- ii. assist in;
- iii. acquiesce in; or
- iv. permit the Releasor's name to be used in,

any claim, including Charter Claims, or proceeding of any kind directly or indirectly against any Releasee in any way relating or arising from the infection of a Class Member with HCV through the blood system during the Class Period.

3. Complete Bar

The Releasor agrees that this Release is a complete defence to any claim against the Releasees, including Charter Claims, or proceeding of any kind brought by the Releasor directly or indirectly against any Releasee in any way relating to or arising from the infection of a Primarily-Infected Person with HCV through the blood system during the Class Period (including the infection of a Secondarily-Infected Person) and this Release will forever be a complete bar to the commencement or prosecution of any such claim against the Releasees, including Charter Claims or proceeding, and the Releasor does hereby consent to the dismissal without costs of any such future claim, including Charter Claims or proceeding.

4. Claims For Contribution or Indemnity

In the event that the Releasor commences an action for compensation arising from or relating to the infection of a Class Member with Hepatitis C through the blood system during the Class Period, that Releasor will claim only several liability as against the defendants in such action in such a manner that no claim over against the Releasees can arise, and will indemnify and save Canada harmless against any third party claims or other claims over arising in that action.

The Releasor undertakes not to make any claim against the Releasees, including Charter Claims, or demand or take any actions or proceedings against any Releasee or any other person in any way relating to or arising from the infection of a Primarily-Infected Person with HCV through the blood system during the Class Period (including the infection of a Secondarily-Infected Person). For greater certainty, the Releasor will not

make any claim, including Charter Claims or demand or take any actions or proceedings in which any claim could arise against any Releasee for damages and/or contribution and/or indemnity and/or other relief over, under the provisions of the Negligence Act (Ontario) or its counterpart in other jurisdictions, the common law or any other statute of this or any other jurisdiction in any way relating to or arising from the infection of a Primarily-Infected Person with HCV through the blood system during the Class Period (including the infection of a Secondarily-Infected Person) and the Releasor also hereby consents to a dismissal without costs of any such claim or proceeding which results in such a claim being made.

THE RELEASOR HEREBY ACKNOWLEDGES that this Release is made with a denial of liability by the Releasees and nothing in it nor any action of any Releasee will be construed as an admission of liability by any Releasee.

THE RELEASOR HEREBY DECLARES that the Releasor has had the opportunity to seek independent legal advice with respect to the terms and effect of this Release and the undersigned fully understands and accepts each and every term and condition of this Release and that this Release is given voluntarily for the purpose of making a full and final compromise and settlement of all claims against the Releasees, including Charter Claims and other matters in any way relating to or arising from the infection of a Class Member with HCV through the blood system during the Class Period whether such claims were made or could have been made in any proceeding including the Class Actions.

THIS RELEASE will be governed by and construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein.

IN WITNESS WHEREOF the undersigned has executed this Release.

DATED, 20

SIGNED, SEALED AND
DELIVERED)
in the presence of:

Witness



Schedule C1
Compensation to Alive HCV Infected Class Members

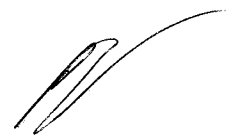
These lump sum present values are to be reduced by 8/11ths of the compensation received from the Red Cross. In addition to these amounts, compensation for Past Economic Losses may be payable.

Year of Birth	Disease Level					
	Level 1	Level 2	Level 3	Level 4	Level 5	Level 6
2016	8,453	183,223	259,264	281,866	289,146	309,346
2015	8,453	181,832	258,853	284,992	292,548	313,290
2014	8,453	180,442	258,442	288,118	295,950	317,234
2013	8,453	179,052	258,030	291,245	299,352	321,178
2012	8,453	177,661	257,619	294,371	302,754	325,122
2011	8,453	176,271	257,208	297,498	306,156	329,066
2010	8,453	174,881	256,797	300,624	309,558	333,011
2009	8,453	173,490	256,385	303,750	312,961	336,955
2008	8,453	172,100	255,974	306,877	316,363	340,899
2007	8,453	170,709	255,563	310,003	319,765	344,843
2006	8,453	169,319	255,151	313,129	323,167	348,787
2005	8,453	167,929	254,740	316,256	326,569	352,731
2004	8,453	166,538	254,329	319,382	329,971	356,675
2003	8,453	165,148	253,918	322,508	333,373	360,620
2002	8,453	163,758	253,506	325,635	336,775	364,564
2001	8,453	162,367	253,095	328,761	340,177	368,508
2000	8,453	160,977	252,684	331,888	343,579	372,452
1999	8,453	159,587	252,273	335,014	346,981	376,396
1998	8,453	158,196	251,861	338,140	350,383	380,340
1997	8,453	156,806	251,450	341,267	353,785	384,284
1996	8,453	155,416	251,039	344,393	357,188	388,229
1995	8,453	154,025	250,628	347,519	360,590	392,173
1994	8,453	152,635	250,216	350,646	363,992	396,117
1993	8,453	151,245	249,805	353,772	367,394	400,061
1992	8,453	149,854	249,394	356,898	370,796	404,005
1991	8,453	148,464	248,982	360,025	374,198	407,949
1990	8,453	147,074	248,571	363,151	377,600	411,893
1989	8,453	145,683	248,160	363,811	381,002	415,838
1988	8,453	143,826	245,901	359,580	379,064	414,087
1987	8,453	141,968	243,641	355,349	377,126	412,336
1986	8,453	140,110	241,382	351,119	375,187	410,585
1985	8,453	138,253	239,122	346,888	373,249	408,834
1984	8,453	136,395	236,863	342,657	371,311	407,083
1983	8,453	134,537	234,604	340,399	369,372	405,332
1982	8,453	132,680	232,344	338,141	367,434	403,581
1981	8,453	130,822	230,085	335,883	365,496	401,830
1980	8,453	128,964	227,825	333,625	363,558	400,079
1979	8,453	127,107	225,566	331,367	361,619	398,328
1978	8,453	124,882	222,701	328,319	358,922	396,053
1977	8,453	122,658	219,836	325,271	356,225	393,778
1976	8,453	120,434	216,971	322,222	353,528	391,504
1975	8,453	118,210	214,106	319,174	350,831	389,229
1974	8,453	115,986	211,241	316,126	348,134	386,954
1973	8,453	113,762	208,376	313,078	345,437	384,679
1972	8,453	111,538	205,511	310,029	342,740	382,404
1971	8,453	109,314	202,646	306,981	340,043	380,129
1970	8,453	107,090	199,781	303,933	337,346	377,854
1969	8,453	104,866	196,916	300,885	334,649	375,580
1968	8,453	102,612	193,436	296,810	330,993	372,608
1967	8,453	100,358	189,956	292,736	327,337	369,636
1966	8,453	98,104	186,476	288,662	323,680	366,664
1965	8,453	95,851	182,996	284,588	320,024	363,692
1964	8,453	93,597	179,516	280,513	316,368	360,720
1963	8,453	91,343	176,036	276,439	312,711	357,748
1962	8,453	89,089	172,556	272,365	309,055	354,776
1961	8,453	86,836	169,076	268,291	305,399	351,804
1960	8,453	84,582	165,595	264,216	301,743	348,832
1959	8,453	82,328	162,115	260,142	298,086	345,860
1958	8,453	80,376	158,298	254,899	293,229	341,967

Schedule C1
Compensation to Alive HCV Infected Class Members

These lump sum present values are to be reduced by 8/11ths of the compensation received from the Red Cross. In addition to these amounts, compensation for Past Economic Losses may be payable.

Year of Birth	Disease Level					
	Level 1	Level 2	Level 3	Level 4	Level 5	Level 6
1957	8,453	78,423	154,480	249,657	288,372	338,074
1956	8,453	76,470	150,662	244,414	283,515	334,181
1955	8,453	74,518	146,844	239,171	278,658	330,288
1954	8,453	72,565	143,026	233,928	273,801	326,395
1953	8,453	70,612	139,208	228,685	268,944	322,501
1952	8,453	68,660	135,390	223,443	264,086	318,608
1951	8,453	66,707	131,572	218,200	259,229	314,715
1950	8,453	64,754	127,754	212,957	254,372	310,822
1949	8,453	62,802	123,936	207,714	249,515	306,929
1948	8,453	61,202	120,524	201,790	243,845	302,034
1947	8,453	59,603	117,112	195,865	238,175	297,139
1946	8,453	58,003	113,699	189,940	232,506	292,244
1945	8,453	56,404	110,287	184,015	226,836	287,349
1944	8,453	54,804	106,875	178,091	221,166	282,454
1943	8,453	53,205	103,462	172,166	215,496	277,559
1942	8,453	51,606	100,050	166,241	209,826	272,664
1941	8,453	50,006	96,638	160,316	204,156	267,769
1940	8,453	48,407	93,225	154,392	198,486	262,874
1939	8,453	46,807	89,813	149,253	192,817	257,979
1938	8,453	45,551	87,531	145,815	188,646	254,213
1937	8,453	44,295	85,250	142,377	184,475	250,447
1936	8,453	43,039	82,969	138,939	180,304	246,681
1935	8,453	41,782	80,687	135,501	176,133	242,915
1934	8,453	40,526	78,406	131,277	171,962	239,150
1933	8,453	39,270	76,125	127,053	167,791	235,384
1932	8,453	38,014	73,843	122,829	163,620	231,618
1931	8,453	36,757	71,562	118,605	159,449	227,852
1930	8,453	35,501	69,280	114,380	155,278	224,086
1929	8,453	34,245	66,999	110,156	151,107	220,321
1928	8,453	33,552	65,606	106,683	147,916	217,403
1927	8,453	32,859	64,213	103,210	144,726	214,486
1926	8,453	32,166	62,820	99,736	141,536	211,569
1925	8,453	31,473	61,427	96,263	138,346	208,652
1924	8,453	30,780	60,034	92,790	135,155	205,735
1923	8,453	30,087	58,641	89,316	131,965	202,817
1922	8,453	29,394	57,248	85,843	128,775	199,900
1921	8,453	28,701	55,855	82,370	125,585	196,983
1920	8,453	28,008	54,462	78,896	122,394	194,066
1919	8,453	27,315	53,069	75,423	119,204	191,149
1918	8,453	27,037	52,463	73,067	117,264	189,741
1917	8,453	26,760	51,857	70,711	115,323	188,334
1916	8,453	26,483	51,252	68,355	113,383	186,926
1915	8,453	26,206	50,646	65,998	111,443	185,519
1914	8,453	25,929	50,040	63,642	109,502	184,111
1913	8,453	25,651	49,434	61,286	107,562	182,704
1912	8,453	25,374	48,829	58,930	105,621	181,296
1911	8,453	25,097	48,223	56,574	103,681	179,889
1910	8,453	24,820	47,617	54,217	101,741	178,481
1909	8,453	24,543	47,011	52,561	99,800	177,074
1908	8,453	24,312	46,737	51,952	98,722	176,119
1907	8,453	24,081	46,463	51,343	97,644	175,164
1906	8,453	23,850	46,189	50,734	96,566	174,210
1905	8,453	23,619	45,915	50,125	95,488	173,255
1904	8,453	23,388	45,641	49,516	94,410	172,301
1903	8,453	23,157	45,367	48,907	93,332	171,346
1902	8,453	22,926	45,093	48,298	92,254	170,392
1901	8,453	22,695	44,819	47,689	91,176	169,437
1900 or earlier	8,453	22,464	44,545	47,080	90,098	168,483



Schedule C2

Compensation to Estates of Deceased HCV Infected Class Members

These lump sum present values are to be reduced by 8/11ths of the compensation received by the HCV Infected Class Member and/or the estate of the HCV Infected Class Member from the Red Cross. In addition to these amounts, compensation for Past Economic Losses incurred prior to death may be payable. Family and Dependant benefits may be payable in addition to these amounts.

Highest Disease Level Attained by HCV Infected Class Member Prior to Death					
Level 1	Level 2	Level 3	Level 4	Level 5	Level 6
8,453	23,480	46,959	46,959	97,832	176,098



Schedule C3
Notional Fund Amounts for Family Members

These lump sum present values are to be reduced by 8/11ths of the compensation received by the Family Members from the Red Cross.

	Disease Level of the Approved HCV Infected Class Member						
	Deceased from HCV	Level 1	Level 2	Level 3	Level 4	Level 5	Level 6
Notional Transfer From Main Fund	36,515	0	1,221	3,875	9,273	14,261	23,311



Schedule C3a
Compensation to Family Members

These lump sum present values are to be reduced by 8/11ths of the compensation received by the Family Member from the Red Cross.

Disease Level of the Approved HCV Infected Class Member							
Relation	Deceased from						
	HCV	Level 1	Level 2	Level 3	Level 4	Level 5	Level 6
Spouse	21,762	0	727	2,310	5,527	8,499	13,893
Child under 21	13,057	0	436	1,386	3,316	5,099	8,336
Child over 21	4,352	0	145	462	1,105	1,700	2,779
Parent	4,352	0	145	462	1,105	1,700	2,779
Sibling	4,352	0	145	462	1,105	1,700	2,779
Grandparent	435	0	15	46	111	170	278
Grandchild	435	0	15	46	111	170	278

Schedule C4

Compensation to Spouses and Permanent Dependents of Deceased HCV Infected Class Members

The total compensation payable pursuant to Section 4.04 is equal to the sum of (a) and (b):

- (a) multiply the "joint life annuity factor prior to age 65" by the approved amount under section 4.04(2)(a) or 4.04(2)(b);
- (b) multiply the "joint life annuity factor after age 65" by the approved amount under section 4.04(2)(b).

HCV Infected Class Member's Age at Death	Joint Life Annuity Factor	
	Prior to age 65	After age 65
16	28.92	3.79
17	28.54	3.87
18	28.16	3.95
19	27.77	4.04
20	27.37	4.12
21	26.96	4.21
22	26.54	4.30
23	26.12	4.39
24	25.68	4.48
25	25.24	4.57
26	24.79	4.67
27	24.33	4.77
28	23.86	4.87
29	23.38	4.97
30	22.89	5.07
31	22.39	5.18
32	21.88	5.29
33	21.37	5.41
34	20.84	5.52
35	20.30	5.64
36	19.76	5.76
37	19.20	5.89
38	18.63	6.02
39	18.06	6.15
40	17.47	6.28
41	16.87	6.42
42	16.26	6.57
43	15.65	6.71
44	15.02	6.87
45	14.38	7.02
46	13.72	7.19
47	13.06	7.36
48	12.39	7.53
49	11.70	7.72
50	11.01	7.91
51	10.30	8.11
52	9.58	8.32
53	8.85	8.55
54	8.10	8.78
55	7.33	9.03
56	6.55	9.30
57	5.76	9.59
58	4.94	9.89
59	4.10	10.22
60	3.23	10.58
61	2.34	10.97
62	2.81	10.00

Schedule C4

Compensation to Spouses and Permanent Dependents of Deceased HCV Infected Class Members

The total compensation payable pursuant to Section 4.04 is equal to the sum of (a) and (b):

- (a) multiply the "joint life annuity factor prior to age 65" by the approved amount under section 4.04(2)(a) or 4.04(2)(b);
- (b) multiply the "joint life annuity factor after age 65" by the approved amount under section 4.04(2)(b).

HCV Infected Class Member's Age at Death	Joint Life Annuity Factor	
	Prior to age 65	After age 65
63	1.92	10.40
64	0.95	10.88
65		11.35
66		10.87
67		10.41
68		9.95
69		9.49
70		9.05
71		8.62
72		8.19
73		7.78
74		7.37
75		6.98
76		6.60
77		6.23
78		5.87
79		5.53
80		5.21
81		4.90
82		4.60
83		4.33
84		4.06
85		3.81
86		3.58
87		3.36
88		3.15
89		2.96
90		2.77
91		2.60
92		2.45
93		2.30
94		2.17
95		2.05
96		1.94
97		1.85
98		1.75
99		1.67
100		1.59
101		1.53
102		1.46
103		1.40
104		1.35
105		1.28

Schedule C5

Compensation to Dependents under Age 25 of Deceased HCV Infected Class Members

The amounts in this table represent the Present Value of \$1 per year until the dependant turns 25 year of age.

Where the youngest dependant will turn 25 prior to the date the HCV Infected Class Member would have attained age 65, the lump sum compensation amount is equal to the approved amount under section 4.04(2)(a) or 4.04(2)(b) multiplied by the Present Value Factor from this table.

Where the youngest dependant will turn 25 after the date the HCV Infected Class Member would have attained age 65, the lump sum compensation amount is equal to the sum of:

- (a) the approved amount under section 4.04(2)(a) or 4.04(2)(b) multiplied by the Present Value Factor from Schedule C4 for the Joint Life Annuity Factor Prior to Age 65
- (b) the approved amount under section 4.04(2)(b) multiplied by the difference between (i) the Present Value Factor from this table, and (ii) the Present Value Factor from Schedule C4 for the Joint Life Annuity Factor Prior to Age 65.

Age of Youngest Dependant	Years to 25	Present Value Factor
0	25	19.341
1	24	18.744
2	23	18.133
3	22	17.511
4	21	16.875
5	20	16.226
6	19	15.563
7	18	14.887
8	17	14.197
9	16	13.492
10	15	12.773
11	14	12.038
12	13	11.289
13	12	10.524
14	11	9.742
15	10	8.945
16	9	8.131
17	8	7.300
18	7	6.452
19	6	5.586
20	5	4.703
21	4	3.800
22	3	2.879
23	2	1.939
24	1	0.980



Schedule C6
Compensation to Dependents - Adjustment Factor for Date of Death

The lump sum amount determined by applying the Factors in Schedules C4 and C5 produce a present value amount as of the date of death of the Approved HCV Infected Class Member. Once the total lump sum has been determined in accordance with Schedules C4 and C5, that total is to be adjusted by the factor from this Schedule to produce a present value as of the date of approval of the Dependant's claim.

Determine the number of years, including fractional years, from the date of death of the HCV Infected Class Member to the date of approval of the Dependant's claim. That number is to be rounded to the nearest integer to give the "Number of Years between Date of Death and Date of Approval".

Number of Years between Date of Death and Date of Approval	Adjustment Factor
0	1.000
1	1.021
2	1.042
3	1.064
4	1.086
5	1.108
6	1.131
7	1.155
8	1.179
9	1.204
10	1.229
11	1.254
12	1.280
13	1.307
14	1.334
15	1.362
16	1.390
17	1.419
18	1.449
19	1.479
20	1.509
21	1.541
22	1.573
23	1.606
24	1.639
25	1.673
26	1.708
27	1.743
28	1.780
29	1.817
30	1.854
31	1.893
32	1.932
33	1.973
34	2.014
35	2.056
36	2.098
37	2.142
38	2.186
39	2.232
40	2.278

Pre-86/Post-90 Hepatitis C Class Action
Notice Program for Certification and Settlement
Approval Hearings

This proposal is subject to Court approval in Quebec, Ontario, Alberta and British Columbia.

Contents of Notice

The notice will be in the form attached as Appendix A, in English and in French.

Proposed Method of Providing Notice

1. REKO LLP will send a copy of the notice by mail to the name and address listed on each survey returned by class members, in the preferred language indicated on the survey.
2. REKO LLP will provide to KPMG Inc. a list of all class member ID numbers for whom a notice has been sent. KPMG Inc. will then send a copy of the notice in both languages by mail to each class member who were not sent a notice by REKO LLP.
3. The notice will be posted in both languages on the internet at www.pre86hepc.com,
4. The notice will be published in accordance with the publication schedule set out in Appendix B, in the language of the newspaper.



Hepatitis C - Class Action Notification Program Planning - Daily Newspapers Cost Detail

Plan A:

Regional Daily Newspapers:

Two 1/4-page notices in each major market regional daily (one weekday, one weekend insertion)
 One 1/4-page notice in each secondary market regional daily (one weekday, one weekend insertion)

National Daily Newspapers:

Two 1/8-page notices in weekday editions, plus one 1/4-page notice in Saturday editions

Market	Newspaper	Circulation	Issued	Format	Column	Lines	Size	Gross Line Rate*	Cost	#ins	Total Cost*
BRITISH COLUMBIA											
Vancouver	Province	144,763	Mon-Fri Sun	Tabloid Tabloid	4	88	352	\$11.48	\$4,040.96	1	\$4,040.96
		178,636						\$14.66	\$5,160.32	1	\$5,160.32
Vancouver	Sun	163,069	Mon-Thu Fri/Sat	Broadsheet Broadsheet	5	147	735	\$11.48	\$8,437.80	1	\$8,437.80
		211,460						\$14.66	\$10,775.10	1	\$10,775.10
Victoria	Times-Colonist	70,857	Sun-Thu Fri/Sat	Broadsheet Broadsheet	0	0	0	\$3.68	\$0.00	0	\$0.00
		78,529						\$4.42	\$3,248.70	1	\$3,248.70
Kelowna	Daily Courier	16,060	Mon-Fri	Broadsheet	5	147	735	\$1.53	\$1,124.55	1	\$1,124.55
Prince George	Citizen	15,653	Mon-Thu Fri/Sat	Broadsheet Broadsheet	0	0	0	\$1.25	\$0.00	0	\$0.00
		16,922						\$1.31	\$962.85	1	\$962.85
Kamloops	Daily News	12,788	Mon-Sat	Broadsheet	5	147	735	\$1.14	\$837.90	1	\$837.90
TOTAL BRITISH COLUMBIA											\$34,588.18
ALBERTA											
Calgary	Herald	121,647	Mo-Th/Su Fri	Broadsheet Broadsheet	5	147	735	\$5.33	\$3,917.55	1	\$3,917.55
		144,448						\$7.41	\$5,446.35	1	\$5,446.35
Calgary	Sun	65,144	Mo-Th Sun	Tabloid Tabloid	0	0	0	\$5.54	\$0.00	0	\$0.00
		95,504						\$5.61	\$1,974.72	1	\$1,974.72
Edmonton	Journal	123,573	Mo-Th/Su Fri	Broadsheet Broadsheet	5	147	735	\$7.55	\$5,549.25	1	\$5,549.25
		141,433						\$10.06	\$7,394.10	1	\$7,394.10
Edmonton	Sun	69,729	Mo-Th Sun	Tabloid Tabloid	0	0	0	\$5.54	\$0.00	0	\$0.00
		78,559						\$5.61	\$1,974.72	1	\$1,974.72
Lethbridge	Herald	19,029	Mo-Th Fri	Broadsheet Broadsheet	0	0	0	\$1.74	\$0.00	0	\$0.00
		21,496						\$1.85	\$1,359.75	1	\$1,359.75

Province	City	Publication	Days	Issues	Rate	Revenue	Expenses	Net	
ALBERTA	Medicine Hat	News	Mo-Th	0	0	\$0.00	\$0.00	\$0.00	
			Fri	5	147	\$1.20	\$882.00	\$882.00	
TOTAL ALBERTA							\$28,498.44		
SASKATCHEWAN	Regina	Leader Post	Mo-Th	0	0	\$3.61	\$0.00	\$0.00	
			Fri/Sat	5	147	\$4.46	\$3,278.10	\$3,278.10	
	Saskatoon	Star Phoenix	Mo-Th	0	0	\$3.61	\$0.00	\$0.00	
			Fri/Sat	5	147	\$4.46	\$3,278.10	\$3,278.10	
	TOTAL SASKATCHEWAN							\$6,556.20	
	MANITOBA	Brandon	Sun	Mo-Th	0	0	\$1.16	\$0.00	\$0.00
				Fri	5	147	\$1.27	\$933.45	\$933.45
	Winnipeg	Free Press	Sun-Fri	5	147	\$6.48	\$4,762.80	\$4,762.80	
			Sat	5	147	\$8.27	\$6,078.45	\$6,078.45	
		Sun	Mon-Sat	4	88	\$2.93	\$0.00	\$0.00	
			Sun	4	88	\$3.69	\$1,298.88	\$1,298.88	
TOTAL MANITOBA							\$13,073.58		
ONTARIO	Barrie	Examiner	Mon-Fri	0	0	\$1.13	\$0.00	\$0.00	
			Sat	5	147	\$1.27	\$933.45	\$933.45	
	Belleville	Intelligencer	Mon-Fri	0	0	\$1.71	\$0.00	\$0.00	
			Sat	5	147	\$1.71	\$1,256.85	\$1,256.85	
	Brantford	Expositor	Mon-Fri	0	0	\$1.62	\$0.00	\$0.00	
			Sat	5	147	\$1.97	\$1,447.95	\$1,447.95	
	Chatham	Daily News	Mon-Sat	5	147	\$0.97	\$712.95	\$712.95	
	Cornwall	Standard Freeholder	Mon-Sat	5	147	\$1.40	\$1,029.00	\$1,029.00	
	Guelph	Mercury	Mon-Sat	5	147	\$1.88	\$1,381.80	\$1,381.80	
	Hamilton	Spectator	Mon-Fri	5	147	\$6.24	\$4,586.40	\$4,586.40	
		Sat	5	147	\$7.36	\$5,409.60	\$5,409.60		
Kingston	Whig-Standard	Mon-Fri	0	0	\$1.65	\$0.00	\$0.00		
		Sat	5	147	\$2.20	\$1,617.00	\$1,617.00		

Kitchener	Record	66,010	Mon-Th Sun	Broadsheet	0	0	0	0	0	\$5.77	\$0.00	0	\$0.00
London	Free Press	85,754 116,194	Mon-Fri Sat	Broadsheet Broadsheet	5	147	735	735	735	\$5.77	\$4,240.95	1	\$4,240.95
Ottawa	Le Droit (French)	36,013 40,347	Mon-Fri Sat	Tabloid Tabloid	0	0	0	0	0	\$5.56	\$4,086.60	1	\$4,086.60
Ottawa	Citizen	132,916 148,913	Mon-Fri Sat	Broadsheet Broadsheet	5	147	735	735	735	\$8.48	\$6,232.80	1	\$6,232.80
Ottawa	Sun	51,929 53,888	Mon-Fri Sun	Tabloid Tabloid	0	0	0	0	0	\$1.54	\$0.00	0	\$0.00
Sault Ste. Marie	Star	19,635	Mon-Sat	Broadsheet	0	0	0	0	0	\$1.82	\$640.64	1	\$640.64
St. Catharines-Nia	Standard	29,474	Mon-Th Sat	Broadsheet Broadsheet	0	0	0	0	0	\$1.65	\$0.00	0	\$0.00
Sudbury	Star	16,706 18,559	Sun-Fri Sat	Broadsheet Broadsheet	0	0	0	0	0	\$1.48	\$1,087.80	1	\$1,087.80
Thunder Bay	Chronicle Journal	28,448 30,984	Sun-Fri Sat	Broadsheet Broadsheet	0	0	0	0	0	\$2.20	\$0.00	0	\$0.00
Toronto	Star	440,901 643,620	Mon-Fri Sat	Broadsheet Broadsheet	5	147	735	735	735	\$2.32	\$1,705.20	1	\$1,705.20
Toronto	Sun	209,987 369,100	Mon-Fri Sun	Tabloid Tabloid	4	88	352	352	352	\$1.81	\$0.00	0	\$0.00
Windsor	Star	68,592 77,891	Mon-Fri Sat	Broadsheet Broadsheet	0	0	0	0	0	\$4.97	\$3,652.95	1	\$3,652.95
QUEBEC													
Montreal	Le Devoir	25,304 41,689	Mon-Fri Sat	Broadsheet Broadsheet	0	0	0	0	0	\$1.35	\$0.00	0	\$0.00
Montreal	Gazette (ENGLISH)	143,615 168,402	Mon-Fri Sat	Broadsheet Broadsheet	5	147	735	735	735	\$1.92	\$1,411.20	1	\$1,411.20
Montreal	Le Journal de Montreal	268,527 326,085	Mon-Fri/Sun Sat	Tabloid Tabloid	4	88	352	352	352	\$1.81	\$0.00	0	\$0.00
TOTAL ONTARIO											\$106,453.22		
QUEBEC											\$0.00		
TOTAL											\$106,453.22		

Montreal	La Presse	202,174	Mon-Fri Sat	Broadsheet	5	147	735	\$9.14	\$6,717.90	1	\$6,717.90
		284,627		Broadsheet	5	147	735	\$11.98	\$8,805.30	1	\$8,805.30
Quebec City	La Journal de Quebec	98,465	Mon-Fri Sat	Tabloid	4	88	352	\$5.00	\$1,760.00	1	\$1,760.00
		122,010		Tabloid	4	88	352	\$5.90	\$2,076.80	1	\$2,076.80
Quebec City	Le Soleil	81,515	Mon-Fri Sat	Broadsheet	0	0	0	\$3.77	\$0.00	0	\$0.00
		115,853		Broadsheet	5	147	735	\$5.01	\$3,682.35	1	\$3,682.35
Sherbrooke	La Tribune	32,052	Mon-Fri Sat	Broadsheet	0	0	0	\$2.31	\$0.00	0	\$0.00
		38,087		Broadsheet	5	147	735	\$2.73	\$2,006.55	1	\$2,006.55
Trois-Rivieres	Le Nouvelliste	42,228	Mon-Fri Sat	Broadsheet	0	0	0	\$2.30	\$0.00	0	\$0.00
		45,313		Broadsheet	5	147	735	\$2.59	\$1,903.65	1	\$1,903.65
NEW BRUNSWICK											
Frederickton	Daily Gleaner	25,170	Mon-Th/Sat Fri	Tabloid	0	0	0	\$1.27	\$0.00	0	\$0.00
		43,631		Tabloid	4	88	352	\$2.70	\$950.40	1	\$950.40
Moncton	Times and Transcript	38,131	Mon-Thu Sat	Tabloid	0	0	0	\$2.12	\$0.00	0	\$0.00
		43,631		Tabloid	4	88	352	\$3.31	\$1,165.12	1	\$1,165.12
Saint John	Telegraph Journal	40,569	Mon-Thu Sat	Broadsheet	0	0	0	\$2.83	\$0.00	0	\$0.00
		45,111		Broadsheet	5	147	735	\$4.08	\$2,998.80	1	\$2,998.80
NOVA SCOTIA											
Halifax	Daily News	20,347	Mon-Fri Sat	Broadsheet	0	0	0	\$1.65	\$0.00	0	\$0.00
				Broadsheet	5	147	735	\$1.97	\$1,447.95	1	\$1,447.95
Halifax	Chronicle Herald	107,063	Sun-Fri Sat	Broadsheet	5	147	735	\$4.51	\$3,314.85	1	\$3,314.85
		107,063		Broadsheet	5	147	735	\$5.31	\$3,902.85	1	\$3,902.85
Sydney	Cape Breton Post	25,237	Mon-Sat	Broadsheet	5	147	735	\$1.59	\$1,168.65	1	\$1,168.65
PRINCE EDWARD ISLAND											
Charlottetown	Guardian	21,181	Mon-Fri Sat	Broadsheet	0	0	0	\$1.26	\$0.00	0	\$0.00
		21,181		Broadsheet	5	147	735	\$1.31	\$962.85	1	\$962.85
Summerside	Journal Pioneer	9,799	Mon-Sat	Broadsheet	5	147	735	\$0.95	\$698.25	1	\$698.25
TOTAL QUEBEC											
									\$49,046.30		
TOTAL NEW BRUNSWICK											
									\$5,114.32		
TOTAL NOVA SCOTIA											
									\$9,834.30		
TOTAL PEI											
									\$1,661.10		

DRAFT NOTICE

NOTICE OF SETTLEMENT PRE-86/POST-90 HEPATITIS C CLASS ACTIONS

The Settlement

The Government of Canada has agreed to settle several Class Action lawsuits commenced on behalf of people who became infected with the Hepatitis C virus from receiving Blood and Blood Products in Canada prior to 1986 and after July 1, 1990. The proposed Settlement is not yet final and must be approved by the Courts. Courts in British Columbia, Alberta, Ontario and Quebec will hold public hearings to approve the Settlement. Class Members and their families are entitled to give their views on the fairness of the Settlement to the Courts. If the Courts approve the Settlement, further notices will be mailed to Class Members, posted on the Internet and published in newspapers explaining how Class Members may apply for compensation under the Settlement or choose to be excluded from the Settlement.

To settle the lawsuits, the Government of Canada has agreed to establish a Compensation Fund in the amount of \$ 962 million. People primarily or secondarily infected with Hepatitis C as a result of Blood received in Canada during the period from January 1, 1958 to December 31, 1985 and the period from July 2, 1990 to September 28, 1998 may apply for compensation under the Settlement. Estates of infected Class Members who have died, family members of infected Class Members, and dependants of infected Class Members whose death was caused by their infection with the Hepatitis C virus may also apply for compensation.

Under the terms of the Settlement, the Government does not admit liability.

Approved claimants will receive lump sum compensation based upon their age, current disease level and the probability of disease progression in the future. Compensation is also available for people who have lost income or household services as a result of their infection with Hepatitis C, for estates of infected Class Members who have died, and for dependants of claimants whose death was caused by their infection with the Hepatitis C virus. If the Settlement is approved by the Courts, Class Members should be able to apply to receive compensation from the Settlement in the first half of 2007.

At the Settlement approval hearings, Class Counsel will request that their legal fees of approximately \$37.29 million (plus GST and PST, where applicable) be approved by the Courts. The Government of Canada has agreed to add that amount to the settlement fund, as well as an amount for the administration of the settlement, so that no legal fees or administration expenses will be deducted from the \$962 million negotiated for Class Member compensation.

To read a complete version of the Settlement Agreement and for more information please visit: www.pre86hepc.com

The Courts in Québec, Alberta, Ontario and British Columbia must still approve the settlement. Hearings will be held in the following cities on the following dates:

Toronto [Insert date and place]	Vancouver [Insert date and place]
Montreal [Insert date and place]	Edmonton [Insert date and place]

How to Comment on the Proposed Settlement

Class members who wish to make submissions to the Court in support of or in opposition to the Settlement or class counsel fees should provide notice to the court by sending a written

submission to the address below. Class members should choose where to send their submissions based on where they live. Submissions are optional and must be made no later than three business days prior to the applicable hearing date. The written submissions should include:

- the Class Member's name, address and telephone number;
- the date and place that the class member received Hepatitis C contaminated blood;
- if the Class Member is secondarily infected, the date and place that the primarily infected person received Hepatitis C contaminated blood;
- a brief statement of the reasons that the Class Member is supporting or opposing the Settlement;
- whether the Class Member plans to attend at the Settlement approval hearing.

The Representative Plaintiffs and their lawyers in each jurisdiction will all recommend that the Courts approve the proposed Settlement.

More Information

Please do not contact the Court or the Government of Canada directly about this Settlement as they are not permitted by law to answer your questions. For more information about this Settlement or these class actions, please contact:

<p>Residents of Quebec</p> <p>Lauzon Belanger</p> <p>Insert address and phone number</p>	<p>Residents of Alberta</p> <p>Kolthammer Batchelor & Laidlaw LLP</p> <p>Marshall Attorneys</p> <p>Docken & Company</p> <p>Insert addresses and phone numbers</p>
<p>Residents of British Columbia</p> <p>Klein Lyons</p> <p>Insert address and phone number</p>	<p>Residents of Ontario, Saskatchewan, Manitoba, the Atlantic Provinces, the Territories and persons residing outside of Canada</p> <p>Roy Elliott Kim O'Connor LLP</p> <p>Insert address and phone number</p>