

Proposed Claims Process

AIR FRANCE CLASS MEMBER CLAIMS PROCESS

DEFINITIONS

The following terms used throughout this Claims Process shall be defined or construed as follows:

“**Accepted Claim**” refers to those claims of Class Members that have been accepted by the Administrator for payment from the Settlement Fund.

“**Administrator**” refers to Bruneau Group Inc. or such other claims Administrator appointed by the Court to administer the claims of Class Members.

“**Airbus**” means the Defendant Airbus S.A.S.

“**Air France Defendants**” means the Defendants Air France, Alain Rosaye and Frederic Naud.

“**Air France Settlement Agreement**” refers to the settlement agreement entered into by the Plaintiffs with the Air France Defendants which was approved by the Court on December 24, 2009.

“**Arbitrator**” refers to the Honourable Coulter Osborne or such other person appointed by the Court to review and determine the value of claims in accordance with the Review Process.

“**Assessed Value**” refers to the value of the claim of a Class Member as established by the Class Counsel in the Class Counsel Claim Assessment or Revised Class Counsel Assessment as the case may be.

“**Certification Order**” means the Order granted by Winkler, J. entered on August 15, 2006 certifying this Class Action as a class proceeding.

“**Class Action**” means Class Action No. 05-CV-294746 CP, Ontario Superior Court of Justice.

“**Claim**” refers to a claim made by a Class Member for compensation from the Settlement Fund.

“**Claims Acceptance Form**” refers to the form attached as Form A to be filed by Class Members who elect to receive compensation in accordance with the Class Counsel Claim Assessment prepared by Class Counsel.

“**Claims Review Form**” refers to the form attached as Form B to be filed by Class Members who elect to request a Review of his or her respective claim.

“**Claim Period**” refers to a period of 45 days commencing on the date that the Administrator mails or emails to each Class Member Notice of the Settlement Approval and Claims Process.

“Class Counsel” refers to members of the law firms of Camp Fiorante Matthews and Will Barristers who have conduct of the Class Action.

“Class Counsel Claim Assessment” refers to the individual assessment by Class Counsel of the value of each claim asserted by each Class Member in the Class Action which was communicated to Class Members in July of 2007.

“Class Member” means a Passenger Class Member or FLA Claimant Class Member.

“Court” refers to the Honourable Justice Lax or any other judge of the Ontario Superior Court of Justice designated to manage the Class Action.

“Effective Date” means the date on which the Settlement Agreement becomes effective in accordance with the following:

- (a) in the event no appeal is taken of the Approval Order, the Effective Date shall be the day after expiration of the Appeal Period; and
- (b) in the event of an appeal of the Approval Order, the Effective Date shall be the day following the date on which all appeals from the Approval Order have been exhausted.

“FLA Claimant Class Member” means the spouse, children, grandchildren, grandparents, brothers and sisters of a Passenger Class Member who are entitled to claim damages pursuant to Section 61 of the *Family Law Act*, R.S.O. 1990, c. F.3, as amended. Relatives of a Passenger Class Member who has chosen to opt out of the class proceeding are excluded from this class.

“Final Distribution” refers to the final distribution of funds from the Settlement Fund to Class Members to be made following the completion of the Class Action and taking into account the Pro-rata Reduction.

“Flight 358” means Air France Flight #358 which overran the end of Runway 24L at Lester B. Pearson International Airport, Toronto, Ontario on August 2, 2005.

“Goodrich and Airbus Settlement Agreement” refers to the settlement agreement entered into by the Plaintiffs with Goodrich and Airbus Defendants which was approved by the Court on December 24, 2009.

“Goodrich” means the Defendant Goodrich Corp.

“GTAA” means the Defendant Greater Toronto Airports Authority.

“GTAA Settlement Agreement” refers to the settlement agreement entered into by the Plaintiffs with GTAA which was endorsed by the Court on June 28, 2010.

“Initial Distribution” refers to the initial distribution of funds from the Settlement Fund to Class Members to be made following the expiration of the Review Period.

“Management Committee” refers to J.J. Camp, Q.C. and Paul Miller or such other person or persons appointed by the Court to ensure a timely, fair and efficient implementation of the Settlement Agreements.

“Non-Settling Defendant” refers to the Defendant Nav Canada.

“Passenger Class Member” means a member of the Passenger Class as defined in the Certification Order of Justice Winkler dated June 1, 2006 who has not opted out of the Class Action in accordance with that Order.

“Plaintiffs” means Hussein Abdulrahim and Fadi Abedraboo.

“Pro-rata Reduction” refers to the reduction, measured in percentage terms, of the value of the claims of all Class Members as established by this Claims Process, necessary to fit the totality of the claims of all Class Members into the Settlement Fund after the Settlement Fund has been reduced for Class Counsel fees and disbursements including all applicable taxes, the Initial Distribution and all administration costs including the costs of the Administrator, the Arbitrator, the Management Committee and all applicable taxes.

“Release” refers to the form of release approved by the Court as part of the Air France, Goodrich and Airbus and GTAA settlement approval.

“Reserve” means the portion of the Settlement Fund held back from distribution to the Class Members as required by paragraphs 21 and 22 of the Air France Settlement Agreement.

“Review” refers to the process by which claims by Class Members will be reviewed and ruled upon by the Arbitrator.

“Review Period” refers to the period of time required for the Arbitrator to conduct and complete the Reviews. The Review Period expires upon the rendering of the final Review decision by the Arbitrator.

“Review Procedure Rules” refers to rules prescribed by the Administrator, the Management Committee and the Arbitrator for processing Reviews by Class Members.

“Review Processing Fee” refers to the sum of \$250 or such other sum as fixed by the Court.

“Revised Class Counsel Assessment” refers to an assessment of a Class Member claim which has been revised by Class Counsel in accordance with paragraph 30.

“Settlement Fund” refers to the settlement amounts recovered under the Air France Settlement Agreement, the Goodrich and Airbus Settlement Agreement and the Greater Toronto Airports Authority Settlement Agreement plus accrued interest.

“Settling Defendants” refers to the Air France Defendants, Goodrich, Airbus and GTAA.

SUPERVISION BY THE COURT

1. The Court shall have a continuing supervisory role to ensure that the administration of the Class Action and the distribution of the Settlement Fund to Class Members are managed in a timely and efficient fashion including the approval of the Initial Distribution and the Final Distribution from the Settlement Fund.
2. The Court may at any time, with notice to the Management Committee and any other party the Court deems advisable, convene a case management conference to deliberate any matter pertaining to the Class Action, the administration of the Class Action and the distribution of the Settlement Fund.
3. If there are residual funds remaining in the Settlement Fund after the claims of all Class Members and all legal fees, disbursements, costs and administration expenses have been paid in full, the Court may exercise its unfettered discretion to allocate residual funds remaining in the Settlement Fund in any way the Court sees fit except in no event will residual funds be remitted to any of the Settling Defendants in the Class Action.

DUTIES OF THE MANAGEMENT COMMITTEE

4. The Management Committee shall receive and assess information from the Administrator and shall work with the Administrator to ensure a timely, fair and efficient implementation of the Settlement Agreements.
5. The Management Committee may seek directions from the Court on any matter arising in the Class Action or concerning the administration of the Settlement Fund at any time without notice.

DUTIES OF THE ADMINISTRATOR

6. The Court shall appoint the Administrator to administer the distribution of the Settlement Fund to Class Members and the Administrator shall report from time to time to the Court and to the Management Committee on the administration of claims. The Administrator shall be subject to the direction of, or removal by, the Court.
7. The Administrator shall administer all claims by Class Members in a timely and efficient manner and shall abide by all applicable provisions of this document. The Administrator shall assist in locating all Class Members and shall assist Class Members in the claims filing and Review process.
8. In the event that the Administrator is unable to continue to act for any reason, the Management Committee may propose a substitute Administrator, subject to approval of the Court.
9. The Administrator shall be fluent in the English and French languages and have the capacity to provide services in other languages as required.

10. The Administrator and any person appointed by the Administrator to assist in the administration of the settlement must sign and adhere to a confidentiality statement in a form satisfactory to Class Counsel, by which they agree to keep confidential any information concerning Class Members and the Administrator shall institute and maintain procedures to ensure that the identity of all Class Members and all information regarding the claims of Class Members will be kept confidential.
11. Upon receipt of the Settlement Fund, the Administrator will invest the Settlement Fund in an interest bearing account pending distribution of the Settlement Fund.
12. All reasonable costs, disbursements and applicable taxes incurred by the Administrator shall be paid out of the Settlement Fund.
13. The Administrator may seek periodic payment of all reasonable costs, disbursements and applicable taxes and shall submit invoices for such periodic payments to the Management Committee for review. In the event the Management Committee is not satisfied that the periodic payment is reasonable or is unsatisfied for any reason, the Management Committee shall apply to the Court, upon notice to the Administrator, for directions.
14. Upon conclusion of the administration of the Class Action, the Administrator shall apply to Court, upon notice to the Management Committee, for approval of the final account of the Administrator and seek an order from the Court discharging the Administrator.
15. The Administrator may seek directions from the Court, upon notice to the Management Committee, at any time.

PROCESSING OF CLAIMS

Information Privileged and Confidential

General

16. Any information created, obtained or submitted by the Administrator, Class Counsel, the Management Committee, the Arbitrator or the Class Members for the purposes of the Claims Process including the Class Counsel Assessment and Review processes, is confidential and privileged and shall be used and disclosed only for the purpose of administering this claims process. For greater certainty, the information shall not be made available to the Non-Settling Defendant and is not subject to production in the ongoing litigation against the Non-Settling Defendant.

Prohibition on use

17. Except for use by the Arbitrator, the Administrator and the Management Committee in the Claims Process, no person shall use the Arbitrator's Review reports or files in any legal or other proceedings, including the continuation of this action against the Non-

Settling Defendant. For greater certainty, the material cannot be used by the Non-Settling Defendant in the Class Action.

Arbitrator not compellable

18. The Arbitrator is not compellable to answer questions concerning the information provided to him during the Reviews, or to produce records or other documents containing any Review information as evidence in any proceedings, including the continuation of the Class Action against the Non-Settling Defendant.

Administrator not compellable

19. The Administrator is not compellable to answer questions concerning any information provided to him or her during the Claims Process, or to produce records or other documents containing any Claims Process information as evidence in any proceedings, including the continuation of the Class Action against the Non-Settling Defendant.

Management Committee not compellable

20. The Management Committee is not compellable to answer questions concerning any information provided to it during the Claims Process, or to produce records or other documents containing any Claims Process information as evidence in any proceedings, including the continuation of the Class Action against the Non-Settling Defendant.

Claims Valuation

21. The valuation of each Claim shall be determined by the Class Counsel Claim Assessment or Review as provided for in this claims process.

Class Counsel Claim Assessment

22. The Administrator shall provide each Class Member with a summary of the Class Counsel Claim Assessment together with the Notice of the Settlement Approval, a copy of the Claims Process and other pertinent information necessary to assist each Class Member in filing a Claim Acceptance Form or Claim Review Form.
23. In the case of infant Class Members, the Administrator shall provide the information specified in paragraph 22 to the parent or guardian of the infant.
24. Each Class Member shall have the option of:
 - (a) accepting the Class Counsel Claim Assessment as a fair and reasonable valuation of his or her claim; or
 - (b) requesting a Review of the Class Counsel Claim Assessment to establish a final valuation of his or her claim.

25. Each Class Member who accepts the Class Counsel Claim Assessment of his or her claim shall file a Claims Acceptance Form with the Administrator during the Claim Period.
26. Upon receipt of a Claims Acceptance Form, the Administrator shall designate the claim as an Accepted Claim.

Review of the Individual Assessments

27. Each Class Member who requests a Review of his or her Class Counsel Claim Assessment shall file a Claims Review Form with the Administrator during the Claim Period.

Reviewed Claims

28. Within 7 days of receiving a Claims Review Form, the Administrator shall:
 - (a) acknowledge receipt of the Claims Review Form in writing;
 - (b) provide a copy of the Review Procedure Rules to the Class Member; and
 - (c) advise the Class Member of his or her right to provide additional information and supplemental documentation in support of his or her claim which information and documentation must be provided to the Administrator within 60 days.
29. Upon receipt of any further additional information and supplemental documentation from the Class Member, the Administrator shall review the information and documentation. If in the opinion of the Administration the information and documentation provided by the Class Member includes information which was not previously available to Class Counsel for consideration, the Administrator may refer the claim to Class Counsel for re-consideration. In all other cases, the Administrator shall make available to the Arbitrator documentation pertaining to the Class Member which shall include the following:
 - (a) the Claims Review Form;
 - (b) the Class Counsel Claim Assessment;
 - (c) a copy of any claimant questionnaire form;
 - (d) copies of all pertinent hospital, medical, psychological or counselling records;
 - (e) copies of all pertinent records relating to income loss or impaired income earning capacity;
 - (f) copies of all pertinent records relating to out-of-pocket expenses; and
 - (g) copies of any other pertinent documentation in the possession of the Administrator that relates to the claim under Review.

Claims Referred for Re-consideration

30. Class Counsel shall conduct a timely review of all claims information referred by the Administrator for re-consideration. In the event Class Counsel consider that the Assessed Value of the claim should not be changed, Class Counsel shall advise the Administrator to refer the matter on to the Arbitrator for review.
31. In the event Class Counsel determine that the Assessed Value of the claim should be increased in light of the submitted information and documentation, Class Counsel shall issue a Revised Class Counsel Claim Assessment and provide it to the Arbitrator.
32. The Administrator shall mail or email the Revised Class Counsel Claim Assessment to the Class Member together with a Claims Acceptance Form.
33. The Class Member shall have the option of:
 - (a) accepting the Revised Class Counsel Claim Assessment as a fair and reasonable valuation of his or her claim; or
 - (b) continuing with the Review of the Class Counsel Claim Assessment to establish a final valuation of his or her claim.
34. Each Class Member who accepts the Revised Class Counsel Claim Assessment of his or her claim shall file a Claims Acceptance Form with the Administrator within 15 days of the mailing of the Revised Class Counsel Claim Assessment.
35. In the event the Class Member does not submit a Claims Acceptance Form within the time period specified in paragraph 31, the Administrator shall forward the matter on to the Arbitrator for Review and provide the Arbitrator with a copy of the Revised Class Counsel Claim Assessment.

Arbitrator and Review Process

36. The Arbitrator shall sign and adhere to a confidentiality statement, in a form satisfactory to Class Counsel, by which he or she agrees to keep confidential any information concerning Class Members. In making awards, the Arbitrator will identify Class Members on an anonymous basis.
37. The Arbitrator shall provide a Review decision in writing to the Class Member and the Administrator within 30 days of conducting a Review unless exceptional circumstances dictate otherwise.
38. The decision of the Arbitrator is final and binding and cannot be appealed by the Class Member or the Administrator.
39. The fees and expenses of the Arbitrator shall be paid by the Administrator from time to time from the Settlement Fund.

40. The Arbitrator shall have the sole unfettered discretion and power to establish any other procedures in addition to the Review Process Rules, which in the opinion of the Arbitrator, are required to facilitate a fair, timely and efficient Review. Without limiting the generality of the foregoing, the Arbitrator may:
- (a) increase, decrease or maintain the Assessed Value of the Claim on Review;
 - (b) appoint counsel to represent the interests of the Settlement Fund in any Review in which case the reasonable fees, disbursements and applicable taxes incurred by counsel appointed by the Arbitrator shall be paid out of the Settlement Fund from time to time;
 - (c) conduct the Review without a hearing;
 - (d) conduct the Review without oral submissions;
 - (e) retain an assistant with fluency in French to assist in the Review of claims of francophone Class Members;
 - (f) dispense with the customary rules of evidence;
 - (g) include in any award that increases the amount established by the Class Counsel Claim Assessment the costs of any report obtained by the Class Member for the purposes of the Review. No such costs may be ordered by the Arbitrator if the award does not disturb or reduces the amount established by the Class Counsel Claim Assessment; and
 - (h) include in any award that increases the amount established by the Class Counsel Claim Assessment, the reasonable fees of any counsel retained by the Class Member for the purposes of the Review. No such fees may be ordered by the Arbitrator if the award does not disturb or reduces the amount established by the Class Counsel Claim Assessment.

Limitations on Claims Valuation by Arbitrator

41. The Arbitrator shall generally conduct the Review in accordance with the laws of Ontario pertaining to the assessment of personal injury damages and claims under the *Family Law Act*, subject to the following limitations:
- (a) subject to paragraph 43 below, the maximum assessment for a Passenger Claimant for non-pecuniary damages resulting from post traumatic stress disorder or similar psychological injury shall not exceed \$100,000 unless accompanied by evidence of other significant permanent personal injury in which case, the maximum assessment of non-pecuniary damages shall not exceed \$175,000;
 - (b) subject to paragraph 43 below, the Arbitrator may not increase the Assessed Value of a claim for past and future loss of income by a Passenger Claimant by more than 25%;

- (c) subject to paragraph 43 below, the Arbitrator may not increase the Assessed Value of a claim for future care by a Passenger Claimant by more than 25%; and
- (d) the Arbitrator may not increase the Assessed Value of a claim by a Family Member Claimant by more than 25%.

Substantial Injustice Provision

- 42. If the Arbitrator conducts a Review and makes an award that maintains or reduces the Assessed Value, the Administrator shall deduct the Review Processing Fee from the amount established by the Arbitrator when making a final payment to the Class Member.
- 43. If the Arbitrator is of the view that the application of the limitations specified in paragraphs 41(a), (b), or (c) to the Review of any Passenger Class Claim could result in a substantial injustice to the Passenger Class Member, the Arbitrator shall report this to the Administrator.

Review of Limitations on Valuation

- 44. Once the Class Action has been concluded, the Administrator and the Management Committee shall confer with respect to those claims identified by the Arbitrator under paragraph 43 and determine if there are sufficient funds in the Settlement Fund, taking into any additional settlements or damages awards, and the projected legal fees and disbursements including all applicable taxes, the Initial Distribution and all administration costs including the costs of the Administrator, the Arbitrator, the Management Committee and all applicable taxes, to increase the value of those claims without seriously diluting the claims of other Class Members.
- 45. If in the opinion of the Management Committee and the Administrator there are sufficient funds available in the Settlement Fund to increase the value of those claims identified by the Arbitrator under paragraph 43, then the Management Committee shall apply to the Court for a direction to increase the value of those claims. If in the opinion of the Management Committee and the Administrator there are insufficient funds available in the Settlement Fund to increase the value of those claims without significantly diluting the claims of other Class Members, then the value established by the Arbitrator in accordance with paragraph 42 shall stand.
- 46. The decisions of the Administrator, the Management Committee and the Court pursuant to paragraphs 44 and 45 shall be final, binding and not subject to Review or appeal.

Subrogated Claims

- 47. In the event any claims of a subrogated nature including claims by foreign governments or their agencies, are asserted against the Settlement Fund, the Administrator and the Management Committee shall confer and seek a direction from the Court as to the appropriate disposition of the claim.

PAYMENT OF CLAIMS

48. Upon the expiration of the Review Period, the Administrator shall confer with the Management Committee to determine the Initial Distribution taking into account the total value of the Claims as established by the Class Counsel Claim Assessments or Review as the case may be, the Reserve, projected legal fees, costs, expenses, administration costs and any other factors which could affect the sufficiency of the Settlement Fund.
49. The Management Committee may adjust the amount of the Initial Distribution which would otherwise be payable to Class Members who previously settled their claims with Air France and signed a release in favour of Air France to take into account the release and the amount of compensation previously recovered from Air France.
50. The Management Committee shall apply to the Court for approval of the Initial Distribution.
51. The Administrator shall pay the Initial Distribution to the Class Members as ordered by the Court.
52. In order to receive payment of the Initial Distribution, Class Members must sign a Release in favour of the Settling Defendants and provide it to the Administrator.
53. The Administrator shall not make any payment to a Class Member from the Settlement Fund unless the Administrator has received a signed Release from the Class Member.
54. All payments from the Settlement Fund to Class Members, other than Infant Class Members, shall be made directly to the Class Members unless the Administrator in conjunction with the Management Committee determines otherwise on a case-by-case basis.
55. The Administrator shall not pay the claim of an infant Class Member without the approval of the Court. The Administrator shall pay the claims of all infant Class Members into court pursuant to Rule 7.09 of the Rules of Civil Procedure.
56. Infant Class Members will be required to sign a Release in favour of the Settling Defendants upon attaining the age of majority in order to receive payment of the funds held in trust.
57. Within 30 days of the conclusion of the litigation of the Class Action against the Non-Settling Defendant or such other time period as approved by the Court, the Management Committee shall confer with the Administrator to determine the Pro-rata Reduction.
58. The Management Committee shall apply to the Court for approval of the Final Distribution.
59. The Administrator shall hold the Settlement Funds in escrow at interest until the Final Distribution is approved by the Court and the Administrator shall pay the Initial

Distribution and the Final Distribution to the Class Members as ordered by the Court and make any other payments as ordered by the Court.

Reserve

60. The Management Committee and the Administrator shall ensure that no less than 20% of the Air France Settlement Funds of \$10 million are held back from distribution as a Reserve and is not paid out to Class Members before April 1, 2011, subject to the following:
- (a) the amount of the Reserve may be reduced with the consent of Air France or by direction of the Court, but in no event shall the reserve be reduced to an amount less than 7.5%; and
 - (b) notwithstanding paragraph 21(a) of the Air France Settlement Agreement, the Reserve may be distributed prior to April 1, 2011 with the consent of Air France and by direction of the Court.
61. At any time prior to the distribution of the Reserve, Class Counsel and counsel for the Settling Defendants may seek directions from the Court to deal with:
- (a) the appropriate treatment of any claims presented by governmental authorities in Canada or elsewhere for repayment of medical costs and other social benefits;
 - (b) the appropriate treatment of claims by insurers for recovery of subrogated amounts;
 - (c) the failure of a Class Member or Ex Juris Passenger to execute a release agreement as required;
 - (d) the failure of the French Courts to approve a settlement for minor or infant Ex Juris Passenger claimants;
 - (e) extending the time for holding the Reserve to a date later than April 1, 2011; and
 - (f) such other matters as may arise in the administration of the Settlement Agreements and Settlement Funds.

LEAVE OF THE COURT REQUIRED

62. No person may bring any action or take any proceedings against the Administrator, the Arbitrator, the members of the Management Committee, or their employees, agents, partners, associates, representatives, insurers, successors or assigns for any matter in any way relating to the Settlement Agreements, the administration of the Settlement Agreements or the implementation of this judgment except with leave of the Court.