

THIS NOTICE AFFECTS YOUR LEGAL RIGHTS

PLEASE READ CAREFULLY

VIA MAIL

Dear Sirs/Mesdames:

**Re: NOTICE OF SETTLEMENT APPROVAL HEARING
Burnell & Iverson v Canada (Attorney General) Vancouver Supreme Court Action No. S077807
(the "Halibut Class Action")**

A settlement, subject to Court approval, has been reached in the Halibut Class Action. The purpose of this Notice is to advise members of the Class and Subclass that the hearing to approve the proposed settlement will take place in the Supreme Court of British Columbia before Madam Justice Griffin on at **2:00 PM on September 11, 2015** at the Supreme Court of British Columbia at 800 Smithe Street, Vancouver, BC.

The Halibut Class Action

The Halibut Class Action alleges that the conduct of the Minister of Fisheries and Oceans (the "Crown") was unlawful with respect to the fisheries management program the Crown implemented from 2001 – 2006 by which 10% of Total Allowable Catch (TAC) was allegedly withheld from the Individual Vessel Quota of halibut license holders and allocated to the Pacific Halibut Management Association (PHMA). Further, the Halibut Class Action seeks restitution for the amounts by which the Crown was allegedly enriched at the expense of the Class and Subclass (the "Lawsuit")

Settlement Class Members

You are a member of the Class or Subclass in the Halibut Class Action if you live in British Columbia, fit either of the definitions that follow, and did not opt-out.

The **Class** is defined as

All owners of fishing vessels with a Category L Commercial Halibut License to fish for halibut issued by the Minister of Fisheries and Oceans ("Licensed Vessels") at any time between 2001 and 2006 inclusive who purchased quota from the Pacific Halibut Management Association ("PHMA"), except for the following:

- (i) the holder of license L-437;
- (ii) First Nations fishers holding Category FL Commercial Halibut Fishing licenses; and,
- (iii) members of the subclass

The **Subclass** is defined as:

All owners of fishing vessels with a Category L Commercial Halibut License to fish for halibut issued by the Minister of Fisheries and Oceans ("Licensed Vessels") between 2001 and 2006 inclusive (the "Material Time") for which quota was purchased from PHMA and:

(a) who at any time during the Material Time:

i. were directors of PHMA; or,

ii. were corporations in which a PHMA director owned more than 50% of the shares; or

(b) who claim that they were in a partnership with a PHMA director in relation to a Licensed Vessel and the purchase of quota from PHMA at any time during the Material Time.

Proposed Settlement of the Halibut Class Action

The key terms of the settlement are as follows:

- payment by the Crown for the benefit of the Class and Subclass of **\$3 million** less a pro-rata credit for specific persons who opted out of the Class or Subclass after April 23, 2015 (the "Settlement Funds");
- Class Counsel seeks to be appointed to administer the settlement and claims process and to review and approve all payments from the Settlement Funds;
- the Settlement Funds will be available on a pro-rata basis to members of the Class and Subclass who file claims;
- in order to receive a distribution from the Settlement Funds, members of the Class and Subclass will be required to submit a claim form;
- a full and final release of all claims against the Crown by members of the Class and Subclass in connection with the Lawsuit; and
- Class counsel disbursements, legal fees and costs of administration of the proposed settlement, if approved by the Court, will be deducted from the Settlement Funds leaving a balance available for distribution to the Class and Subclass.

Certification of the Halibut Class Action and Opt-Out Period

The Halibut Class Action was certified by the Honourable Madam Justice Griffin of the Supreme Court of British Columbia on February 18, 2014. The opt-out period expired on May 4, 2015. If you did not opt-out of the Halibut Class Action by May 4, 2015, you will be entitled to participate in the claims process if the settlement is approved.

If you submitted a "Notice of Opt-Out" form to Class Counsel you have opted out of the Halibut Class Action and are not entitled to participate in the claims process. The only exception is if you ask the Court to revoke your opt-out decision and the Court agrees to do so. These issues will be dealt with at the settlement hearing scheduled for September 11, 2015. Everyone who opted out will find a separate letter enclosed which provides further information in that regard. Please note that Class Counsel do not represent anyone who opted-out and therefore Class Counsel will not be advocating on behalf of such individuals in general or with respect to any requests to revoke opt-out decisions, during the settlement approval hearing.

Settlement Approval Hearing

The hearing to consider approval of the proposed settlement and legal fees of class counsel is scheduled for September 11, 2015. Class counsel are seeking legal fees of one third of the value of the Settlement Funds plus disbursements and applicable taxes.

Further, class counsel are seeking that the representative plaintiffs, Barry Burnell and Lorne Iverson, be compensated for their time and effort in the case with the amounts of \$5,000 and \$10,000 respectively above and beyond their entitlement as members of the Class and Subclass.

Class and Subclass members will be bound by the terms of the settlement if approved by the Court.

If you wish to comment on or object to the settlement or the legal fees being sought by class counsel, you must do so in writing by August 28, 2015. Please forward all such written communications to class counsel at the addresses below.

Distribution of Settlement Funds

If the settlement is approved, the Settlement Funds available for distribution will be held in trust for the benefit of members of the Class and Subclass until the claims process has been completed. Further notices providing details of the claims process will be sent out to the addressees of this notice. Please also check the websites of class counsel listed below for updates about the claims process.

How to Find Out More About this Lawsuit and the Settlement

If you have any questions about the lawsuit or the settlement, please contact the following members of the class counsel legal team:

David Jones/Naomi Kovak, counsel for the Class

Camp Fiorante Matthews Mogerman

4th Floor, 856 Homer St. Vancouver, B.C. V6B 2W5

T: 604-689-7555 or 1-800-689-2322

E: djones@cfmlawyers.ca or nkovak@cfmlawyers.ca

www.cfmlawyers.ca

Meldon Ellis, counsel for the Class

Ellis Business Lawyers
400-1681 Chestnut St.
Vancouver, B.C. V6J 4M6
T: 604-688-7374
E: info@ellislawyers.com
www.ellislawyers.com

Mark Underhill, counsel for the Subclass

Underhill Gage Litigation
1710-401 W. Georgia St.
Vancouver, B.C. V6B 5A1
T: 604-696-9828
E: munderhill@ulit.ca
www.ubplaw.ca

Please note that all communications with Class Counsel will be treated as confidential.

Please do not contact the Court to ask questions about this lawsuit or the settlement. All questions should be directed to Class Counsel.