



A partnership of law corporations

400-856 Homer Street
Vancouver, BC
Canada V6B 2W5

Office: 604-689-7555
Fax: 604-689-7554

cfmlawyers.ca

J.J. Camp, Q.C.

Direct Line: 604-331-9520

Email: jjcamp@cfmlawyers.ca

File Ref: 09018-001

**PRIVILEGED & CONFIDENTIAL
PERSONAL & CONFIDENTIAL**

June 16, 2015

VIA EMAIL

[Address]

Dear Class Member:

Re: Class action lawsuit regarding the 1992 conversion from a defined benefits pension plan to a defined contribution pension plan for employees at Teck Metals (formerly Cominco)/Agrium, *Weldon v. Teck Metals Ltd.*, Vancouver Registry, SCBC Action No. S-095159

As you may recall, Camp Fiorante Matthews Mogerman (or “CFM”) and Victory Square Law Office are class counsel in this class action. You are getting this letter because you submitted a claim form.

You will get two versions of this letter. For privacy reasons, we have removed all personal information from this version of the letter, that is coming by email. You will receive another version of this letter in the regular mail that includes your personal information.

Although this letter is long, it is very important. Please read this letter carefully as it affects your rights. Mr. Justice Smith of the BC Supreme Court supervises this class action and has reviewed and approved this letter for delivery to class members.

This lawsuit was started in 2009. There were a total of approximately 700 people affected by the conversion, who were possible claimants. Of those, 426 people sent in claim forms.

On July 24, 2015, we will be asking the Court to do the following.

1. Approve the settlement agreement with Teck Metals (formerly Cominco) and Towers.
2. Approve the plan to distribute settlement funds to claimants.
3. Approve class counsel’s fees and expenses.
4. Approve a payment to the representative plaintiffs.

5. Appoint an administrator for the plan to distribute settlement funds and approve the administrator's fee.

More information about each of these items is available below. Further information is on FAQ pages on our websites at www.cfmlawyers.ca/teck or www.vslo.ca/teck.

We understand that you may have questions and concerns. We will be holding a live “town hall” meeting by webcast. It will also be recorded so that you can watch or re-watch the webcast at any time. More information on the webcast “town hall” meeting, and on your rights at the Court hearing, is at the end of this letter.

Item #1: What are the terms of the Settlement Agreement

We have reached an agreement to settle the class-action lawsuit with Teck Metals (formerly Cominco) and Towers. They have agreed to pay \$4 million to the class members in settlement of this matter, plus up to an additional \$300,000 to cover the expenses incurred on behalf of the class members in the course of the litigation. The settlement agreement is not an admission of any wrongdoing on the part of Teck Metals or Towers.

The settlement amount reflects the risks that the class faced if we had gone to trial. Those risks include:

- the defendants could prove that they did not do anything wrong (“liability risk”);
- people would have joined the DC plan regardless of the information that the defendants disclosed in 1993 at the time of the election (“reliance risk”);
- too much time passed between the date of the election (1993) and the date on which the lawsuit was commenced (“limitation period risk”); and
- even if the class won at trial, the defendants would appeal and it would take many more years to resolve this lawsuit (“appeal risk”).

To become effective, the BC Supreme Court must approve the settlement. The date of the court hearing is July 24, 2015. More information about the Court hearing and the “town hall” meeting is at the end of this letter, along with information about how you can ask questions or express concerns.

Item #2: How will the Settlement Funds be Shared?

Class counsel has prepared a plan to distribute settlement funds among the class members. The basic principle behind the plan to distribute settlement funds is that each class member should get a share that is based on:

- (a) the difference between:

- (i) the value of the defined benefits (as estimated by class counsel and the actuary experts) the class member would have if they had stayed in the defined benefit pension plan, as of the date that their employment ended (or on September 30, 2014 for class members who were still employed on that date)

and

- (ii) the projected balance in their defined contribution pension plan accounts on the same date, as estimated by class counsel;

- (b) class counsel's assessment of how the risks set out above impact various class members differently;

and

- (c) the necessary pro-rating of the amount of the settlement available for distribution as a proportion of the total estimated losses of class members.

Some class members did not suffer any loss at all. For example, the projected balances in their defined contribution pension plan accounts (item (ii) above) is higher than the value of the defined benefits they would have if they had stayed in the defined benefit pension plan (item (i) above). As a result, these class members do not have any damages under the law. These class members will not receive any settlement funds. You are in this category if we have estimated below that you will receive \$0.

There are other class members who did suffer a loss, but a very small one. A class member whose share calculated as set out above is less than \$500 has had their payment increased to \$500.

Each class member's share was calculated by class counsel and their actuary experts using information provided by Teck Metals and/or Agrium, as well as some information received directly from a few class members when Teck Metals or Agrium did not have the information. The information that we have about you is as follows:

Date of Birth	◆
Current status	◆
Effective date if retired, terminated, or deceased	◆
Earnings in 1992	◆
Years of service as at December 31, 1992	◆
Initial Account Value (as of January 1, 1993 - date of conversion to DC)	◆

If any of this information is incorrect, please let us know.

The plan to distribute settlement funds must be approved by the Court to be final. However, we can estimate each class member's share. **These estimates assume that the Court approves everything proposed in this letter.** Based on the information set out above, we estimate that you will receive \$◆.

The Court has provisionally allowed 22 class members who submitted their forms late to share in the settlement funds. They all have good excuses for submitting their forms late. Allowing the "latecomers" to share has a very small impact on the amount that each claimant who submitted their form on time will receive (less than 3%) (and is taken into account in the above estimate of the amount you will receive). For these reasons, class counsel consider it to be fair to allow the late class members to have a share.

To become effective, the distribution plan must also be approved by the Court. The date of the court hearing is July 24, 2015. More information about the Court hearing and "town hall" meeting is at the end of this letter, along with information about how you can ask questions or express concerns.

Item #3: How Much Will Class Counsel Be Paid?

Class counsel are paid a percentage of the settlement funds as our fee, and are reimbursed for the expenses we have paid while this lawsuit was ongoing. The Court must approve both.

Class counsel will be asking for a fee of 1/3 of the settlement amount, or \$1,333,333.33, plus expenses and the taxes that we must charge. This will be shared between the law firms that have worked on this case. If class counsel had been charging the class by the hour, as most lawyers do, our fees could be higher.

Class counsel will also be asking for a fee to act as the claims administrator. This fee is separate and additional to the \$1,333,333.33. More information about this fee is below under Item #5.

The date of the court hearing is July 24, 2015. More information about the Court hearing and "town hall" meeting is at the end of this letter, along with information about how you can ask questions or express concerns.

Item #4: Payment to the Representative Plaintiffs

The two representative plaintiffs, James Weldon and Leonard Bleier, have worked very hard on your behalf in this lawsuit. They have put in many days organizing this lawsuit, talking with us, meeting with the defendants, answering your questions, and otherwise working on the litigation. As a result we plan to ask the Court to award them \$10,000 each in addition to their share of the settlement funds. The Court will decide whether to give them this amount, some other amount, or nothing at all.

The date of the court hearing is July 24, 2015. More information about the Court hearing and “town hall” meeting is at the end of this letter, along with information about how you can ask questions or express concerns.

Item #5: Appointing the Administrator

CFM will act as the administrator on this lawsuit. This means that CFM will answer your questions about the plan to distribute settlement funds, write hundreds of cheques and accompanying letters, deal with accounting and tax issues, report to the Court, communicate with you, and do other related tasks.

CFM is asking the Court for a fee of \$250,000 (plus taxes and expenses) to carry out these tasks. This is in addition to the fee described above. It will also be paid out of the settlement funds

CFM asked an outside administrator for a price to do this work. The price was higher than \$250,000. Class counsel therefore decided to do it ourselves. In our experience, if we billed at our usual hourly rates it would cost us more than \$250,000 to properly administer the claims process.

The date of the court hearing is July 24, 2015. More information about the Court hearing and “town hall” meeting is at the end of this letter, along with information about how you can ask questions or express concerns.

#6: What if I have Questions or Concerns with the Settlement Agreement, the Plan to Distribute Settlement Funds, or Anything Else in this Letter?

As noted above, there will be a court hearing on July 24, 2015. However, you have other options as well.

There are FAQ pages on our websites at www.cfmlawyers.ca/teck and www.vslo.ca/teck with answers to common questions.

If you would like a copy of the settlement agreement or the plan to distribute settlement funds, you can download them from our websites, www.cfmlawyers.ca/teck or www.vslo.ca/teck.

You should not contact Teck Metals (formerly Cominco), Agrium or Towers with questions about the settlement, the distribution, or any other matter covered in this letter.

“Town Hall” Meeting

We will be holding a town hall meeting **on Wednesday, June 24, 2015 at 6:30 PM Pacific Time** by webcast to explain the settlement agreement, the plan to distribute settlement funds, and the other matters in this letter. We will also answer your questions.

We are doing this meeting by webcast to allow everyone who wants to, to attend, no matter where they live.

If you wish to view and listen to the webcast, contact Jacinta at Victory Square Law Office by email at jwellwood@vslo.bc.ca or by phone at 1-877-684-8421 for instructions on how to access the webcast. The instructions on accessing the webcast will include information about what to do if you have problems accessing it.

If you cannot attend online you may listen to the audio portion by telephone.

The “town hall” meeting will also be recorded so that you may view it online, later, at your convenience. Please email jwellwood@vslo.bc.ca if you want to view the recording after the meeting.

If you have questions in advance, please email them to jwellwood@vslo.bc.ca or Kimberly Hill of CFM at khill@cfmlawyers.ca.

Contact Class Counsel

We expect that many of you will have the same questions, so we encourage you to participate in the “town hall” meeting. There is also an FAQ page at www.cfmlawyers.ca/teck and www.vslo.ca/teck with answers to many common questions. If you are not able to do so, or if you have other questions, you can contact us.

Please email or call Kimberly Hill of my office at khill@cfmlawyers.ca or 1-800-689-2322. Kimberly will be able to answer many of your questions. If she cannot answer a question, she will make sure someone contacts you.

Court Hearing

The Court hearing to deal with all the matters in this letter will be held on **July 24, 2015**, starting at **10:00 a.m.**, in the Vancouver Courthouse at 800 Smithe Street. You are welcome to come but you are not required to come. If you come, you may be allowed to speak to the Court.

Objections

If you have concerns with any of the matters in this letter, you have the right to object at the Court hearing. If you plan to object, please send your objection in writing to Class Counsel by **July 17, 2015** at the address below. Class Counsel will provide any objections to the Court.

Camp Fiorante Matthews Mogerman
400-856 Homer Street
Vancouver, BC V6B 2W5
Attention: Kimberly Hill
email: khill@cfmlawyers.ca
facsimile: 604-689-7554

Victory Square Law Office LLP
#500-128 West Pender Street
Vancouver, BC V6B 1R8
Attention: Diane Irvine
email: dirvine@vslo.bc.ca
facsimile: 604-684-8427

You can also come to the Court hearing, as set out above. You are not required to come to the Court hearing to object.

Appealing Share of Settlement Funds

You also have the right to appeal or challenge your estimated share of the settlement funds if the information we have about you is incorrect. You will have **30 days** after the Court approves the distribution plan to do so.

If any of the information set out above under item #2 is incorrect, please email or call Kimberly Hill of CFM at khill@cfmlawyers.ca or 1-800-689-2322. Kimberly will explain what you need to do to correct the information.

Yours truly,

Camp Fiorante Matthews Mogerman

A handwritten signature in blue ink, appearing to read "J.J. Camp", is shown within a light gray rectangular box.

J.J. Camp, Q.C.

JJC