

IN THE SUPREME COURT OF BRITISH COLUMBIA

Between:

Nina Watt and James Hensman

Plaintiffs

And:

Health Sciences Association of British Columbia, Reid Johnson, Valerie Avery and Bruce Macdonald in their capacity as the Trustees of the Health Sciences Association of B.C. Trust Fund and the said The Health Sciences Association of B.C. Trust Fund,

Reid Johnson, Bruce Macdonald and Marg Beddis in their capacity as the Trustees of The HSA LTD Trust No. 2 and the said The HSA LTD Trust No. 2,

Reid Johnson, Bruce Macdonald, Valerie Avery and Marg Beddis in their capacity as the Trustees of The HSA LTD Trust No. 3 and the said The HSA LTD Trust No. 3, and Reid Johnson, Bruce Macdonald, Valerie Avery and Marg Beddis

Defendants

**ORDER MADE AFTER APPLICATION
WINDING UP OF THE TRUSTS**

BEFORE) THE HONOURABLE)
) MR. JUSTICE PUNNETT) January 17, 2022

ON THE APPLICATION of the Defendant Trustees filed January 11, 2022, coming on for hearing by telephone conference at the Courthouse at 800 Smithe Street, Vancouver, British Columbia, on this date and on hearing Roger D. Lee, counsel for the Defendants Reid Johnson, Valerie Avery, Bruce MacDonald and Marg Beddis (collectively, the "Trustees"); Andrew J. Pearson, counsel for the Plaintiffs and Craig A.B. Ferris, Q.C., counsel for the Defendant Health Services Association of British Columbia ("HSA") and pursuant to the provisions of this Court's Order dated March 2, 2020 (the "**Approval Order**").

THIS COURT ORDERS that:

1. service of this application on all of the beneficiaries of the three trusts named in the style of cause (the "**Trusts**") may be made by service of the application materials in this matter on Church & Company, legal counsel for the plaintiffs;
2. the sale of certain of the Trusts' assets, liabilities and remaining obligations, as detailed in a purchase and sale agreement between the Trusts, the Healthcare Benefit Trust (the "**HBT**") and the Health Employers Association of British Columbia attached as Exhibit "A" to the Affidavit of Kane Tse, sworn January 10, 2022 and filed January 11, 2022 (the "**Purchase Agreement**"), is hereby approved.
3. it is declared that, upon the transfer of certain of the Trusts' assets, liabilities and remaining obligations as described in the Purchase Agreement to the HBT and the payment of any currently known debts of the Trusts, the Trusts are terminated and wound up;
4. On or before January 31, 2022, the Trustees are to pay an interim distribution of \$700,000 to Church & Company, for distribution to the 221 class members as per paragraph 19 of the Approval Order, after first deducting Church & Company's fees and taxes thereon, as per paragraphs 10 and 25 of the Approval Order.
5. The Trustees will make reasonable efforts to apply for a final clearance certificate from Canada Revenue Agency ("**CRA**") for the Trusts as soon as is reasonably possible. Within 30 days of receipt of the final clearance certificate for the Trusts from CRA, the Trustees are to pay the final distribution of any remaining surplus funds (the "**Final Distribution**") to Church & Company, for distribution to the 221 class members as per paragraph 19 of the Approval Order, after first deducting Church & Company's fees and taxes thereon, as per paragraphs 10 and 25 of the Approval Order.

6. Upon one of either Marg Beddis or Kane Tse, or any other duly appointed Trustee of the Trusts, filing an affidavit in this action, stating that:
- a. the sale and transfer of certain of the Trusts' assets, liabilities and remaining obligations to the HBT in accordance with the Purchase Agreement has been completed;
 - b. payment of the Trusts' known current debts, including legal, accounting and other bills, have been made; and
 - c. payment of the Final Distribution to Church & Company, solicitors for the Plaintiffs, has occurred;

then the current Trustees of the Trusts, namely Kane Tse and Marg Beddis, are discharged as Trustees of the Trusts, and this Honourable Court so declares.

Deputy Registrar
By the Court

APPROVED AS TO FORM and
CONSENTED TO:

Andrew J. Pearson,
Counsel for the Plaintiffs

Craig A.B. Ferris, Q.C.,
Counsel for the HSA of BC

Roger D. Lee,
Counsel for the Trustees