

**HSA Class Action
Update – March 3, 2020
Bulletin #14
(Approval of the Settlement by the Court)**

On September 30 and October 1, 2019, we appeared before Justice Punnett, the class proceedings judge on this matter, to seek approval of the settlement reached with the HSA and the LTD Trustees, as described in the Notice to Class Members, dated July 30, 2019. Church & Company also applied for approval of their fee.

On March 2, 2020, Justice Punnett released his Reasons for Judgment (“Reasons”). A copy of the Reasons can be found *here*. The formal Order approved by Justice Punnett appears as a Schedule to the Reasons. In brief, Justice Punnett approved the settlement agreement finding it “fair and reasonable to do so”. His Lordship also felt that the settlement was in the “best interests of the beneficiaries of the plaintiff class”.

Justice Punnett also approved legal fees payable to Church & Company in accordance with the firm’s contingency fee agreement, which was entered into in 2013. In addition to a fee on the initial \$2 million settlement payment, a fee will be payable to Church & Company on a successful resolution of the Hewitt Action (a claim by the HSA and the Trustees against their actuaries). However, that fee will only be payable to Church & Company if, and when, the class members receive a payment in connection with the Hewitt Action. The Hewitt Action is currently set for trial in September, 2020. We will inform class members of the outcome of those proceedings and the amount payable to them, if any.

Under Justice Punnett’s Order, the HSA and the Trustees have 30 days’ to make payment of the settlement funds to Church & Company. Once we receive the funds we will begin the distribution process. If you believe that we do not have a correct address for you please provide us with your current address.

The Court awarded each of the representative plaintiffs, James Hensman and Nina Watt an additional award of \$5,000 for their services in connection with the class action beyond the amounts payable to them under the settlement. Those awards were made at the request of class counsel, not at the request of the representative plaintiffs. Justice Punnett recognized the amount as being “reasonable and modest” for the work done by Mr. Hensman and Ms. Watt over the six year period during which the class action has been outstanding. Justice Punnett noted that they had undertaken this work despite their own disabilities. But for the efforts of Ms. Watt and Mr. Hensman it is unlikely that this matter would have reached a successful conclusion.