

CLASS ACTION

PLAN OF DISTRIBUTION OF FUNDS RECEIVED IN SETTLEMENT

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## **1. Compensation Fund**

- 1.1 The ERDC has set up a compensation fund composed of all the money, stock and other benefits which it received or will receive on behalf of members of the class, following the various settlements with the defendants in the class action. [the "Compensation Fund"]
- 1.2 As of October 28, 2013, the Compensation Fund is composed of \$83,210.27 and 189,479 voting shares PNC.A of Postmedia Network Canada Corp. (the "Shares")
- 1.3 All additional money, shares or other benefits that will be or could be received before the Deadline for submitting claims will be added to the Compensation Fund.
- 1.4 This Compensation Fund will be distributed to members of the class according to the methods set out in this document, pending approval by the Court.

## **2. Conditions of eligibility for being a Claimant and proof needed for a claim**

- 2.1 In order to be eligible for making a claim, a person must meet the following criteria:
  - 2.1.1 Be the author of at least 5 articles published in The Gazette newspaper between January 1, 1985 and June 6, 2010.
  - 2.1.2 These articles must have been reproduced without the consent of the author in the Infomart data bank.
  - 2.1.3 Must have been a freelance writer for The Gazette at the time of publication of these articles in the newspaper.
  - 2.1.4 Must not have withdrawn from the class action.

- 2.2 Everyone meeting the conditions set out in section 2.1 and wishing to submit a claim for financial compensation from the Compensation Fund ("Claimant") must:
- 2.2.1 Fill out the attached claim form and the Annex "list of articles" ("Claim") and
  - 2.2.2 Submit them by mail to the Director of claims at the latest on the Filing Deadline set forth in the present document.
- 2.3 Only one Claim per Claimant should be sent to the Director of claims for all the articles published in The Gazette newspaper for which the Claimant wishes to receive compensation. If more than one Claim is transmitted, they will be treated as if they were one.

**3. Deadline for filing a Claim**

- 3.1 All Claims must be received by the Director of claims no later than \_\_\_\_ ("Filing Deadline"), i.e. six months after the beginning of the Claim period which will commence at a date to be determined after publication of the Notice to Members ("Claim Period").
- 3.2 All Claims received after that date will be automatically rejected.

**4. Distribution of the Compensation Fund**

**a. Distribution of the Compensation fund and deduction of legal fees and expenses for the lawyers of the class action.**

- 4.1 Legal fees, expenses and disbursements of the class action lawyers, once they are approved by the Court, will be deducted from the Compensation Fund before its distribution to members of the class.
- 4.2 The legal fees will be deducted according to the authorized percentage from both the Shares and the cash in the Compensation Fund.
- 4.3 The expenses and disbursements as well as all taxes payable on the legal fees and the reimbursement to the *Fonds d'aide aux recours collectifs* will be primarily deducted from the cash portion of the Compensation Fund.

- 4.4 If there is not enough money in the cash portion of the Compensation Fund to cover the fees, the taxes and the reimbursement of the *Fonds d'aide aux recours collectifs*, proceeds from the sale of stocks will be used to pay such fees and expenses, including brokerage fees and costs, if applicable.
- 4.5 The Shares remaining in the Compensation Fund will be completely distributed to class members having filed an eligible Claim (the "Claimants") to the Director of claims, no later than the Filing Deadline i.e.\_\_\_\_\_, according to articles 5.10 to 5.13 of this document.

**b. Point system**

- 4.6 The portion of the Stock in the Compensation Fund to go to each Claimant will be determined according to the following point system:
- 4.6.1 One (1) point will be attributed to each Claimant for each eligible article included in the Claim form and/or its Annex;
  - 4.6.2 Claims for fewer than 5 articles will not be considered;
  - 4.6.3 A maximum of 500 articles will be considered for each Claimant;
  - 4.6.4 Thirty (30) points will be attributed to Claimants who did not sign a contract or contracts with The Gazette for the reproduction of their articles in various media and/or data bases in 1996 or thereafter.
  - 4.6.5 Because of their involvement and exceptional work, 30 additional points will also be attributed to the designated class representatives in this class action, as well as to the ERDC's secretary and treasurer.
- 4.7 The number of Shares allocated for each point will be established by dividing the number of Stocks available for distribution to the members of the class by the total number of points of the Eligible Claims.
- 4.8 The number of Shares for each Claimant will be established by rounding the number to the nearest whole number according the usual method.

## **5. Director of claims**

### **a. Eligible Claims**

- 5.1 A Claim will be declared eligible if the Director of Claims is satisfied that the conditions outlined in section 2.1 are met and that the Claim form was received no later than the Filing Deadline.
- 5.2 The Director of claims will review the list of article included on the Claim Form for of each Claimant and attribute points to each Eligible Claim according to the point system set out in this document.
- 5.3 The Director of Claims will take reasonable measures to verify the admissibility of the different articles for which a Claim has been filed, but the Director has no obligation to make an exhaustive verification for all the articles, a random check and/or sample could be sufficient.
- 5.4 The Claim process is designed to be simple and not expensive. The Director of Claims will presume the honesty and good faith of the Claimants in the absence of evidence to the contrary.
- 5.5 In the analysis of the Claims received, the Director of Claims will be allowed to communicate with the Claimants to ask them questions about their Claim.

### **b. Total or partial rejection of a Claim and review of a decision of the Director of claims.**

- 5.6 In the event that the Director of claims rejects a Claim totally or partially, it must send the Claimant a notice of rejection of the Claim to the postal or e-mail address indicated on the Form claim in question.
- 5.7 Within the 30 days following receipt of such a notice, the Claimant may ask the Director of claims to review his or her decision; this request must be in writing and transmitted by e-mail or regular mail.
- 5.8 In a reasonable delay after the receipt of such a request for review, the Director of claims will transmit a final decision to the Claimant at the postal or e-mail address indicated on the Claim form in question. This decision is not appealable nor revisable.

5.9 The following proof will attest to the date of receipt of the notices set forth in this section: the fifth day following the date of the post mark.

**c. The fees and expenses of the Director of claims**

5.10 The Director of claims will proceed to the distribution at its own expense.

**d. Distribution of Shares**

5.11 Within a reasonable period after the end of the Claim Period and after all the requests for revision have been settled by the Director of Claims, he or she will establish the number of points for all Eligible Claims and determine the number of shares to be transferred to each Claimant based on the number of points the Claimant has been awarded. The number of Shares will be rounded to the nearest whole number, according to the usual practice.

5.12 The Director of Claims will send to Computershare the necessary form or forms in order to obtain the shares certificates or statement of shares in PNC.A Postmedia Network Canada Corp. in the name of each Claimant for the number of shares to which each is entitled.

5.13 Computershare will distribute directly to each Claimant the shares certificate or statement of shares to which each is entitled.

**6. Claim for another person**

6.1 Anyone who makes a Claim for a person other than him- or herself must provide the Director of claims with copies of the following documents along with the Claim Form:

6.1.1 The certificate of death or of incapacity of the Claimant and/or the reason why the claimant cannot sign the Claim Form him- or herself.

6.1.2 Proof that the person making the Claim is legally authorized to represent the Claimant.