

**FREQUENTLY ASKED QUESTIONS REGARDING THE
PROPOSED SETTLEMENT OF THE TCE CLASS ACTION AGAINST
NORTHSTAR AEROSPACE COMPANIES**

1. You keep calling it a Proposed Settlement. Why is that? Isn't this a done deal?

The Northstar Aerospace companies ("Northstar") and the lawyers working on the Class Action have signed a Settlement Agreement. Class Counsel strongly recommend the settlement.

All class action settlements must be submitted to the Court for approval. That's why we are calling it a Proposed Settlement.

There is also a possibility that the Proposed Settlement will **not** go ahead if more than 5 Class Members choose to opt-out of the Settlement Agreement, as Northstar Aerospace has the right to terminate the Settlement Agreement if that happens. Similarly, counsel for Class Members may elect to terminate the Settlement Agreement if there are 10 or more opt-outs.

2. When is the Court Hearing?

The Court Hearing is scheduled for June 18, 2009 at 10:00 am at Osgoode Hall, 130 Queen Street West, Court Room 5, Toronto Ontario.

3. Do I have to do anything about the Court Hearing?

If you are in favour and wish to receive settlement benefits, you are not required to attend the Court Hearing or do anything at this time. The Court Hearing is a public hearing and you are most welcome to attend.

If you wish to object to the Proposed Settlement, you must submit your objection **in writing by June 12, 2009** to:

The Northstar Class Action
c/o Siskinds LLP
Barristers & Solicitors
680 Waterloo Street
London ON N6A 3V8
Attention: Matthew Baer
Fax to: 519.660.7783
Email: matthew.baer@siskinds.com

Your objection must include:

1. Your name, address, telephone number, fax number, mail and email;
2. A brief statement of why you object to the settlement;

3. Whether you intend to attend in person or if you are going to appoint a lawyer to attend to object to the settlement and if so, the name and contact information of your lawyer;
4. Written confirmation that you owned property within the Class Area on August 23, 2005 and if it is different from your current address, the address of the property you owned within the Class Area.

Please note that you do not have to appear or object in writing if you simply wish to “opt-out” of the Proposed Settlement and commence your own law suit. The Court will provide you a full opportunity to opt-out and you will be advised of the opt-out process at a later date.

4. How do I know if I’m eligible to participate in the Proposed Class Action Settlement?

If you owned real estate in the area covered by the settlement on **August 23, 2005**, you are eligible to participate in this settlement.

The area is outlined in the map at page six and a detailed written description is in the Notice of Settlement Approval Hearing. The map should help you determine if you are in the Class Area.

5. Why was August 23, 2005 picked as the date?

Northstar Canada began to advise of the issue of TCE contamination in the second week of August, 2005. By August 23, 2005, the information was widely-publicized within the community and was recognized as an issue by the Region of Waterloo’s Public Health Department.

6. I used to own property within the Settlement Area, but I sold it about 18 months ago. Am I still eligible?

Yes, provided that you can show that you owned the property on August 23, 2005, you are still eligible under the Class Action Settlement.

7. I bought some property within the Settlement Area a year ago? Am I eligible? Why not?

You are **not** eligible to claim under the Class Action Settlement. The Class Action Settlement is focused on the diminution of property values caused by TCE contamination. Property owners who bought in the Class Area after the issue of TCE contamination did so with knowledge of the TCE contamination issue and in many cases, benefited from a reduction in the purchase price.

8. I notice that you keep referring to property owners. What about family members or tenants who lived in the Settlement Area, but didn’t own property?

The Proposed Settlement only compensates property owners, as it is focused on diminution of property values due to TCE contamination.

9. What do I have to do to participate in the Class Action Settlement?

At this point in time, you do not have to do anything. Assuming that the Settlement Agreement is approved by the Court and it is not terminated due to excessive opt-outs as explained in Question 1, you will be sent a detailed notice regarding the form you will have to fill out and the information you will have to provide in order to receive your portion of the settlement. You should, however, keep us apprised of any address changes.

10. We've already waited for a long time. When can we expect to see some money?

Assuming the settlement goes ahead, we believe that the first payments will be in the fall of 2009. There will be subsequent payments in the future, depending on when Northstar Canada pays the Promissory Note of \$3,000,000 it will sign with respect to this settlement if it is approved. The payment(s) will, however, be made no later than the fall of 2012 as the promissory note is payable in 3 years.

11. Why should we have to wait even longer? Why should we accept a promise to pay in the future?

Class Counsel recognize these concerns. The alternative to not waiting, however, was to either take a smaller settlement or to push this matter forward through the court process. The litigation process can be slow and risky and if one party is not happy with the result, can be appealed further. In our view, the alternative to this settlement would be riskier and more time-consuming than the settlement we are discussing.

12. How much money will I see?

This depends on how many people submit claims and the number of points class members are eligible for. Class Counsel presently estimate that the compensation paid to class members (after all deductions are made) will range between \$2,500 to \$40,000 from the Property Damage Fund. .

Class Members who own properties in the area, but did not have any actual TCE contamination will receive modest amounts. Class Members who own properties that have undergone significant remediation or are still being remediated and had to move out of their properties during the remediation process will receive higher amounts.

The settlement relies on a Point System (see attached Chart) that gives weight to many competing factors and tries to ensure that the Class Members that have been the most severely affected will receive the most.

13. Will I get my money right away?

The first payments (approximately one-quarter), should be paid in the fall of 2009. The balance will be paid as Northstar Canada pays on its promissory note and again, should be no later than the fall of 2012.

14. I don't think the Point System accurately reflects my personal situation.

There is a \$500,000 Extraordinary Damage Fund for property owners to make claims that aren't adequately covered in the point system. Class Counsel recognized that while the point system would cover the great majority of property owners, there would always be specific issues that couldn't be adequately covered by a point system.

15. I believe that I have health issues arising from the environmental contamination. If I participate in the Proposed Settlement, can I still sue for my health issues?

Yes, the Proposed Settlement does not deal with personal injury/health issues at all. You should contact your own lawyer if you wish to consider pursuing a claim based upon your personal health issues.

16. Northstar still hasn't finished remediating its own property and/or my property. Will the settlement end the remediation of the properties?

No, that will not change. Class Counsel and Northstar both agree that nothing in this agreement impacts Northstar Canada's remediation of the properties.

17. Northstar has been paying for extra utility costs to run the HRV and/or the SVU on my property. Is that going to change?

No, that will not change either. Class Counsel and Northstar both agree that nothing in this settlement impacts Northstar Canada's reimbursement to property owners for additional utility costs.

18. I understand that I could opt-out of the Proposed Settlement? What are my options if I opt out.

If you are considering opting-out, you should talk to your own lawyer at your own expense as soon as possible to discuss the pros and cons of pursuing your rights on your own. There are time limits on your right to sue Northstar. It will be your responsibility to retain and pay the lawyers and experts to prove your claim. You will not be eligible to receive any portion of the Proposed Settlement if you opt-out.

19. How much are the lawyers getting paid? When will they get paid?

This is subject to court approval.

Pursuant to the Retainer Agreements executed with the Representative Plaintiffs, Class Counsel are seeking payment of 25% of the overall settlement for fees. Northstar is contributing \$550,000 for legal fees and disbursements (i.e. toward the total which is being sought, not in addition to the 25%). Class Counsel fees will only be paid at the same time that monies are made available to Class Members. Class Members will not have to pay for the lawyers' fees and costs out of their own pocket.

How can I get more information?

Please do not hesitate to contact Class Counsel with respect to any questions you may have:

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Point System

<u>Criteria</u>	<u>Number of Points Earned</u>
The Class Member's property (for greater clarity, property refers to "real property" (i.e. fee simple)) has not had an indoor TCE Reading above 20 $\mu\text{g}/\text{m}^3$	4
The property has had one or more indoor TCE reading(s) above 20 $\mu\text{g}/\text{m}^3$ but not above 200 $\mu\text{g}/\text{m}^3$	8
The property has had one or more indoor TCE reading(s) Above 200 $\mu\text{g}/\text{m}^3$	16
Soil Vapour Extraction ("SVE") unit installed on property	16
Property is dependent on an SVE unit (but the unit not installed on the property)	8
Heat Recovery Ventilator unit installed on property	4
Sealants/passive barriers installed on property	1
One or more testing wells installed on property	32
Class Member was required to evacuate from their property while remediation was performed on their property for:	
• 3 – 14 nights	2
• 15 – 60 nights	4
• 61 – 120 nights	6
• more than 120 nights	12
• multiply the points from this section by 2 if there were more than two members in the household during this time	

A Class Member who owns more than one property in the Class Area, receives points as per above for each property. In order to be considered more than one property, the properties must not be attached in any way.