

**ONTARIO
SUPERIOR COURT OF JUSTICE**

B E T W E E N:

**BARBARA KRANJCEC, on her own behalf and on behalf of
all retired former employees of the Ontario Government
receiving coverage under the Supplementary Health and
Hospital Insurance, Dental and Life Insurance Plan as of
June 1, 2002**

Plaintiffs

- and -

HER MAJESTY THE QUEEN IN RIGHT OF ONTARIO

Defendant

AFFIDAVIT OF BARBARA KRANJCEC

I, **Barbara Kranjcec**, of the City of Mississauga, in the Province of Ontario,
MAKE OATH AND SAY:

1. I am the representative plaintiff in this matter and as such have knowledge of the matters to which I hereinafter depose.
2. I have been the representative plaintiff in this action since it was commenced and have been involved in the action throughout. I met with class counsel and provided information for the preparation of the Statement of Claim and I assisted in the preparation of my affidavit in support of the certification motion. I was cross-examined on my affidavit and I also attended part of the certification motion. I have

been in contact with class counsel as each stage in the action has progressed. I met with class counsel to prepare for my anticipated examination for discovery. I have also been in touch with various other class members and have reported on this action to them.

3. Most recently, I spoke with class counsel prior to and following the mediation with Justice Winkler on February 7, 2006 and during the course of the mediation on March 7, 2006. On March 7, 2006, Shaun O'Brien, one of the lawyers at Cavalluzzo Hayes Shilton McIntyre & Cornish representing class members, explained the proposed settlement to me. Since then I have also had lengthy correspondence and several further discussions with class counsel regarding the proposed settlement.
4. I have reviewed the settlement agreement entered into between class counsel and counsel for the Ontario government. Attached hereto and marked as Exhibit "A" is a copy of the settlement agreement.
5. I have raised various concerns about the proposed settlement with class counsel. In particular, I would have liked to see a settlement which reinstated benefits, rather than provided a payment of money to class members. I was initially concerned that a payment of money would not adequately compensate class members for the losses they have suffered, nor provide them with protection for the ongoing loss of their benefits going forward. I was not concerned about the amount of the monetary settlement; rather, I was concerned that monetary damages were not the ideal result for retirees in this case.
6. However, I have discussed my concerns extensively with class counsel and acknowledge that, in all of the circumstances, it is in the best interests of class members to accept this settlement now.


7. In particular, I am aware that many of the class members are of advanced age and in precarious health. If we wait for this case to proceed to trial and through any subsequent appeal process, a portion of the class members may never receive the benefit of any result.

8. I am also aware from my discussions with class counsel that there are risks associated with this case because there have been very few cases like it in Canada. Also, even if we are successful in this case, I understand that the court may order a monetary payment rather than a reinstatement of benefits. Considering these uncertainties, I see the benefit of obtaining a guaranteed payment for class members now. I am also aware that the proposed settlement includes the introduction of some new benefits, including the drug card, for class members and that it means the class has not released the government if it tries to implement further benefit reductions in the future.

9. In spite of my initial concerns, and especially considering the benefit of a settlement now for the ageing class, I support the implementation of this settlement as soon as possible.

10. I make this affidavit in support of a motion to have this settlement approved, and for no other or improper purpose.

SWORN BEFORE ME at the City of)
 Mississauga, in the Province of Ontario,)
 this 1st day of June 2006)


 _____)
 A Commissioner, etc.)
 Shaun O'Brien



 BARBARA KRANJCEC