BULLETIN

July 19, 2007

We are writing to let you know about a potential labour disruption that may affect our service to our members.

On July 18, 2007, the Canadian Union of Public Employees (CUPE) issued 72-hour strike notice to Pacific Blue Cross. While we do not anticipate a full walk out, the union may look to disrupt work flow in one or more departments.

Pacific Blue Cross regrets the inconvenience that may be experienced by our members during this potential labour action. We are committed to ensuring continuity of service to our clients and have contingency plans in place. High priority will be given to processing regular disability claim payments without interruption.

Pacific Blue Cross remains committed to bargaining in good faith with CUPE, and to signing a contract that is fair to both employees and the organization. Our goal is to reach an agreement that ensures the financial viability of PBC as well as the job security of all employees. We are also dedicated to continuing to provide our membership with the reliable and trustworthy service they depend on.

If you have any questions or concerns during this time, please don't hesitate to contact your PBC Account Manager through normal channels. For up-to-date information regarding any possible labour disruption, please refer to www.pac.bluecross.ca.

BULLETIN UPDATE

July 20, 2007

The following is an important update to the bulletin that you received yesterday.

Pacific Blue Cross is pleased to announce that we have reached a tentative agreement with CUPE local 1816. The agreement was reached through a mediation session at the BC Labour Relations Board this afternoon.

We do not anticipate any labour disruptions.

We thank you for your patience as we worked to negotiate an agreement that was amenable to both parties. We look forward to continuing to provide you with the reliable and trustworthy service that you depend on.

If you have any questions, please don't hesitate to contact your PBC Account Manager through normal channels.