



NO. S256771
VANCOUVER REGISTRY

IN THE SUPREME COURT OF BRITISH COLUMBIA

BETWEEN:

JESSIE BAINS

PLAINTIFF

AND

HOSPITAL EMPLOYEES UNION, BARB NEDERPEL, and BETTY VALENZUELA

DEFENDANTS

RESPONSE TO CIVIL CLAIM

Filed by: The Defendants, Hospital Employees' Union ("HEU"), Barb Nederpel ("Nederpel"), and Betty Valenzuela ("Valenzuela")

Part 1: RESPONSE TO NOTICE OF CIVIL CLAIM FACTS

Division 1 — Defendant's Response to Facts

1. The facts alleged in paragraphs 1, 8, and 16 of Part 1 of the Notice of Civil Claim are admitted.
2. The facts alleged in paragraphs 2, 3, 4, 5, 6, 7, 9 – 15, and 17 - 23 of Part 1 of the Notice of Civil Claim are denied.
3. The facts alleged in NONE of the paragraphs of Part 1 of the Notice of Civil Claim are outside the knowledge of the Defendants.

Division 2 — Defendant's Version of Facts

4. Except as expressly admitted, the Defendants deny each and every allegation of fact contained in the Notice of Civil Claim.
5. In response to the entirety of the Notice of Civil Claim:
 - (a) the style of cause includes a typographical error. The HEU is properly referred to as the Hospital Employees' Union (i.e., with an apostrophe at the end of the word "Employees"), not "Hospital Employees Union", as is stated in the Notice of Civil Claim; and
 - (b) the style of cause refers to the Plaintiff as the "Applicant" and the Defendants as the "Respondents". This is an error in form. In the interests of assisting the court, this has been amended in the style of cause above.

6. In response to paragraphs 1 – 4 of Part 1 of the Notice of Civil Claim, the Defendants admit that:
- (a) the Plaintiff, Jessie Bains, is a former member of the HEU;
 - (b) HEU, is a trade union under the *Labour Relations Code*, RSBC 1996 c. 244 (the “**Code**”);
 - (c) Nederpel is the President of the HEU;
 - (d) Valenzuela is the Financial Secretary of the HEU.
7. In further response to paragraphs 3 and 4 of Part 1 of the Notice of Civil Claim, the Members of the HEU’s Provincial Executive (the “**Provincial Executive**”) are collectively responsible for, *inter alia*, implementing the goals and policies set by the HEU’s membership and guiding the work of the HEU between conventions. Contrary to the express or implied allegations in the Notice of Civil Claim, Nederpel and Valenzuela are not solely responsible for governance, operations, financial management, and/or reporting of the HEU.
8. In response to paragraph 5 of Part 1 of the Notice of Civil Claim, the Defendants admit that Article 2, Section A of the HEU’s Constitution and By-Laws (the “**Constitution**”) includes, *inter alia*, the following provision:

POLITICAL EDUCATION & POLITICAL ACTION FUND:

Between one Biennial Convention and another, the Provincial Executive shall be authorized to allocate an amount up to, but not exceeding, Three Hundred and Seventy-Five Thousand Dollars (\$375,000) for member education and mobilization for the purpose of engaging in election campaigns in support of politicians who support the aims and objectives of the Hospital Employees’ Union, for example:

- 1. To fight anti-union campaigns and legislation;*
- 2. To defend against attacks on Medicare;*
- 3. To prevent the erosion of health and social services;*
- 4. To protect against the exploitation of workers.*

The Provincial Executive shall report at each Convention as to where these monies have been spent.

A Political Action Fund will be established for Locals to access for the purpose of political action; and this Fund will be accessible by application to the Provincial Executive.

(the “**Political Education & Action Provision**”).

9. In response to paragraphs 6 and 12 of Part 1 of the Notice of Civil Claim, the Plaintiff has been a member of HEU on multiple occasions and was most recently a member between September 20, 2021 and October 8, 2024. The Plaintiff was not a member of the HEU on October 20, 2024.
10. In response to paragraph 7 of Part 1 of the Notice of Civil Claim, the Defendants admit that the HEU, acting through the Provincial Executive, was bound to comply with its obligations under the Constitution including, *inter alia*, those obligations contained in Article 2, Section A.
11. In response to paragraphs 9 – 14 and 17 - 23 of Part 1 of the Notice of Civil Claim, the Defendants deny that the HEU breached or failed to comply with the Political Education & Action Provision, or any other provision of the Constitution, as alleged or at all.
12. In response to paragraph 15 of Part 1 of the Notice of Civil Claim, the decision indexed as *Jessie Bains*, 2025 BCLRB 96 (the “**Decision**”) concerns seven applications by the Plaintiff asserting that the HEU breached its statutory duty of fair representation. Each application was dismissed. In dismissing each application, the Decision does state, at one point, that “It is outside the jurisdiction of the Board to adjudicate whether the Union’s political advertising spending breached the limits imposed by the membership.”
13. In further response to paragraphs 17 – 23 of Part 1 of the Notice of Civil Claim, the Defendants deny that:
 - (a) they engaged in “excess spending” or have exceeded any “constitutional limit” contemplated within the Political Education & Action Provision, as alleged or at all;
 - (b) they engaged in conduct that amounts to a “fundamental breach” of the Constitution, as alleged or at all;
 - (c) they owed a fiduciary duty to the Plaintiff, as alleged or at all. In the alternative, if a fiduciary duty was owed to the Plaintiff, said duty was owed to the Plaintiff by HEU, not by Nederpel or Valenzuela;
 - (d) they breached any fiduciary duty owed to the Plaintiff, as alleged or at all;
 - (e) the Plaintiff has suffered any loss, damage, or expense, as alleged or at all.
14. In further response to paragraphs 17 – 23 of Part 1 of the Notice of Civil Claim, the Plaintiff has no legal right to pursue relief on behalf of HEU or any of its members as against Nederpel, Valenzuela, or any other party.

Division 3 — Additional Facts

15. As set out above, the Political Education & Action Provision limits the HEU’s spending between Biennial Conventions on “member education and mobilization for the purpose of engaging in election campaigns in support of politicians who support the aims and objectives of the HEU.” Contrary to the express or implied allegations in the Notice of

Civil Claim, the Political Education & Action Provision does not limit "election advertising".

16. Between a Biennial Convention on October 17 - 21, 2022 and another Biennial Convention on October 20 – 25, 2024, the HEU spent \$100,443 on member education and mobilization for the purpose of engaging in election campaigns in support of politicians who support the aims and objectives of the HEU. Put another way, the HEU did not exceed the monetary limit contemplated within the Political Education & Action Provision, as alleged or at all.

Part 2: RESPONSE TO RELIEF SOUGHT

1. The Defendants consent to the granting of NONE of the relief sought in Part 2 of the Notice of Civil Claim.
2. The Defendants oppose the granting of ALL the relief sought in Part 2 of the Notice of Civil Claim.
3. The Defendants take no position on NONE of the relief sought in Part 2 of the Notice of Civil Claim.

Part 3: LEGAL BASIS

1. The Defendants deny:
 - (a) breaching the Constitution, including the Political Education & Action Provision, as alleged or at all. At all material times, any funds spent by HEU were spent in accordance with the Constitution and below the monetary limit contemplated within the Political Education & Action Provision;
 - (b) that HEU breached a fiduciary duty to the Plaintiff, as alleged or at all;
 - (c) that Nederpel or Valenzuela owed any fiduciary duty to the Plaintiff, as alleged or at all. At all material times, Nederpel and Valenzuela acted in the best interests of the HEU and in accordance with the Constitution. Accordingly, the Plaintiff has no cause of action as against Nederpel or Valenzuela. In the alternative, the Defendants deny that Nederpel or Valenzuela breached any fiduciary duty owed to the Plaintiff, as alleged or at all.
2. Additionally, or in the alternative, the Defendants deny that the Plaintiff suffered any loss, damage, or expense, as alleged or at all.
3. Additionally, or in the further alternative, even if the Plaintiff's claim for damages was supported by a legal basis, which is denied, the damages sought by the Plaintiff would, if read generously, constitute damages for the entire membership of the HEU, not the Plaintiff's share of the same.
4. Additionally, or in the further alternative, the Defendants deny that there is any legal basis for punitive damages in this dispute.
5. Additionally, or in the further alternative, the Defendants deny that there is any legal basis for an order prohibiting Nederpel or Valenzuela from holding office within HEU.

6. Additionally, or in the further alternative, “diminished value of membership”, “loss of democratic rights within the union”, and “mental distress from betrayal of trust” are not causes of action known at law or, alternatively, compensable at law.

Defendant’s address for service: c/o Alexander Holburn Beaudin + Lang LLP
2700 – 700 West Georgia Street
Vancouver, British Columbia, V7Y 1B8
Attention: Matthew Desmarais

Fax number address for service (if any): 604.484.9767

E-mail address for service (if any): service@ahbl.ca AND mdesmarais@ahbl.ca

Dated: October 1, 2025



Signature of Matthew Desmarais,
Lawyer for the Defendants

Rule 7-1 (1) of the Supreme Court Civil Rules states:

- (1) Unless all parties of record consent or the court otherwise orders, each party of record to an action must, within 35 days after the end of the pleading period,*
- (a) prepare a list of documents in Form 22 that lists*
 - (i) all documents that are or have been in the party’s possession or control and that could, if available, be used by any party at trial to prove or disprove a material fact, and*
 - (ii) all other documents to which the party intends to refer at trial, and*
 - (b) serve the list on all parties of record*



Court File No.S256771
Registry: Vancouver

In the Supreme Court of British Columbia

Between:

Jessie Bains
Applicant

And:

**Hospital Employees' Union,
Barb Nederpel, and
Betty Valenzuela**
Respondents

REPLY TO RESPONSE TO CIVIL CLAIM

Filed by: Jessie Bains, the Applicant

Part 1: Response to New Facts and Points of Law

1. The Applicant denies all new allegations of fact or law contained in the Respondents' Response to Civil Claim, except where expressly admitted herein.
2. The Applicant admits the technical correction regarding the proper name of the Hospital Employees' Union, including the apostrophe. However, the Applicant maintains the use of "Applicant" and "Respondents" as the appropriate designations for the parties in this proceeding.
3. In response to paragraph 9 of the Response to Civil Claim, the Applicant denies that his membership in the Hospital Employees' Union ended on October 8, 2024. The Applicant remained a dues-paying member of the Hospital Employees' Union until **November 7, 2024**, as confirmed by his employer's final deduction of union dues for the pay period ending on that date. Therefore, the Applicant was a member during the **2024 BC**

provincial election (October 19, 2024) and at the commencement of the 2024 Biennial Convention (October 20, 2024).

4. The Applicant denies paragraph 15 of the Response to Civil Claim and counters that the **Political Education & Action Fund**, established under **Article 2, Section A** of the **HEU Constitution and By-Laws**, limits all political expenditures “*for the purpose of engaging in election campaigns,*” including election advertising and related member mobilization activities.
5. The Applicant says the Respondents’ interpretation—limiting the \$375,000 cap only to “member education and mobilization”—is inconsistent with the plain wording of the Constitution and the intent of the membership resolution. The \$375,000 limit was specifically established to provide a clear financial boundary on election-related spending, not to create a narrow category that could be circumvented by alternative classification of expenditures. The examples provided in Article 2, Section A (fighting anti-union campaigns, defending Medicare, preventing erosion of health services, and protecting against worker exploitation) encompass the very activities that would constitute election advertising.
6. The Applicant denies paragraph 16 of the Response to Civil Claim and says that the **HEU’s Elections BC Financial Disclosure** shows total political advertising expenditures of approximately **\$470,401.04** between the 2022 and 2024 conventions, which exceeds the \$375,000 constitutional limit by approximately **\$95,401.04**.
7. The Applicant says the Respondents’ assertion that only \$100,443 was spent under the “Political Education & Action Fund” is unsupported by audited financial evidence and contrary to public disclosure filed with Elections BC. The **Elections BC Third Party Sponsor Disclosure Report**, signed by **Respondent Betty Valenzuela in her capacity as Financial Secretary of HEU**, confirms the total expenditure of **\$470,401.04** on election advertising for the 2024 BC provincial election.
8. The Applicant says that all political and election-related advertising expenditures undertaken by the HEU fall within the scope of the “Political Education & Action Fund,” as those activities were directed toward “engaging in election campaigns in support of politicians who support the aims and objectives of the Hospital Employees’ Union.”
9. The Applicant denies that the Respondents complied with their obligations to report to the HEU membership “at each Convention as to where these monies have been spent,” as required by Article 2, Section A of the Constitution.
10. The Applicant denies that the Respondents’ conduct was in accordance with the Constitution or within their lawful authority.
11. The Applicant further denies that the Respondents acted in the best interests of the HEU membership or exercised their powers in good faith.

12. In response to paragraphs 13(c) and 13(d) of the Response to Civil Claim, the Applicant maintains that both the HEU as an organization and its officers, **Nederpel** and **Valenzuela**, owed fiduciary duties to members, including the Applicant. As President and Financial Secretary respectively, Nederpel and Valenzuela had specific responsibilities regarding the governance and financial management of the union, including ensuring compliance with the Constitution's spending limits.
13. **The Applicant says that the Respondents' actions constitute:**
- (a) a **breach of contract**, the HEU Constitution forming a contract between the union and its members;
 - (b) a **breach of fiduciary and trust-like obligations** owed by union officers in the management of collective funds; and
 - (c) a **violation of members' rights to financial accountability and constitutional governance** under the HEU Constitution, which requires elected officials to operate within the financial limits established by the membership.
14. The Applicant says that the Respondents' denial of fiduciary duty is unfounded in law. Union officers exercising control over union funds and constitutional compliance owe at least a **limited fiduciary duty** to act honestly, in good faith, and within the limits imposed by the membership (*Berry v. Pulley*, 2002 SCC 40).
15. In response to paragraph 14 of the Response to Civil Claim, the Applicant denies that he has no legal right to pursue relief on behalf of HEU or its members. As a member during the period when the constitutional breach occurred, the Applicant has standing to bring this action to enforce compliance with the Constitution, which forms a binding contract between the union and its members.
16. The Applicant denies the Respondents' claim that there is no loss. Unauthorized political spending from dues paid by members constitutes a **loss of membership value, breach of trust, and deprivation of democratic rights**.
17. In response to paragraph 3 of Part 3 of the Response to Civil Claim, the Applicant denies that this claim is brought on behalf of all members. The Applicant brings this claim personally as a member directly affected by the Respondents' misuse of funds and breach of the HEU Constitution. The amount claimed (**\$95,401.04**) represents the specific amount by which the Respondents exceeded the constitutional spending limit, which directly harmed the Applicant as a member whose dues were improperly spent.
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Part 2: Relief Sought

The Applicant seeks that this Honourable Court:

1. Declare that the Respondents exceeded the **\$375,000 constitutional limit** set out in Article 2, Section A of the HEU Constitution;
2. Declare that the Respondents **breached their contractual and fiduciary obligations** owed to members, including the Applicant; and
3. Grant such further and other relief as this Honourable Court deems just.

Applicant's Address for Service

Jessie Bains
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Surrey, BC V3X 0B9
Email: bainsj@gmail.com
Phone: (604) 365-3400

Place of Trial: Vancouver, British Columbia

Registry Address: 800 Smithe Street, Vancouver, BC V6Z 2E1

Date: October 6, 2025



Signature of Jessie Bains
Applicant

In the Supreme Court of British Columbia

Between:

Jessie Bains
Applicant

And:

**Hospital Employees' Union,
Barb Nederpel, and
Betty Valenzuela**
Respondents

DEMAND FOR LIST OF DOCUMENTS

Rule 7-1(10) of the Supreme Court Civil Rules

TO: The Respondents, Hospital Employees' Union, Barb Nederpel, and Betty Valenzuela, and their counsel of record

TAKE NOTICE THAT the Applicant requires the Respondents to serve, within 35 days after service of this Demand, a further list of documents in accordance with Rule 7-1(10) of the Supreme Court Civil Rules containing the following documents and categories of documents, which are or have been in the Respondents' possession or control and are relevant to the matters in issue in this proceeding:

1. Financial and Accounting Records

- (a) All audited financial statements of the Hospital Employees' Union for the fiscal years 2022, 2023, and 2024.
- (b) All internal accounting records, ledgers, and journal entries showing expenditures under the Political Education & Action Fund between October 17, 2022, and October 25, 2024.
- (c) All budget documents, expenditure authorizations, or financial reports related to political education, election advertising, or member mobilization.

- (d) All approvals, resolutions, or motions of the Provincial Executive authorizing expenditures from the Political Education & Action Fund.
- (e) All internal correspondence or communications between the Financial Secretary, President, or Provincial Executive concerning allocation or reporting of funds under Article 2, Section A of the HEU Constitution.
- (f) Detailed breakdown of the \$100,443 the Respondents claim was spent on "member education and mobilization" as stated in paragraph 16 of their Response to Civil Claim.
- (g) Detailed breakdown and categorization of the remaining \$369,958.04 in election advertising reported to Elections BC but not classified as "member education and mobilization" spending.

2. Elections BC and Political Spending Filings

- (a) All drafts, supporting documents, and correspondence used to prepare the Elections BC Third Party Sponsor Disclosure Report for the 2024 BC provincial election, signed by Respondent Betty Valenzuela.
- (b) Copies of all invoices, receipts, contracts, or payment records for political or election advertising reported to Elections BC between 2022 and 2024.
- (c) All correspondence with Elections BC regarding registration, reporting, or compliance as a third-party sponsor.
- (d) Complete copy of the Elections BC Third Party Sponsor Disclosure Report and all supporting documentation submitted by HEU.
- (e) All working papers, notes, or documentation provided to Smythe LLP for their audit of the Third Party Sponsor Disclosure Report.

3. Internal HEU Governance and Reporting

- (a) Minutes, reports, and motions of the Provincial Executive referring to the Political Education & Action Fund between October 2022 and October 2024.
- (b) The Provincial Executive's report to the 2024 Biennial Convention on financial or political expenditures, as required by Article 2, Section A of the Constitution.
- (c) Any internal audits or compliance reviews concerning political spending or adherence to Article 2, Section A.
- (d) Any communications or reports to members concerning use of Political Education & Action Fund monies.
- (e) All internal policies, guidelines, or interpretations regarding the Political Education & Action Fund provision in Article 2, Section A of the Constitution.

4. Membership and Dues Records

- (a) The Applicant's complete HEU membership record from September 2021 to November 2024, including any notices of withdrawal or termination.
- (b) Payroll remittance records from the Applicant's employer confirming dues deductions

through November 7, 2024.

(c) Correspondence between HEU and the Applicant's employer regarding the Applicant's membership status or dues deductions.

(d) Any internal communications regarding the termination of the Applicant's membership.

5. Communications Regarding the Political Education & Action Fund

(a) All emails, memos, or internal messages among Barb Nederpel, Betty Valenzuela, and any other Provincial Executive members referring to:

- "Political Education & Action Fund"
- "election advertising"
- "NDP support"
- "Elections BC" or "third party advertising"
- "spending cap" or "constitutional limit"
- "Article 2, Section A"

(b) Any legal advice or interpretive memoranda (not subject to solicitor–client privilege, unless privilege is claimed) concerning Article 2, Section A or political expenditure limits.

(c) All communications between Provincial Executive members regarding political spending for the 2024 BC provincial election.

6. Convention-Related Records

(a) The official minutes or transcripts of the 2024 Biennial Convention where financial reports were presented.

(b) The agenda, delegate package, and presentation materials for that Convention.

(c) Any slides, handouts, or financial summaries presented to delegates concerning the Political Education & Action Fund.

(d) Minutes of the 2024 Biennial Convention where political spending was reported or discussed.

(e) Any documentation showing whether the Provincial Executive reported "where these monies have been spent" at the 2024 Convention as required by Article 2, Section A.

7. Governance and Fiduciary Responsibility Documents

(a) Copies of all versions of the HEU Constitution and By-Laws in force between 2022 and 2024.

(b) Policy manuals, governance guidelines, or officer training materials describing the duties of the President, Financial Secretary, and Provincial Executive.

(c) Any communications or memoranda addressing fiduciary duties of officers or use of collective funds.

(d) Any documents defining the scope and limitations of the Political Education & Action Fund.

AND FURTHER TAKE NOTICE that if the Respondents fail to serve a further list of documents as required by this Demand, the Applicant may apply to the Court under Rule 7-1(13) for an order compelling production and for costs of this application.

Applicant's Address for Service

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Place of Trial: Vancouver, British Columbia

Registry Address: 800 Smithe Street, Vancouver, BC V6Z 2E1

Date: October 6, 2025



Signature of Jessie Bains
Applicant