

Federal Court



Cour fédérale

Date: 20240117

Docket: T-119-19

Citation: 2024 FC 68

Ottawa, Ontario, January 17, 2024

PRESENT: The Honourable Madam Justice Kane

BETWEEN:

**DENNIS MANUGE, RAYMOND TOTH,
BETTY BROUSSE,
BRENTON MACDONALD, JEAN-
FRANCOIS PELLETIER AND DAVID
WHITE**

Representative Plaintiffs

and

HIS MAJESTY THE KING

Defendant

ORDER AND REASONS

[1] The Representative Plaintiffs and the Defendant bring this joint motion pursuant to Rule 334.29 of the *Federal Courts Rules*, SOR/98-106 [the Rules] seeking approval of the Final Settlement Agreement [FSA] in this Class Action. Class Counsel also seek the approval of the legal fees and disbursements of Class Counsel and an honorarium of \$10,000 for each of the Representative Plaintiffs.

[2] In general, the FSA addresses an alleged miscalculation and resulting underpayment of disability pension benefits for members and veterans of the Canadian Armed Forces [CAF] and the Royal Canadian Mounted Police [RCMP] and their spouses, common-law partners, dependents, survivors, or estates. In 2018, the Minister of Veterans Affairs Canada [VAC] acknowledged a miscalculation of the provincial tax credits to the wage rate that resulted in lower payments to eligible recipients of certain pension benefits. The total amount of the underpayment was estimated at \$165 million. VAC allocated \$165 million to make “Corrective Payments”; approximately half of these payments have been distributed since 2018.

[3] Other errors were subsequently discovered by Class Counsel. The settlement addresses the impact of the additional errors and the interest on the Corrective Payments.

[4] For the reasons that follow, the Court approves the FSA, the legal fees for Class Counsel and disbursements, and the honoraria for the Representative Plaintiffs.

[5] The documents attached to these Reasons and Order, including the FSA, provide more extensive details. The FSA is the result of negotiations based on the knowledge and understanding of Class Counsel and the Defendant, with the assistance of expert actuarial evidence regarding how various benefits were affected by the calculation errors. The expert report, prepared by Mr. Alexander MacLeod, explains the methodology and the formula that will be applied to calculate the amount to be paid to address the underpayments based on the identified errors.

[6] The Court's reasons understate the complexity of the calculation of adjustments to the benefits at issue and the method to correct the miscalculations. The written and oral submissions of Class Counsel and the affidavits and exhibits of the Plaintiffs and Defendant have illuminated the issues and have been carefully considered. Both Class Counsel and the Defendant strongly support the negotiated settlement and commend the successful outcome for Class Members. The Court is more than satisfied that the FSA is fair and reasonable and in the best interest of Class Members.

[7] The Court is also satisfied that the legal fees and disbursements are fair and reasonable. At first glance, a reader may view the possible maximum amount of Class Counsel fees and disbursements, expressed as a dollar value, as a windfall. However, as explained below, Class Counsel have invested countless hours and expended significant amounts to bring this Class Action to this point without certainty of its success and their work will continue. Class Counsel will receive their fees and disbursements in accordance with the Retainer Agreement executed with the Representative Plaintiffs, which provide for a percentage of the settlement amount. Class Counsel do not seek their fees with respect to the amount to correct the initial error acknowledged by VAC. Class Counsel's fees relate to the additional errors discovered through their diligence. Among other things, Class Counsel will only receive their fees and disbursements as Class Members receive their payments, and on a *pro rata* basis.

I. Background

A. *The Plaintiffs*

[8] Dennis Manuge is a resident of Nova Scotia and former member of the CAF. Mr. Manuge served from August 1994 until his discharge in December 2002 due to medical conditions suffered while in the CAF. As a result, Mr. Manuge could no longer meet all the occupational requirements of universality of service. He has received a monthly disability pension since 2002. Mr. Manuge attests to his involvement in this Class Action, including sharing his records and assisting in “unpacking” the miscalculations to be rectified.

[9] Raymond Toth is an Ontario resident. He served in the CAF until his discharge in 2007. He could no longer meet all the occupational requirements due to injuries sustained during his service in the CAF. He has received a monthly disability pension since February 2004.

[10] Betty Brousse is an Ontario resident. Ms. Brousse served in the CAF for 27 years and retired in 2001. She has received a monthly disability pension since October 2000. Ms. Brousse attested to her involvement in the Class Action, including her affidavits to support a Motion for Summary Trial (ultimately adjourned *sine die*) and the use of her personal information to demonstrate the miscalculations and how the FSA will address the miscalculations.

[11] Brenton MacDonald is an Ontario resident and former member of the RCMP. Mr. MacDonald retired in April 2004 after 38 years of service. His career with the RCMP included a role in the Compensation Branch, where he was engaged in pensions, benefits, and

compensation issues. He has received a monthly disability pension since April 2004. Class Counsel commended Mr. MacDonald for his helpful guidance in understanding the complexity of pension benefits.

[12] Jean-Francois Pelletier is a Nova Scotia resident. He served in the CAF in the Royal Navy from 1986 to 2005. He has received a monthly disability pension since 2002.

[13] David White is a Nova Scotia resident. He was a member of the RCMP from 1973 to 2002. He retired due to a medical disability resulting from an injury sustained while on duty. Mr. White has received a monthly disability pension since August 2002. Mr. White, whose late father served in the Royal Canadian Navy and was also a Class Member, provided insight regarding how simplified the FSA process is for Class Members' estates to receive their settlement payment compared to the process that VAC established for estates to claim the Corrective Payment for the initial miscalculation. Mr. White's personal information was also used to demonstrate the miscalculations and the impact of the settlement agreement, including a comparison between the settlement agreement and successful litigation.

[14] All of the Representative Plaintiffs described how they became aware of the error in the calculation of the wage rate and its impact on their benefits, how they contacted counsel to pursue a remedy for the underpayment and subsequently engaged with Class Counsel, and provided information and documents to pursue this action. In addition, the Representative Plaintiffs provided information to other Class Members regarding the issues in this action and the

status of the proceedings. All explained that they only became aware that Class Counsel would seek an honorarium for them after the proposed settlement had been negotiated.

B. *The Proceedings to Date*

[15] In early 2019, the Plaintiffs, individually through their respective counsel, commenced four separate but similar class proceedings. The proceedings all alleged that their annual disability pension had been miscalculated and sought damages and/or restitution. Counsel acting for the Plaintiffs entered into an agreement to work together, which has since been referred to as a “Consortium”. The Court ordered that the four claims be consolidated, and stayed a fifth competing claim.

[16] On October 30, 2019, Class Counsel filed their Consolidated Statement of Claim, which included allegations regarding the initial error, and errors subsequently discovered, which are described below (the Territorial Tax error and Canada Employment Amount error).

[17] On December 23, 2020, the Court certified the Class Action. The Plaintiff’s motion for certification, which was initially contested, was adjourned due to the impact of the early days of the COVID-19 pandemic. As a result of negotiations between the parties, the common questions were refined and the motion for certification then proceeded on consent.

[18] In the Order for Certification the Class is defined as:

All members and former members of the Canadian Armed Forces and Royal Canadian Mounted Police, and their spouses, common law partners, dependants, survivors, orphans, and any other

individuals, including eligible estates of all such persons, who received, at any time between 2002 and the present, disability pensions, disability awards and other benefits from the Defendant that were affected by the annual adjustment of the basic pension under section 75 of the Pension Act including, but not limited to, the awards and benefits listed [in the Schedule to that Order].

[19] The Court certified the following common issue for the purposes of this Class

Proceeding:

- a. Did the Defendant owe a duty of care to the Class when calculating: (a) the annual adjustment of the basic pension under section 75 of the *Pension Act*; and (b) the disability pensions, disability awards, and other benefits that were affected by the annual adjustment of the basic pension?
- b. If the Defendant owed the Class a duty of care, did the Defendant breach the standard of care?
- c. If the Defendant breached the standard of care, did the Class suffer damage as a result?
- d. Was the Defendant enriched by its calculation of the annual adjustment of the basic pension under section 75 of the *Pension Act*, and the disability pensions, disability awards, and other benefits that were affected by the annual adjustment of the basic pension?
- e. If the Defendant was enriched, did the Class suffer a corresponding deprivation?
- f. If the Defendant was enriched and the Class suffered a corresponding deprivation, was there a juristic reason therefor?
- g. Is the Class entitled to an award for interest and/or "equitable compensation" or "equitable damages"?
- h. Can damages for the Class be assessed in the aggregate pursuant to Federal Courts Rule 334.28?

[20] Class Counsel developed and administered a bilingual website, which has been operating since February 2021, to inform Class Members of the issues and the status of the Class Action and to permit Class Members to register and express their interest in the Class Action.

[21] On July 30, 2021, the Defendant filed their Statement of Defence, acknowledging the initial error and denying the two subsequent errors.

[22] An extensive discovery period ensued.

[23] On July 30, 2021, the Notice of Certification was widely published, including in major newspapers, via the VAC website, and more directly to Class Members “My VAC accounts”. The opt-out period expired on March 30, 2022. Only one opt-out form was received by Class Counsel.

[24] In early 2022, the Plaintiffs advised of their intention to bring a motion for summary trial. In July 2022, the Plaintiffs filed an extensive motion record. The Court scheduled the hearing for January 2023. The Court later adjourned the hearing of the motion *sine die* on the request of the parties, and their negotiations to resolve the Class Action continued.

[25] On November 8, 2023 the parties executed the FSA.

[26] As noted, the settlement arises out of and resolves a miscalculation of disability pension benefits for members and veterans of the CAF and the RCMP and their spouses, common-law partners, dependents, survivors, orphans, or estates.

C. *The Initial Error and Additional Errors*

[27] Under subsection 75(1) of the *Pension Act*, RSC 1985, c P-6 [Pension Act], monthly disability pensions and allowances are adjusted annually to account for annual increases to the Canadian Consumer Price Index [CPI] and a “wage rate” calculation (average wages of certain categories of federal public sector employees minus income tax, calculated using the province with the lowest combined provincial and federal income tax rate). The disability pensions and related benefits include those payable under the Pension Act; section 32 of the *Royal Canadian Mounted Police Superannuation Act*, RSC 1985, c R-11; section 3 of the *Flying Accidents Compensation Regulations*, CRC, c 10; and section 2(2) of the *Civilian War-related Benefits Act*, RSC 1985, c C-31.

[28] In November 2018, Canada’s Veterans Ombudsman identified an error in the calculation of disability awards from 2003-2010; an accounting error that amounted to approximately \$165,000,000 [the Initial Error]. The Minister responsible for VAC acknowledged the error and VAC undertook to make retroactive Corrective Payments, as mentioned above. The Corrective Payments did not include interest.

[29] Class Counsel subsequently discovered additional errors that were caused by undervaluing the wage rate over a longer period than initially estimated. The additional errors include the Defendant’s failure to consider Nunavut as the province or territory with the lowest applicable tax rate [Territorial Tax Error] and the failure to account for the Canada Employment Amount, a tax credit [CEA Tax Error].

D. *Included and Excluded Benefits*

[30] The FSA includes a definition of the terms used, including “Affected Benefits”. The list of Affected Benefits includes Pension Act benefits (e.g. disability, death, attendance allowance, *Civilian War-related Benefits Act* war pensions, *Flying Accidents Compensation Regulations* benefits and RCMP Disability Benefits awarded pursuant to the Pension Act.

[31] Through the process of document disclosure and negotiations, Class Counsel became aware that the alleged calculation errors did not affect some benefits:

- Disability awards under the *Veterans Well-being Act*, SC 2005, c 21 (retroactive payments exceeded the value of the alleged underpayments);
- Escort and treatment allowances under the *Veterans Well-being Regulations*, SOR/2006-50 and the *Veterans Health Care Regulations*, SOR/90-594 (underpayments were not on a class-wide basis); and/or
- Education allowances under the *Children of Deceased Veterans Education Assistance Act*, RSC 1985, c C-28 (historical overpayments were several times greater than the alleged underpayment amounts).

[32] Class Counsel also discovered that compassionate awards, previously listed as a separate Affected Benefit in the Certification Order, were paid as disability pensions under the Pension Act and had already been included as Affected Benefits.

[33] Class Counsel explain that recipients of the above noted excluded benefits were not disadvantaged at all by the calculation errors addressed in the FSA.

E. *The Settlement Agreement*

[34] The Parties engaged in extensive negotiations to reach the FSA. The FSA is based on the calculation of five components: the Territorial Tax Error, the CEA Tax Error, Interest on the Territorial Tax Error and CEA Tax Error, and Interest on the Corrective Payments paid to date and Interest on the Corrective Payments yet to be paid. The following Chart provides a summary of the proposed recovery under the FSA:

Alleged Error	Recovery Amount
Territorial Tax Error	Paid at 100% of the alleged underpayment
CEA Tax Error	Paid at 25% of the alleged underpayment
Applicable interest on the Territorial Tax Error and the CEA Tax Error	2.9% simple interest
Applicable interest on the Corrective Payments paid based on the Initial Error	2.9% simple interest
Applicable interest on the Corrective Payment not yet paid based on the Initial Error	2.9% simple interest

[35] The affidavit of Mr. MacLeod, Manager in the Valuations and Dispute Advisory Group, KPMG LLP, explains his role in assisting Class Counsel to identify the miscalculation of the benefits and determine the additional amounts that should have been paid along with the Corrective Payments. His detailed report illustrates how the formula to be applied in the settlement was arrived at and how it will be implemented, using real-life examples. Mr. MacLeod also explains how the Court approved legal fees and disbursements, in accordance with the retainer agreement, have been incorporated into the formula and the final settlement agreement.

[36] Among other information included in Mr. MacLeod's Report, Table 3 sets out the value of the various components of the Total Settlement Value. Table 3 provides the following amounts:

- Territorial Tax Error - \$528.5 million
- CEA Tax Error - \$31.7 million
- Interest on the Territorial Tax Error and CEA Tax Error - \$194.9 million
- Interest on the Corrective Payments (i.e. the amount paid out by VAC after 2018) - \$26.7 million
- Interest on the Corrective Payments not yet paid - \$39.4 million

The Total Settlement Value calculated by Mr. MacLeod is \$821.2 million. The settlement amount is \$817.3 million. The difference of \$3.9 million arises from the negotiations between the parties. For example, Class Counsel explain that the Administrator's Costs will be paid by the Defendant and not from amounts to be paid to Class Members, which is a benefit to Class Members that has been taken into account to arrive at the final settlement amount.

[37] Mr. MacLeod also explains that because the Relevant Period (January 1, 2003 to December 31, 2023) had not yet concluded at the time of his report, the precise amount of the Affected Benefits paid to the Class over the relevant period (as defined in the FSA and as used in the formula) cannot yet be determined.

[38] Class Members fall into one of two groups. The "VAC Payment Group" includes Class Members with an existing payment relationship with VAC. Class Members that do not have an

existing payment relationship with VAC fall into the “Claims Based Payment Group”; this group will be required to submit a simple claim form and the Administrator will assess their claims.

[39] As noted, the settlement has a total value of up to \$817,300,000. The VAC Payment Group will receive their share of a total of \$435,500,000. The Claims Based Payment Group will receive their share of up to \$381,800,000. The approximate class size is 333,711.

[40] The Affidavit of the Defendant’s affiant, Rory Beck, Manager of Litigation Coordination at VAC, describes the FSA and its impact.

[41] Mr. Beck explains that, but for this settlement agreement, the precise calculation of the total adjustments to the benefits paid to Class Members, during the relevant period (January 1, 2003–December 31, 2023) would be a complex and long process. Mr. Beck explains that the settlement is “based on the estimated shortfall between the total benefits paid to the Class during the relevant period, and the total that allegedly should have been paid, plus an amount for interest. In addition, an amount has been added to the settlement in respect of interest on the Disability Pension Corrective Payments”.

[42] Mr. Beck further explains how the settlement will be shared:

The comprehensive settlement amount will be pro-rated among Class Members based on the proportion that each individual’s sum total of affected benefits, as defined in the FSA, paid during the relevant period represents in relation to the sum of all Affected Benefits paid to the entire class during the Relevant Period, as defined in the FSA. If every claimant could be located and paid, the total payment under the settlement would be approximately \$817,300,000.

[43] Mr. Beck states that there are approximately 330,711 Class Members who are entitled to 332,840 payments. Mr. Beck explains that 2,129 Class Members are eligible for two separate payments, one as a Veteran and the other as a survivor or dependant of the Veteran, hence the different numbers.

[44] Mr. Beck notes that the VAC Payment Group is comprised of Class Members entitled to 117,697 payments. The Claims Based Payment Group is comprised of Class Members entitled to 215,143 eligible payments.

[45] Mr. Beck explains the breakdown of possible eligible payments. The median Class Member would receive approximately \$1,258.75 less the court approved costs. The mean Class Member would receive approximately \$2,455.53 less court approved costs. Mr. Beck further explains that the majority of the eligible payments are less than \$5,000. Only 40 eligible payments exceed \$35,000.

[46] As noted by Mr. Beck, the VAC Payment Group is a smaller group, but the total amount of their payments will be greater. The Claims Based Payment Group is larger, and Class Counsel and VAC will make efforts to reach out to and notify these Class Members of the process to make their claims. As explained below, Class Counsel's fees are contingent on payments made to Class Members, and Class Counsel cannot obtain fees if a Claims Based Class Member does not make a claim.

[47] The FSA requires the Defendant to make automatic settlement payments to the VAC Payment Group within nine months of this Court's Order approving the FSA. Members of the

Claims Based Payment Group will be required to submit a claim form to the Administrator within twelve months of this Order approving the FSA. The Defendant, Administrator, and Class Counsel undertake to work cooperatively to notify potential Claims Based Payment Group Members. All payments will be tax-exempt.

[48] Class Counsel note that they will also continue to assist Class Members who have not yet received their Corrective Payment, and do not seek legal fees for this work.

[49] The Defendant has agreed to pay the ongoing costs of the Administrator of the agreement; these costs will not be deducted from the total settlement amount (i.e. there will be no *pro rata* deduction from individual payments). The parties note that this is of significant benefit to Class Members.

[50] Class Counsel note that only one objection was received in response to the Notice of Settlement. The objector disputes the deduction of legal fees from the payments to Class Members. As Class Counsel explain, the deduction of legal fees was a factor in the negotiation of the agreement. Moreover, the Rules do not permit the Court to order costs in a Class Action.

[51] In addition, another Class Member's correspondence to the Court was relayed to Class Counsel and Counsel for the Defendant. Class Counsel confirmed that the concerns noted by the Class Member related to benefits that were found to be unaffected by the calculation errors and, therefore, were not covered by the settlement. Class Counsel confirmed that the Class Member has not been disadvantaged.

II. The Issues

[52] The issues to address are:

1. Whether the Court should approve the Settlement Agreement, which requires considering whether the agreement is fair, reasonable, and in the best interests of the class.
2. Whether the Court should approve an honorarium of \$10,000 to each of the Representative Plaintiffs.
3. Whether the Fee Agreement for Class Counsel should be approved, which entails consideration of whether the amount of the legal fees and disbursements is fair and reasonable.

III. The Statutory Provisions

[53] The Rules state that:

334.29 (1) A class proceeding may be settled only with the approval of a judge.

(2) On approval, a settlement binds every class or subclass member who has not opted out of or been excluded from the class proceeding.

...

334.32 (1) Notice that a proceeding has been certified as a class proceeding shall be given by the representative plaintiff or applicant to the class members.

334.29 (1) Le règlement d'un recours collectif ne prend effet que s'il est approuvé par un juge.

(2) Il lie alors tous les membres du groupe ou du sous-groupe, selon le cas, à l'exception de ceux exclus du recours collectif

...

334.32 (1) Lorsqu'une instance est autorisée comme recours collectif, le représentant demandeur en avise les membres du groupe.

IV. Should the Court Approve the Settlement Agreement?

A. *The Guiding Principles from the Jurisprudence*

[54] In *Tk'emlúps te Secwépemc First Nation v Canada*, 2023 FC 327, Justice McDonald summarized the guiding principles at paras 47-50:

[47] Rule 334.29(1) of the *Federal Courts Rules*, SOR/98-106 provides that class proceedings may only be settled with the approval of a judge. The applicable test is “whether the settlement is fair and reasonable and in the best interests of the class as a whole” (*Merlo v Canada*, 2017 FC 533 at para 16 [*Merlo*]).

[48] The Court considers whether the settlement is reasonable, not whether it is perfect (*Châteauneuf v Canada*, 2006 FC 286 at para 7; *Merlo* at para 18). Likewise, the Court only has the power to approve or to reject the settlement; it cannot modify or alter the settlement (*Merlo* at para 17; *Manuge v Canada*, 2013 FC 341 at para 5).

[49] The factors to be considered in assessing the overall reasonableness of the proposed settlement are outlined in a number of cases (see *Condon v Canada*, 2018 FC 522 at para 19; *Lin v Airbnb Inc*, 2021 FC 1260 at para 22) and include the following:

- a. Likelihood of recovery or success;
- b. The amount of pre-trial work including discovery, evidence or investigation;
- c. Settlement terms and conditions;
- d. Future expense and likely duration of litigation;
- e. Expressions of support and objections;
- f. Presence of good faith and the absence of collusion;
- g. Communications with class members during litigation; and,
- h. Recommendations and experience of counsel.

[50] As noted in *McLean v Canada*, 2019 FC 1075 [*McLean*] at paragraph 68, in addition to the above considerations, the proposed settlement must be considered as a whole and it is not open to the Court to rewrite the substantive terms of the settlement or assess the interests of individual class members in isolation from the whole class.

[55] In *Condon v Canada*, 2018 FC 522 at para 20 [*Condon*], Justice Gagné noted that these factors are guidelines; some may not be relevant at all and some may carry more weight than others.

B. *Class Counsel's Submissions*

[56] Class Counsel submit that all relevant factors support the approval of the settlement agreement. They submit that the settlement is in the best interest of the class as a whole.

[57] Class Counsel note, among other advantages, that the settlement will fairly compensate Class Members, including their survivors and estates, and will result in payments to aging Class Members in a straight-forward process within the foreseeable future, avoiding the delay and other challenges of ongoing litigation. Class Counsel add that the settlement provides results comparable – and likely more generous – than what could be achieved through litigation. Class Counsel also note that successful litigation is never guaranteed.

[58] Class Counsel explain that the settlement fully compensates Class Members for the miscalculations arising from the Territorial Tax Error. In addition, it provides an interest rate of 2.9% for the Initial Error and the additional errors. The recovery for the CEA Tax Error, described as a more speculative claim, reflects a compromise achieved through negotiations.

[59] Class Counsel highlight several features that reflect the fairness and reasonableness of the Settlement:

- The Territorial Tax Error amount will be paid at 100%;
- The pre-judgment interest rate will be 2.9%;
- Interest will be applied on all amounts payable;
- The relevant period spans 21 years, which far exceeds the limitation period which could have applied to recovery if the action proceeded to litigation;
- Automatic payments will be made where possible (e.g. to the VAC Payment Group);
- The amounts payable are not taxable;
- An experienced Administrator will administer the agreement and their costs will be paid by the Defendant;
- Robust information sharing mechanisms will continue in order to locate and notify eligible Class Members and to ensure they can pursue their entitlements;
- A simple claim form will be used; and
- Class Counsel will continue to assist Class Members to recover the amounts they are entitled to, including to assist in recovery of the Corrective Amount (for the Initial Error).

[60] Class Counsel note other factors that could impede success, including the possibility of legislative or policy changes to affect benefit schemes.

[61] Class Counsel have described their efforts over the past five years in identifying the errors, seeking disclosure, reviewing thousands of pages of documents, engaging experts, and assessing the extent of the alleged miscalculations and their impact.

[62] Class Counsel note that they engaged in active and challenging negotiations, which were brought to a head by their motion for summary judgment (ultimately adjourned *sine die*).

[63] Class Counsel also note that they engaged in regular communication with Class Members through several means, including a bilingual website, to provide information to Class Members. These communication mechanisms will continue as the settlement is administered.

C. *The Attorney General of Canada's Position*

[64] The Defendant, the Attorney General on behalf of Canada [AGC], agrees that the Settlement Agreement is fair and reasonable and is in the best interests of Class Members. The AGC commended Class Counsel on their diligence and professionalism throughout the negotiations in advocating for an excellent outcome for Class Members. The AGC noted that while the Settlement Agreement reflects compromises by both parties, it will ensure that payments are made to Class Members in a more expeditious and simpler manner than if individual claims and calculations were required. The AGC also relayed Canada's appreciation of the role and commitment of members of the CAF and RCMP and Canada's strong support for the Settlement Agreement, which will benefit Class Members.

D. *The Settlement Agreement is Fair, Reasonable and in the Best Interests of the Class*

[65] The Court has considered all the relevant factors, including the complexity of calculations; the defences that could have been raised if the litigation continued; the potential for further changes to be made in the benefits at issue; the overall benefits of the settlement as

described above, which resulted from concessions and compromises on both sides; the views of experienced Class Counsel; the support of the Class Members; and the Defendant's support for the FSA and acknowledgement of the successful outcome for Class Members.

[66] The likelihood of recovery or success is a relevant factor in determining whether to approve a Settlement Agreement. As Class Counsel noted, despite VAC's acknowledgement of the Initial Error, the subsequent errors discovered required careful assessment and negotiations to address. The allegations of miscalculation of benefits, in particular the Territorial Tax Error and CEA Tax Error, would have been contested by the Defendant and would have required dissection of complicated and intersecting benefits and statutory provisions. As Class Counsel also noted, the success of the claim of unjust enrichment was questionable given the existing jurisprudence.

[67] As in other class proceedings involving large classes where a significant proportion may be older and where every benefit (even of a modest amount) is important, the prospect of pursuing individual claims and awaiting an outcome must be balanced against the benefit of the settlement amount and the clear process for its distribution. As noted in the Beck affidavit, the majority of the individual amounts to be paid out falls below \$5,000 and the average amount payable will be \$2,455.53. Claims by individual Class Members, which would be most likely pursued in Small Claims Court, would have entailed a more formal process, additional costs, and delay. The cost vs. benefit would likely discourage many from pursuing their own individual claims.

[68] The Representative Plaintiffs attest to their support for the settlement and their belief that it is fair and reasonable and avoids protracted and costly litigation. They also note the benefits of the proposed payment regime and claims process.

[69] No objections to the FSA itself have been received. The only objection suggested that the Defendant should bear the burden of Class Counsel fees and disbursements.

[70] The consortium of Class Counsel combined their expertise and cumulative decades of experience in litigating class actions to achieve the settlement for Class Members. The recommendation of Class Counsel that Class Members support the agreement and that the Court approve the FSA carries significant weight.

[71] All these factors lead to finding that the FSA is fair, reasonable, and in the best interests of the Class Members.

V. Should an Honorarium be paid to the Representative Plaintiffs?

[72] Class Counsel requests that the Court approve an award of \$10,000 as an honorarium for each of the Representative Plaintiffs, to be paid out of the amount approved for Class Counsel's fees and disbursements. The honorarium does not reduce the amounts payable to Class Members.

[73] As noted in *Toth v Canada*, 2019 FC 125, the Court has the discretion to award such an honorarium and has done so in several class actions. An honorarium is a recognition that the

Representative Plaintiffs made a meaningful contribution to the class action, without which it would not have been pursued.

[74] In *Robinson v Rochester Financial*, 2012 ONSC 911 at para 43, the Court identified several factors to consider when deciding whether to award compensation to a representative plaintiff, including their active involvement in the litigation, significant personal hardship or inconvenience in connection with the prosecution of the litigation, time spent in advancing the litigation, communication with other class members, and participation in the litigation.

[75] In *Tk'emlúps te Secwépemc First Nation v Canada*, 2023 FC 357 [*Tk'emlúps te Secwépemc*], Justice MacDonald noted the relevant factors guiding the approval of honoraria at para 52:

[52] The list of factors relevant for consideration on whether the individual Representative Plaintiffs should receive honoraria includes: significant personal hardship; active involvement in the initiation of the litigation and retainer of counsel; time spent and activities undertaken in the litigation; communications and interactions with other class members; and participation at various stages of the litigation (*Merlo* at para 72; *Toth v Canada*, 2019 FC 125 at para 96).

[53] The litigation required exceptional efforts on the part of the individual Representative Plaintiffs, who spent 11 years shouldering the burden of this difficult and psychologically taxing litigation. Former Chief Shane Gottfriedson and former Chief Garry Feschuk continued their active involvement in this litigation for years after their terms as elected Chiefs of their respective Nations ended.

[76] As noted above, the Representative Plaintiffs pursued their own litigation upon learning of the Ombudsman's discovery of the initial error. They have subsequently pursued this action

over the last five years. Among other things, they provided Class Counsel with personal examples of the impact of the miscalculation, have liaised with Class Members, gathered and disseminated information, and provided affidavits and exhibits to permit this action to progress.

[77] Taking into account the relevant considerations, the Court agrees that the efforts of the Representative Plaintiffs warrant their receipt of the proposed honorarium.

VI. Should the Fee Agreement be Approved?

A. *The Fees and Disbursements of Class Counsel*

[78] In accordance with Rule 334.4 of the Rules, Class Counsel seek approval of their fees and disbursements. Class Counsel submit that the fees and disbursements reflect the Class Action Retainer Agreement [Retainer Agreement] executed between the Representative Plaintiffs and the Consortium (Gowling WLG (Canada) LLP, McInnes Cooper, Michel Drapeau Law Office, Koskie Minsky LLP and Murphy Battista LLP). The Consortium acts on behalf of the approximately 333,711 Class Members, comprised of veterans and their families and estates.

[79] Class Counsel explain that the corrective payments allocated by VAC to address the Initial Error (\$165 million) are not subject to any Class Counsel fees. The approved fees and disbursements for Class Counsel relate only to the amounts in excess that address the additional errors and interest, as described above (Territorial Tax Error amount, CEA Tax Error amount, and interest on these amounts).

[80] Class Counsel note the extensive amount of time and effort expended to litigate and settle this action, noting that \$580,000 in disbursements have been paid to date, and additional disbursements of \$420,000 are anticipated. Class Counsel estimate that approximately \$8 million in billable time has been docketed to date, and an additional 10,000 hours of work remains to be done.

[81] The Retainer Agreement provides for payment of Class Counsel's fees on a percentage-based contingency basis (i.e. to be paid only in the event of success). Class Counsel took carriage of this class action on a contingency basis; if the action was not successful, Class Counsel would not receive any fees and disbursements. Class Counsel have assumed this risk and financed the litigation to date without any reimbursement. The terms were set out in the certification motion, the Notice of Certification, and in the November 2023 Notice of the Proposed Settlement. The Notice of Certification and Notice of the Proposed Settlement were both published in national newspapers, online, and made available to Class Members via their "My VAC accounts".

[82] The FSA contemplates that the recovery amount available and paid to each Class Member will deduct the Court approved legal fees and disbursements [Court-approved costs] on a *pro rata* basis. Class Counsel propose a "blended costs rate" for Counsel fees, which includes HST and disbursements. Class Counsel note that a more detailed calculation of costs was set out in the Notice to Class Members. The Class Members support the fee agreement.

[83] The affidavit of Mr. MacLeod explains how the percentage-based deduction from each settlement payment, amounting to a blended amount of 17.46% reflects the Retainer Agreement

to provide fees and disbursements to Class Counsel. Mr. MacLeod's Report provides details about how the blended amount as a percentage (17.46%) was calculated, noting that this includes HST and the estimated disbursements.

[84] The Retainer Agreement – which describes the regressive scale contingency fee arrangement (with a lower percentage of fees applicable to increasing ranges of total amounts to be paid) – leads to a blended amount of legal fees of 15.24%. The addition of disbursements and HST results in the blended amount of 17.46%, which will be deducted from the amount to be paid to each Class Members as the amounts are paid.

[85] Class Counsel note that although the VAC Payment Group is smaller in size, the anticipated total amount to be paid to this group is \$435.4 million.

[86] Class Counsel fees with respect to the VAC Payment Group are estimated to be up to approximately \$66.4 million after HST and disbursements. Class Counsel note that Class Members in the VAC Payment Group will automatically receive their eligible amounts within nine months. Class Counsel's fees will be deducted on a *pro rata* basis from each amount paid. Although the payments will be automatic to these Class Members, there remains some uncertainty in the precise number of claims to be paid.

[87] Class Counsel fees with respect to the Claims Based Payment Group, which will require ongoing efforts by Class Counsel to locate and assist claimants, could be up to approximately \$58.2 million after HST and disbursements.

[88] The Class Members in the Claims Based Payment Group must be notified of their eligibility (if they are not already aware) and must proactively make a claim, to be assessed by the Administrator. The legal fees and disbursements will also be deducted on a *pro rata* basis. However, there is considerable uncertainty regarding how many members of the Claims Based Payment Group will submit claims. There is also considerable uncertainty with respect to the total amount of fees and disbursements to be paid to Class Counsel, as this is contingent on their and others' ongoing efforts to reach out to eligible Class Members and assist them to make their claims.

[89] Class Counsel submit that the risks taken and the results achieved, coupled with the time and effort expended, among other relevant considerations, support their request that the Court approve the fees and disbursements.

B. *The Principles from the Jurisprudence*

[90] The factors to be considered in assessing the reasonableness of Class Counsel's fees have been established in the jurisprudence (e.g. *Manuge v Canada*, 2013 FC 341 at para 28 [*Manuge 2013*]; *Condon* at paras 81-83; *Merlo v Canada*, 2020 FC 1005 at paras 78-98;). They include the results achieved, the risks taken, the time expended, the complexity of the issues, the importance of the litigation or issue to the plaintiff, the degree of responsibility assumed by counsel, the quality and skill of counsel, the ability of Class Members to pay for the litigation, the expectations of the class, and fees in similar cases.

[91] The two key factors are usually the risks taken and the results achieved (*Condon* at para 83; *Mancinelli v Royal Bank of Canada*, 2018 ONSC 4206 at para 2 [*Mancinelli*]; *Brown v Canada (Attorney General)*, 2018 ONSC 3429 at para 41 [*Brown*]). The jurisprudence has acknowledged that the fees for Class Counsel are the reward for taking on risk (as measured at the outset of the case) and pursuing litigation with skill and diligence (*Condon* at paras 90-91; *Mancinelli* at para 4; *Brown* at para 50; *Manuge* 2013 at para 37).

[92] In *Tk'emlúps te Secwépemc*, Justice MacDonald noted that the Court should consider whether the legal fees are “fair and reasonable” in the circumstances (citing *McLean v Canada*, 2019 FC 1077 at para 2). Justice MacDonald canvassed the established principles and captured these at para 15:

[15] The “fair and reasonable” considerations were outlined at paragraph 25 of *McLean* as follows:

The Federal Court has an established body of non-exhaustive factors in determining what is “fair and reasonable”. In *Condon v Canada*, 2018 FC 522 at para 82, 293 ACWS (3d) 697 [*Condon*]; *Merlo v Canada*, 2017 FC 533 at paras 78-98, 281 ACWS (3d) 702 [*Merlo*]; and *Manuge* at para 28, the factors included: results achieved, risk undertaken, time expended, complexity of the issue, importance of the litigation to the plaintiffs, the degree of responsibility assumed by counsel, the quality and skill of counsel, the ability of the class to pay, the expectation of the class, and fees in similar cases. The Court’s comments follow but it should be borne in mind that the factors weigh differently in different cases and that risk and result remain the critical factors (*Condon* at para 83).

[93] Most recently, and subsequent to the hearing of this motion, in *Moushoom v Canada (Attorney General)* 2023 FC 1739 [*Moushoom*], Justice Aylen addressed the issue of class

counsel fees in “mega-fund” cases. A “mega-fund” generally refers to an amount of recovery exceeding \$100 million. In *Moushoom*, Justice Aylen approved the largest settlement in Canadian history; an amount of over \$23 billion. Class Counsel fees were the subject of some negotiation and the Court ultimately reduced the amount of the fees.

[94] Justice Aylen noted that in mega-fund cases, generally, a percentage based class counsel fee generates a windfall exceeding a fair and reasonable amount that would be out of step with the relevant factors, including the risk taken by counsel. Justice Aylen concluded that in mega-fund cases, when considering the reasonableness of the fees and the relevant factors, the Court should focus on the dollar amount of the fees. Justice Aylen noted at paras 108-111:

[108] The determination of the premium should be based on all of the circumstances of the case, including the predominant considerations of the risk undertaken by class counsel and the results achieved, followed by the additional considerations noted above (the time and effort expended by class counsel, the complexity and difficulty of the matter, the degree of responsibility assumed by class counsel, fees in similar cases, expectations of the class, experience and expertise of class counsel, the ability of the class to pay and the importance of the litigation to the plaintiff). While fees in similar cases have been recognized as a relevant consideration, I find that their utility is limited in mega-fund settlements (for the reasons noted above), but I see no reason to remove it completely from the list of factors. Rather, I anticipate that the weight this Court gives to fee comparisons in mega-fund settlements such as this will be minimal.

[109] Moreover, I find that an additional factor should be added to the list – namely, whether the amount requested is on the consent of all parties.

[110] The amount of weight to be attributed to each of the factors and, in particular, the predominant factors of risk and result, will depend upon the facts of the case. That said, there will come a point where the weight attributed to the result achieved (and the resulting adjustment) must plateau no matter how high the financial settlement achieved.

[111] In determining the premium, the Court should also be guided by the principle of proportionality, which underpins the *Federal Courts Rules*, so that fees are not excessive in the sense of having little relation to the risk undertaken or the results achieved [see *Brown*, supra at para 53].

[112] Therefore, in a mega-fund settlement, rather than focusing on the percentage of recovery or the multiplier, the Court's focus should be on the actual dollar amount of the approved counsel fee.

C. *The Fee Agreement is Reasonable*

[95] The maximum amount that Class Counsel could receive if all eligible payments are made is approximately \$124.6 million (after accounting for HST and disbursements) on a total settlement value of \$817.3 million. As mentioned above, the total includes the fees for the VAC Payment Group (approximately \$66.4 million, after HST and disbursements), which will be paid to Counsel as amounts are paid to Class Members automatically and on a pro- rata basis, and the maximum amount for the Claims Based Payment Group (approximately \$58.2 million, before HST and disbursements).

[96] Although this amount is very large when expressed as a total dollar value, as a percentage, this represents 15.24% (without HST and disbursements) of the total settlement value and reflects the Retainer Agreement. The fees are within the range of fees awarded in many other class proceedings, including those less complicated and benefiting far smaller classes. As Class Counsel noted, there is a ceiling on their fees and disbursements but there is no floor; the receipt of fees will depend on the take-up rate, particularly regarding the Claims Based Payment Group. As noted above, the Class is very large with over 330,000 Class Members, and Class Counsel's work is not yet done.

[97] In the present case, Class Counsel in four separate actions took the unique approach of forming a Consortium, consolidating the actions and working together to uncover additional issues, collectively sorting out a complex benefit scheme, and advocating for a very large class. The expenditures of time and money beginning in 2018, including to engage actuarial experts to get to the bottom of the alleged additional miscalculations, entailed a financial risk. Success, despite the acknowledgement of the Initial Error, was not certain.

[98] The Defendant submits that the Fee Agreement is a matter between the Class Members and Class Counsel. The Defendant does not take any position with respect to the approval of fees.

[99] The total amount of the settlement at \$817.3 million brings it well into the “mega-fund” settlement category, and the percentage based fees requested for approval have been scrutinized. Class Counsel’s fees pursuant to the regressive scale contingency fee as described in the Retainer Agreement provides for a significant amount in real dollars. This reflects the significant risks taken, the efforts of experienced Class Counsel, and the excellent results achieved by Class Counsel for the Class. As noted, the work of Class Counsel is not over; Class Counsel will continue to devote additional hours to complete the Settlement to ensure that Class Members seek and receive the amounts they are eligible to receive.

[100] The relevant factors – many of which are the same factors that support the fairness and reasonableness of the Settlement Agreement – support finding that Class Counsel’s fees and disbursements are fair and reasonable.

[101] The Court has not overlooked the guidance provided in *Moushoom* regarding the assessment of the fairness and reasonableness of Class Counsel fees in large mega-fund settlements. The fees awarded in *Moushoom* compared to the amount of the settlement stand in stark contrast to the much smaller (yet still very large) settlement in the present case. However, there are significant differences in the two proceedings.

[102] In *Moushoom*, Justice Aylen noted that the claims were not novel; the Canadian Human Rights Tribunal had already concluded that Canada was liable for the same conduct alleged by Class Counsel.

[103] In the present case, Class Counsel do not seek any fees for the Corrective Payments previously acknowledged by VAC, but rather only for the amounts over and above the Corrective Payments (valued at \$165 million). Class Counsel investigated and discovered additional errors in the calculation of benefits, which had not been discovered by VAC, auditors, or the Ombudsman, and calculated the impact of the errors, then pursued these claims along with the interest on the Corrective Payments. These claims were disputed by the Defendant, but ultimately negotiated in the FSA. In the present case, the Defendant does not take any position regarding the fees sought. Also, unlike *Moushoom*, the fees will be paid on a *pro rata* basis out of the payments to Class Members. As noted above, the Class consists of approximately 333,711 members and the total number of individual payments could reach 332,840.

[104] As noted above, Class Members were made aware of the Retainer Agreement on several occasions and no objections were voiced. Also as noted, Class Counsel will continue to invest

significant time and effort to contact Class Members in the Claims Based Payment Group and assist them in making their claims. The payment of Counsel fees associated with this Group are contingent on claims being paid. Class Counsel will also assist Class Members who have not yet pursued their Corrective Payments.

[105] The factors noted in the previous jurisprudence and in *Moushoom* have been applied to the current facts. Although the total maximum dollar amount for Class Counsel fees is large, the relevant factors support the conclusion that the fees are reasonable.

ORDER in file T-119-19

WHEREAS this action was certified as a class proceeding by Order dated December 23, 2020;

AND WHEREAS the Representative Plaintiffs and the Defendant [collectively, the Parties]) entered into a proposed agreement, the Final Settlement Agreement [Settlement Agreement], on 8 November 2023 to resolve all claims relating to or arising from this class proceeding up to and including 31 December 2023;

AND WHEREAS court approval of the Settlement Agreement is required under the *Federal Courts Rules*, SOR/98-106 [Rules];

AND WHEREAS Court approval of the costs of the proceeding, including Class Counsel's fees, disbursements, taxes on legal fees, and honorarium amounts to be paid to the Representative Plaintiffs from Class Counsel's fees is required under the *Rules*.

UPON considering the Notices of Motion, the affidavits filed by the Parties in support of the motions, the written and oral submissions of the parties and for the more detailed reasons set out above;

THIS COURT ORDERS that:

1. The Settlement Agreement, attached hereto at **Schedule "A"**, is approved and shall be implemented in accordance with its terms, this Order, and further orders of this Court.
2. All provisions of the Settlement Agreement form part of this Order and are binding on the Parties and all Class Members who did not validly opt-out of this Class Proceeding.
3. In this Order, the term "Final Order" means this Order once the time to appeal this Order has expired without any appeal being taken, or, if this Order is appealed, once there has been affirmation of this Order upon a final disposition of all appeals.
4. The Notice of Settlement Approval is hereby approved in English and in French in the form attached at **Schedule "B"**, subject to the right of the Parties to make, on consent, non-material amendments as may be necessary or appropriate;
5. The Plan of Distribution is hereby approved in the form attached at **Schedule "C"**, subject to the right of the Parties to make, on consent, non-material amendments as may be necessary or appropriate.
6. The notice stipulated in this Order satisfies requirements under the *Rules* and constitutes good and sufficient notice to Class Members of this Order and the Court's approval of the settlement of this class proceeding.
7. Court-Approved Costs, as defined in the approved Settlement Agreement, are fixed at 17.46%, to be deducted from Settlement Payments and paid to Class Counsel in accordance with the process described in the approved Settlement Agreement. The fixed rate of Court-Approved Costs includes consumption taxes, which are deemed to be the rate of

harmonized sales tax applicable in the province of Ontario. No other consumption taxes shall apply.

8. The Representative Plaintiffs shall each be paid an honorarium fee of \$10,000, to be paid by Class Counsel from their Approved Legal Fees.
9. The releases as described in the approved Settlement Agreement, including the definitions of Released Claims and Releasees, are hereby approved and bind the Representative Plaintiffs and all Class Members who did not validly opt-out of the Class Proceeding. In particular:
 - a. Upon the date of the Final Order, the Releasees are forever and absolutely released jointly and severally by the Class Members and each of them, from the Released Claims; and
 - b. The Class Members, and each of them, are barred from making any claim or taking or continuing any proceedings arising out of or relating to the Released Claims against any Releasee or other person, corporation, or entity that might claim damages and/or contribution and indemnity and/or other relief under the provisions of the applicable Negligence Act, the common law, Quebec civil law, or any statutory liability for any relief whatsoever, including relief of a monetary, declaratory, or injunctive nature, from the Releasees.
10. The Parties shall provide the Court with an update on the status of the administration of the Settlement Agreement within six months of the Final Order, and in six month intervals thereafter until the Court directs the Parties that further updates are not required.
11. The Court may issue such further and ancillary orders as are necessary to implement and enforce the provisions of the Settlement Agreement and this Order.
12. There shall be no costs of the motions.
13. The Class Proceeding shall otherwise be dismissed without costs.
14. A copy of the Final Order shall be placed on each of the Court Files T-119-19, T-136-19, T-183-19, and T-269-19.

"Catherine M. Kane"

Judge

SCHEDULE "A"

Court File Number: T-119-19

FEDERAL COURT

CERTIFIED CLASS ACTION

BETWEEN:

**DENNIS MANUGE, RAYMOND TOTH, BETTY BROUSE, BRENTON
MACDONALD, JEAN-FRANCOIS PELLETIER and DAVID WHITE**

Representative Plaintiffs

-and-

HIS MAJESTY THE KING

Defendant

FINAL SETTLEMENT AGREEMENT

WHEREAS:

1. Dennis Manuge, Raymond Toth, Betty Brousse, Brenton MacDonald, Jean-Francois Pelletier, and David White ("Representative Plaintiffs") each commenced proposed class proceedings against Her Majesty the Queen, designated as His Majesty the King since September 2022, in Federal Court, which were consolidated in the proceeding bearing Court File Number T-119-19 ("Class Proceeding");
2. The Representative Plaintiffs are former members (or "Veterans") of the Canadian Armed Forces ("CAF") or the Royal Canadian Mounted Police ("RCMP") who became disabled due to their service and who have received benefits as a result of their service-related disabilities;
3. In November 2018, Canada's then Veterans Ombudsman, Guy Parent ("Veterans Ombudsman") announced that his office had discovered "an accounting indexation error" by which Veterans Affairs Canada ("VAC") had not factored the basic provincial tax credit into the calculation of annual adjustment rates between 2003 and 2010 resulting in reduced payments to eligible recipients of disability benefits under s. 75 of the *Pension Act*. The Veterans Ombudsman reported that VAC estimated the error affected about "270,000" CAF and RCMP Veterans as well as "Survivors, and their estates";

5. The Consolidated Statement of Claim ("Claim") alleges additional errors in the Defendant's annual indexing calculations under s. 75 of the *Pension Act* from 2003 to present. In particular, the Claim includes allegations that the Defendant did not, when calculating the "average annual gross composite wage" (or "wage rate") under s. 75(1) (b) *Pension Act* consider the Canada Employment Amount ("CEA") or use the correct tax rate payable in the province or territory with the lowest combined provincial and federal income tax rate;
6. The Representative Plaintiffs allege that they, and those in similar circumstances (the "Class"), have been, and continue to be, undercompensated due to the Defendant's miscalculation of the annual adjustment of benefits under s. 75 of the *Pension Act* ("Annual Adjustment");
7. The Class Proceeding was certified by Order of the Honourable Madam Justice Kane on 23 December 2020 ("Certification Order");
8. The Class is defined in the Certification Order as:

All members and former members of the Canadian Armed Forces and Royal Canadian Mounted Police, and their spouses, common law partners, dependents, survivors, orphans, and any other individuals, including eligible estates of all such persons, who received – at any time between 2002 and the present – disability pensions, disability awards, and other benefits from Veterans Affairs Canada that were affected by the annual adjustment of the basic pension under section 75 of the *Pension Act* including, but not limited to, the awards and benefits listed at Schedule "A".

 - *Pension Act* pension for disability;
 - *Pension Act* pension for death;
 - *Pension Act* attendance allowance;
 - *Pension Act* allowance for wear and tear of clothing or for specially made apparel;
 - *Pension Act* exceptional incapacity allowance;
 - *Veterans Well-being Act* disability award;
 - *Veterans Well-being Act* clothing allowance;
 - *Veterans Well-being Act* remuneration for escort's meals, transportation and accommodations;
 - *Veterans Health Care Regulations* remuneration of an escort's travel;
 - *Veterans Health Care Regulations* treatment allowance;
 - *Veterans Review and Appeal Board Act* compassionate award;
 - *Civilian War-related Benefits Act* war pensions and allowances for salt water fishers, overseas headquarters staff, air raid precautions workers, and injury for remedial treatment of various persons and voluntary aid detachment (World War II);

- *Children of Deceased Veterans Education Assistance Act* monthly allowance for education; and
 - *Flying Accidents Compensation Regulations* flying accidents compensation;
9. The Representative Plaintiffs and the Defendant (collectively, "Parties") wish to resolve all claims relating to or arising from the Class Proceeding by making the payments described in this agreement to Class Members who were affected by the alleged miscalculation of the Annual Adjustment; and
10. This agreement evidences the Parties' desire to achieve a final settlement agreement that will be subject to approval by the Federal Court ("Agreement" or "Final Settlement Agreement").

NOW THEREFORE, in consideration of the mutual agreements, covenants, and undertakings in this Agreement, the Parties agree as follows:

INTERPRETATION

11. For the purposes of this Agreement:
- "Administrator"** means a contractor who will be responsible for processing Claim Forms and issuing Settlement Payments to Claimants;
- "Affected Benefits"** means the following benefits:
- *Pension Act* pension for disability;
 - *Pension Act* pension for death;
 - *Pension Act* attendance allowance;
 - *Pension Act* allowance for wear and tear of clothing or for specially made apparel;
 - *Pension Act* exceptional incapacity allowance;
 - *Veterans Well-being Act* clothing allowance;
 - *Civilian War-related Benefits Act* war pensions and allowances for salt water fishers, overseas headquarters staff, air raid precautions workers, and injury for remedial treatment of various persons and voluntary aid detachment (World War II); and
 - *Flying Accidents Compensation Regulations* relating to compensation for flying accidents;
 - RCMP Disability Benefits awarded in accordance with the *Pension Act*;
- "Annual Adjustment"** has the same meaning as in the recitals;
- "Certification Order"** has the same meaning as in the recitals;
- "Claimant"** means any person, including an Estate or Estate beneficiary, who submits a

Claim Form to the Administrator during the Claims Period and is found to be entitled to the Settlement Payment of a Class Member in the Claims Based Payment Group;

"Claims Based Payment Group" means every Class Member who, on the date of the Final Order, does not have a current payment arrangement with VAC, or is not in receipt of VAC benefits on a recurring monthly basis;

"Claim Forms" means the forms that must be completed by a Claimant and received by the Administrator during the Claims Period;

"Claims Period" means the period ending twelve (12) months from the date of the Final Order;

"Claims Payment End Date" means the period ending 24 months from the date of the Final Order;

"Class" has the same meaning as in the recitals;

"Class Counsel" refers to McInnes Cooper, Gowling WLG (Canada) LLP, Koskie Minsky LLP, Murphy Battista LLP, and Michel Drapeau Law Office, who together represent the Class in this Class Proceeding;

"Class Member" means every member of the Class, including an Estate, who is eligible to receive a Settlement Payment under either the VAC Payment Group or the Claims Based Payment Group;

"Class Proceeding" has the same meaning as in the recitals;

"Court-Approved Costs" means all court-approved payments, disbursements, costs, legal fees, and taxes on legal fees;

"Designated Beneficiary" means:

- a) Any person who submitted and received payment for a claim between 2019 and 2021 based on the indexation error identified by the Veterans Ombudsman;
- b) The most recently listed beneficiary for the Supplemental Death Benefit under the *Canadian Forces Superannuation Act*; or
- c) The most recently listed beneficiary under the *Royal Canadian Mounted Police Superannuation Act*.

"Disability Pension Corrective Payments" means the amounts paid, or payable, under paragraphs 4 and 22;

"Estate" means the estate of any deceased Class Member;

"Final Order" means the Federal Court's order approving this Agreement in accordance with its terms, once any time to appeal such order has expired without any appeal being taken, or, if the order is appealed, once there has been affirmation of the order upon a final disposition of all appeals;

“Funding Request” means a list of all Claimants the Administrator has determined are eligible for a Settlement Payment in a given calendar month throughout the Claims Period;

“Interim Period” means the time-period between the date of the Final Order and the date VAC issues Settlement Payments to the VAC Payment Group;

“Parties” has the same meaning as in the recitals;

“Released Claims” means any and all actions, causes of action, common law, Québec civil law and statutory liabilities, contracts, claims, grievances, and complaints, and demands of every nature or kind available, asserted or which could have been asserted whether known or unknown, including for damages, contribution, indemnity, costs, expenses, and interest (both pre-judgment and post-judgment interest) which any Class Member ever had, or now has, directly or indirectly, arising from or in any way relating to or by way of any subrogated or assigned right or otherwise in relation to claims made in the Class Proceeding, whether asserted directly by the Class Member or by any other person, group, or legal entity on behalf of or as a representative for the Class Member. For greater clarity, the Released Claims include all benefits listed in the Class definition in the Certification Order as described in paragraph 8 of this Agreement, are not restricted to the Affected Benefits, and only include amounts received before or during the Relevant Period but do not include Disability Pension Corrective Payments;

“Releasee” means His Majesty the King in Right of Canada, the Attorney General of Canada, the Minister of Veterans Affairs, and all of their predecessors, successors, and assigns, officers, employees, servants, members of the CAF and RCMP, and agents;

“Relevant Period” means the period from and including 1 January 2003 to 31 December 2023;

“Settlement Approval Order” means the Federal Court order approving this Agreement in accordance with its terms;

“Settlement Payments” means any payments made to, or on behalf of, Class Members under this Agreement, of the Settlement Payment Calculation Amount with respect to that Class Member;

“Settlement Payment Calculation Amount” means the product that results from multiplying the Sum of All Affected Benefits Paid to that Class Member during the Relevant Period by “X”.

“X” is the quotient that results from dividing (i) the Total Settlement Amount by (ii) the sum of all Affected Benefits paid to the entire Class during the Relevant Period. The following formula expresses the Settlement Payment Calculation Amount:

Settlement Payment Calculation Amount	=	Sum of All Affected Benefits Paid to Specific Class Member during Relevant Period	x	“X”
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“X”	=	Total Settlement Amount	÷	Sum of All Affected Benefits Paid to Entire Class during Relevant Period
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The Defendant agrees to make best efforts to determine: (i) the sum of all Affected Benefits paid to a specific Class Member during the Relevant Period; and, (ii) the sum of all Affected Benefits paid to the entire Class during the Relevant Period, as soon as practicable, and, in any event, before the motion to approve the Settlement.

(The Settlement Payment to will be approximately 2% of the Sum of All Affected Benefits Paid to a Class Member during the Relevant Period.)

“Survivor” means:

- a) A surviving spouse of a Class Member in receipt, at the time of the Final Order, of a pension under section 45 of the *Pension Act*;
- b) A person cohabiting in a conjugal relationship with a Class Member and in receipt, at the time of the Final Order, of a pension under section 46 of the *Pension Act*;
- c) A spouse of a Class Member in receipt, at the time of the Final Order, of a pension under section 47 of the *Pension Act*;
- d) Any child, or children, of a Class Member who were at any time in receipt of a pension under section 34 of the *Pension Act*;
- e) Any parent, or parents of a Class Member who were at any time in receipt of a pension under section 52 of the *Pension Act*; and
- f) Any sibling, or siblings of a Class Member who were at any time in receipt of a pension under section 53 of the *Pension Act*;

“Total Settlement Value” means \$817,300,000;

“VAC” has the same meaning as in the recitals. For clarity, VAC refers to Veterans Affairs Canada, the department within the Government of Canada responsible for administering Affected Benefits; and

“VAC Payment Group” means every Class Member or Survivor who, on the date of the Final Order or during the Interim Period, has a current payment arrangement with VAC and is in receipt of VAC benefits on a recurring monthly basis. For clarity, a Class Member may become part of the VAC Payment Group after the date of the Final Order and during the Interim Period, but no such Class Member can receive more than one Settlement Payment.

12. The Parties acknowledge that they have reviewed and participated in settling the terms of this Agreement. The Parties agree that any rule of construction or interpretation to the effect that any ambiguity is to be resolved against the drafting parties is not applicable in interpreting this Agreement.

EFFECTIVE DATE OF AGREEMENT

13. This Agreement will become effective and binding on the Parties and Class Members upon the date of the Final Order.
14. None of the provisions of this Agreement will become effective unless and until the Federal Court approves the Agreement in this form in the Final Order, subject to the Parties' ability to make non-material amendments on consent as necessary.

TOTAL SETTLEMENT AMOUNT AND SETTLEMENT PAYMENT CALCULATION AMOUNT

15. The maximum possible total value of Settlement Payments to be paid to Class Members by the Defendant as part of this Agreement is \$817,300,000. This amount is inclusive of Court-Approved Costs.
16. Upon the final day of the Relevant Period, the Defendant shall determine the Settlement Payment Calculation Amount for each individual Class Member.
17. On or before January 31, 2024, the Defendant shall provide to Class Counsel and the Administrator a list of all Class Members confirming the value of the Settlement Payment Calculation Amount for each individual Class Member.
18. Based upon the good faith estimate of the Parties, the total value of Settlement Payments to be paid to Class Members in the VAC Payment Group is \$435,500,000, and the potential total value of Settlement Payments to be paid to Claimants for Class Members in the Claims Based Payment Group is \$381,800,000, subject to small variations during the Interim Period. These amounts are inclusive of Court-Approved Costs.
19. If the aggregate of all Settlement Payments is less than \$435,500,000, the difference up to \$10,000,000, less Court-Approved Costs, will be paid to a veterans' charity, or charities, as agreed upon by the parties and approved by the Court.

RESPONSIBILITY AND TIMING FOR PAYMENTS TO CLASS MEMBERS

20. The Defendant shall be responsible for paying Settlement Payments to Class Members in the VAC Payment Group in accordance with the terms of this Agreement.
21. The Defendant shall pay Settlement Payments to Class Members in the VAC Payment Group within nine (9) months of the Final Order.
22. The Defendant will continue to make Disability Pension Corrective Payments according to paragraph 4 of this Agreement based on the "accounting indexation error" identified by the Veterans Ombudsman in November 2018 to all Claimants who meet the requirements listed at <https://www.veterans.gc.ca/eng/help/faq/disability-pension-correct-pay>. The appropriate Claim Form will make reference to the procedures for making a request for Disability Pension Corrective Payments. Any corrective payments made to Claimants according to this paragraph will not be subject to Court-Approved Costs, or the Released Claims, and are not included in the definition of Settlement Payment under this Agreement.

23. The Administrator shall be responsible for paying Settlement Payments to Claimants in the Claims Based Payment Group in accordance with the terms of this Agreement.

VAC PAYMENT GROUP – LIVING CLASS MEMBERS

24. The Defendant shall make automatic Settlement Payments to living Class Members in the VAC Payment Group directly through the usual, ongoing, process of remitting VAC payments of benefits to that Class Member.
25. Class Members eligible as Claimants to the Claims Based Payment Group at the time of the Final Order who, during the Interim Period, establish a current payment arrangement with VAC and receive of VAC benefits on a recurring monthly basis, are eligible to be part of the VAC Payment Group.

VAC PAYMENT GROUP - SURVIVORS

26. If a deceased Class Member entitled to a Settlement Payment has a Survivor who is part of the VAC Payment Group, the Defendant shall pay the Settlement Payment on behalf of the deceased Class Member to the deceased Class Member's Survivor(s) in the following priority order:
- a) A surviving spouse of a Class Member in receipt, at the time of the Final Order, of a pension under section 45 the *Pension Act*;
 - b) A person cohabiting in a conjugal relationship with the Class Member and in receipt, at the time of the Final Order, of a pension under section 46 of the *Pension Act*;
 - c) A spouse of a Class Member in receipt, at the time of the Final Order, of a pension under section 47 of the *Pension Act*;
 - d) Any child, or children, of a Class Member who were at any time in receipt of a pension under section 34 of the *Pension Act*;
 - e) Any parent, or parents of a Class Member who were at any time in receipt of a pension under section 52 of the *Pension Act*; and
 - f) Any sibling, or siblings of a Class Member who were at any time in receipt of a pension under section 53 of the *Pension Act*.
27. The Defendant shall automatically pay Settlement Payments to Survivors under priority steps (a), (b) and (c) directly through the usual, ongoing process of remitting VAC payments of benefits to that Survivor.
28. When more than one Survivor is entitled to receive a Settlement Payment on behalf of a deceased Class Member under priority steps (d), (e), or (f) above, the Defendant shall divide and distribute the Settlement Payment equally among all eligible Survivors identified under the same priority step.

29. For Survivors under priority steps (d), (e), or (f) above who have a current payment arrangement with VAC, the Defendant shall automatically pay Settlement Payments directly through the usual, ongoing process of remitting VAC payments of benefits to that Survivor.
30. For Survivors under priority steps (d), (e), or (f) above who do not have a current payment arrangement with VAC, the Defendant shall make a good faith effort to contact them and update their payment arrangement.
31. The Defendant will provide Class Counsel and the Administrator with a list of all payments made to Class Members in the VAC Payment Group within thirty (30) days of those payments being issued.

VAC PAYMENT GROUP – DEATH DURING INTERIM PERIOD

32. If a Class Member who was part of the VAC Payment Group dies during the Interim Period, and has no Survivor, VAC shall make best efforts to pay that Class Member's Estate directly without the need for them to submit a Claim Form to the Administrator. If VAC is unable to pay the Estate of a Class Member who dies during the Interim Period within ten (10) months of the Final Order, VAC will notify the Administrator, and the Estate will be eligible to apply for a Settlement Payment through the Claims Based Payment Group process.
33. If a Survivor who was entitled to automatically receive the Settlement Payment of a deceased Class Member as noted in paragraph 26 dies during the Interim Period and VAC is unable to issue a payment directly to the Estate of that Survivor, any Claimant who submits a Claim Form to the Administrator to receive the Settlement Payment for that Survivor will be entitled to receive the same Settlement Payment that the Survivor would have received had the payment been issued through the VAC Payment Group.

CLAIMS BASED PAYMENT GROUP – FINDING CLAIMANTS

34. The Administrator will make best efforts to locate and notify all persons eligible to receive a Settlement Payment as Claimants to the Claims Based Payment Group. To assist in that regard, no later than 60 days from the Settlement Approval Order, the Defendant will provide Class Counsel and the Administrator with:
 - a) The names, service numbers, Client Service Delivery Network identification number, executor personal information, and last known contact information of all Class Members in the Claims Based Payment Group;
 - b) Any information concerning the identity and contact information related to an estate trustee or estate representative acting for the Estate of a deceased Class Member in the Claims Based Payment Group;
 - c) Any information concerning the identity of any person who submitted and received payment for a claim between 2019 and 2021 based on the indexation error identified by the Veterans Ombudsman.

35. If required, the parties will work collaboratively and make best efforts to obtain additional information on Claimants either by court order or other means, from the Government of Canada organizations responsible for administering the *Canadian Forces Superannuation Act* and the *Royal Canadian Mounted Police Superannuation Act*. The Defendant will make reasonable efforts to assist Class Counsel with obtaining information from the Government of Canada organizations responsible for administering the *Canadian Forces Superannuation Act* and the *Royal Canadian Mounted Police Superannuation Act* to identify class members and acknowledges the application of s. 8(2)(m) of the *Privacy Act* in this regard.

CLAIMS BASED PAYMENT GROUP - SETTLEMENT PAYMENTS

36. The Administrator shall determine a Claimant's eligibility for a Settlement Payment after receipt of a Claim Form received within the Claims Period. The Administrator shall review the Claim Form and documents, if any, received from a Claimant to determine entitlement to a Settlement Payment before the end of the Claims Payment End Date.
37. At the end of each month during the Claims Period and through to the end of the Claims Payment End Date, the Administrator shall provide the Defendant with a Funding Request list describing all Claimants eligible to receive a Settlement Payment on behalf of a Class Member as determined by the Administrator in the same month. For each Settlement Payment to be paid by the Administrator, the Funding Request will include, but not be limited to: the Class Member's name and Client Service Delivery Network identification number, the Claimant's name, email address, telephone number, and relationship to the Class Member, and the amount to be paid.
38. Within 30 days of receipt of the Funding Request, and upon the availability of the funds, the Defendant shall make one payment to the Administrator equal to the total of the Funding Request. For greater certainty, while the Administrator may begin accepting and processing Claim Forms at the beginning of the Claims Period, the Administrator cannot make Settlement Payments until it receives funds from the Defendant. Further, it is understood between the Parties that the best estimate of the Defendant is that it will not be in a position to provide funds to the Administrator until August, 2024. The Defendant agrees that it will provide funds to the Administrator at the earliest possible date.
39. The Administrator shall complete all Claims Based Payment Group Settlement Payments as soon as practicable, but no later than the Claims Payment End Date.
40. The Administrator shall make Settlement Payments to approved Claimants as follows:
- a) Living Class Members who have submitted a valid claim form, appended to this Agreement at Schedule "A", and who are claiming on their own behalf shall be paid their entitlement by the Administrator as soon as practicable;
 - b) An Estate Trustee, Estate Administrator or Executor of a deceased Class Member's estate who produces valid documents to the satisfaction of the Administrator demonstrating their appointment as such shall be paid their entitlement by the Administrator as soon as practicable;

c) All claims submitted within the Claims Period other than those in ss. (a) and (b) shall be held until the end of the Claims Period, at which time the Administrator shall act as follows:

- i. Where there is **only one Claimant**, that person shall be paid the entitlement as soon as practicable
- ii. Where there is **more than one Claimant**, the Administrator shall pay the person ranked highest in the following priority hierarchy:

First Priority	Surviving spouse or common law partner
Second Priority	Surviving child/children
Third Priority	Surviving grandchild/grandchildren
Fourth Priority	Surviving parent
Fifth Priority	Surviving siblings
Sixth Priority	Surviving nieces or nephews (including nieces-in-law and nephews-in-law)
Seventh Priority	Surviving next of kin
Eighth Priority	Charitable organization provided for by a deceased Class Member under a Will

*Should there be more than one Claimant with equivalent highest priority, the entitlement shall be divided equally among those Claimants.

- iii. Where **no claim** has been submitted for on behalf of a Class Member by the end of the Claims Period, the entitlement for that Class Member shall be considered through the Designated Beneficiaries framework.
41. In consultation with the Parties, the Administrator will develop all written communications to Claimants related to the Settlement Payments, including the letter explaining to the Claimant how the Settlement Payment was calculated and how Court-Approved Costs were deducted from the Settlement Payment.
 42. The Administrator will provide monthly reports to the Defendant and Class Counsel to confirm the details of the payments issued.
 43. The Parties agree to determine jointly, as soon as practicable, the Administrator's scope of engagement and then seek the Federal Court's approval of the Administrator's appointment as soon as practicable. The Parties will also make best efforts to obtain approval of the Administrator's appointment during the hearing of the motion before the Federal Court to approve this Agreement.

CLAIMS BASED PAYMENT GROUP - DESIGNATED BENEFICIARIES

44. If the Administrator has not received a Claim Form from a Claimant by the end of the Claims Period, the Administrator shall take best efforts to make the Settlement Payment directly to an identifiable individual in the following priority order:
- a) Any person who submitted and received payment for a claim between 2019 and 2021 based on the indexation error identified by the Veterans Ombudsman;
 - b) The most recently listed beneficiary for the Supplemental Death Benefit under the *Canadian Forces Superannuation Act*; or
 - c) The most recently listed beneficiary under the *Royal Canadian Mounted Police Superannuation Act*.

LEGAL FEES

45. Class Counsel shall be entitled, subject to the Federal Court's approval, to payment of the Court-Approved Costs to be deducted *pro rata* from each Settlement Payment. The Defendant shall not take a position with respect to Class Counsel's motion to approve payment of fees and disbursements.
46. Class Counsel agree that no additional amount except as approved by the Federal Court shall be deducted for legal fees from any Settlement Payments made to Class Members. Class Counsel further agree to provide reasonable assistance to Class Members with respect to the administration of this Agreement and the Class Proceeding in consideration for the fees approved by the Federal Court. For greater clarity, Class Counsel will not provide legal assistance to Class Members in respect of applications for pensions, benefits, or other awards that may be available to Class Members through VAC or other government agencies.
47. Prior to making a Settlement Payment to a Class Member or Survivor in the VAC Payment Group, the Defendant will deduct Court-Approved Costs relating to that Settlement Payment and pay that amount to Gowling WLG (Canada) LLP, in trust, within thirty (30) days of issuing the Settlement Payments to that Class Member.
48. Prior to making a Settlement Payment to a Claimant, the Administrator will deduct Court-Approved Costs relating to that Settlement Payment and pay that amount to Gowling WLG (Canada) LLP, in trust on a monthly, ongoing basis during the Claims Period.

AUDIT

49. The Administrator shall have the opportunity to review, examine, or audit all Settlement Payments. The Defendant shall have the opportunity to review, examine, or audit all actions of the Administrator under this Final Settlement Agreement.

50. The Defendant will keep Class Counsel fully informed as to the steps taken and the progress of administering and distributing Settlement Payments, including providing copies of documents summarizing payments made under this Agreement. The Defendant will provide month end statements to Class Counsel of all payments made under this Agreement in that month and an updated final report on completing the administration of the settlement. The monthly statements shall be provided no later than the 15th day of the following month and the final report on the 15th day of the month following the last payment. Class Counsel will promptly inform the Defendant of any errors or omissions they identify. The Parties will make reasonable efforts to resolve differences in regard to the statements and final report, as well as to any issues arising that relate to access by Class Counsel to information and documents on administration and distribution of Settlement Payments. In the event that the Parties cannot resolve differences, either Party may apply to the Federal Court for directions and/or a determination.
51. For greater certainty, Class Counsel are entitled to access the master list of Class Members, and individual calculation letters that accompany payments, but are not otherwise entitled to documents in the Defendant's files. Class Counsel are not entitled to access an individual Class Member's file or documents in the Defendant's files on a Class Member's medical condition or the assessment of benefits payable to or on behalf of one or more Class Member, and are further not entitled to access documents that are subject to legal privilege, including solicitor-client, litigation privilege, or cabinet confidence.

COST OF NOTICE AND CLAIMS ADMINISTRATION

52. The Parties shall jointly agree on a notice (or notices) to the Class and the means of publication of the notice (or notices) as well as the process for administering Settlement Payments, all subject to the Federal Court's approval.
53. The cost of publishing the notice, or notices, shall be paid by Class Counsel as a disbursement, recoverable as a Court-Approved Cost.
54. The Administrator shall be paid by the Defendant. The amount to be paid will be agreed upon by the parties and will not be deducted from Settlement Payments to Class Members. For greater certainty, payment of the Administrator will not form part of the Court-Approved Costs.

RELEASES

55. Upon the date of the Final Order, the Representative Plaintiffs and Class Members agree that all Released Claims are barred from legal action. Further, the Parties agree that all Class Members who have not opted out during the Opt-Out Period will be bound by a deemed release in the form set out in the Final Order.
56. The Final Order will declare that:
 - a) Upon the date of the Final Order, the Releasees are forever and absolutely released jointly and severally by the Class Members, and each of them, from the Released Claims; and
 - b) The Class Members, and each of them, are barred from making any claim or taking or continuing any proceedings arising out of or relating to the Released Claims against any Releasee or other person, corporation, or entity that might claim damages and/or contribution and indemnity and/or other relief under the provisions of the applicable Negligence Act, the common law, Québec civil law, or any statutory liability for any relief whatsoever, including relief of a monetary, declaratory, or injunctive nature, from the Releasees.
57. The Representative Plaintiffs and Class Members further agree that following implementation of the settlement, all necessary steps will be taken to effect a dismissal or discontinuance of the Class Proceeding, to be approved by the Federal Court.
58. Upon the Federal Court issuing the Final Order, there will be a deemed release in respect of all persons falling within the Class definition in favour of Canada, the Attorney General of Canada, His Majesty the King in Right of Canada, and all current and former Ministers, employees, departments, Crown agents, agencies, Crown servants, and members of the CAF and RCMP for the matters pleaded, or which could have been pleaded in respect of the calculation of the annual is it adjustment, known and unknown, in the Class Proceeding.
59. This Final Settlement Agreement is not to be construed as an admission of liability by Canada.

SETTLEMENT APPROVAL

60. The Parties agree that they will seek the Federal Court's approval of this Final Settlement Agreement.
61. The motion for approval of the negotiated Final Settlement Agreement, and Class Counsel's fees will be prepared by Class Counsel and will be provided to Counsel for Canada in draft for comment before filing with the Federal Court. The Parties agree to have the motions heard in one sitting.

TAXATION AND SOCIAL BENEFITS

62. The Defendant confirms that the Affected Benefits are non-taxable. The Defendant shall assist in seeking confirmation from Canada Revenue Agency that none of the Settlement Payments will be treated as taxable income.
63. If Canada Revenue Agency confirms that none of the Settlement Payments will be treated as taxable income, neither the Defendant nor the Administrator shall withhold any amounts on account of tax, or file with the Canada Revenue Agency information reporting Settlement Payments made under this Agreement.
64. Benefits administered by VAC will not be negatively affected by the Class Member's receipt of a Settlement Payment under this Agreement, including by offset.

CONFIDENTIALITY

65. Any information provided, created, or obtained in the settlement and administration of the settlement, whether written, digital, or oral, will be confidential to the Parties, their counsel, and the individual Claimant who is the subject of the particular information and will not be used for any purpose other than the Settlement unless otherwise agreed by the Parties, except where otherwise provided by law. Save as otherwise required by law, the undertaking of confidentiality as to the discussions and all communications, whether written, digital or oral, made in and surrounding the negotiations leading to this Agreement continues indefinitely.

OTHER TERMS

66. Each of the undersigned represents that he or she is fully authorized to enter into the terms and conditions of, and to execute, this Agreement on behalf of the Parties identified below.
67. This Agreement constitutes the entire agreement between the Parties and may not be modified or amended except in writing, on consent of the Parties, and with Court approval.
68. This Agreement shall, without notice, be automatically terminated if the Federal Court does not approve this Final Settlement Agreement. In the event of termination, this Agreement shall have no further force or effect, save and except for this section, which shall survive termination.
69. As soon as reasonably possible, the parties shall jointly prepare a French language version of this Agreement.
70. The Parties may apply, on notice, to the Federal Court as may be required for directions in respect of the interpretation, implementation, and administration of this Agreement.

71. The Federal Court shall retain and exercise continuing and ongoing jurisdiction with respect to implementation, administration, interpretation, and enforcement of the terms of this Agreement.
72. This Agreement may be signed in counterparts.
73. All references to currency herein are to the lawful money of Canada.

Signed this 8th day of November 2023.

For the Class:

By: 
Daniel Wallace

For the Class:

By: 
Michel Drapeau

For the Class:

By: 
Angela Bespflug

For the Class:

By: 
Malcolm Ruby

For the Class:

By: 
Adam Tanel

For the Defendant:

By: 
Lori Ward

For the Defendant:

By: 
Victor Ryan

For the Defendant:

By: 
Angela Green

Claim Form – *Manuge v. HMK*

Claim Form for Claimants under settlement of *Manuge v. His Majesty the King* Pension Miscalculation Class Proceeding

IMPORTANT:

- Claimants are encouraged to complete and submit this Claim Form online at: **[Insert Website Information]**. Online submission will mean faster and more secure processing of the Claim.
- If you use a pen to fill in this Claim Form, please print as clearly as possible. You can submit your Claim Form as an attachment to an e-mail to **[redacted]**, or by regular mail/courier to the Administrator at: [insert all KPMG contact information]
- Claimants are required to attach a document establishing proof of identity and any other document that may be necessary as set out in the below sections
- This Claim Form must be submitted no later than **[redacted]** 2024.
- Where the Claim Form asks for information "if known", that information is helpful for the Administrator, but not required.

1. I make this claim as (check one box only):

- ☐ A Living Class Member
You are only required to complete sections 1 and 4;
- ☐ A representative of an Estate of the deceased Class Member
You are only required to complete sections 2 and 4;
- ☐ A family member of the deceased Class Member
You are only required to complete sections 3 and 4.

SECTION 1 – LIVING CLASS MEMBER

2. Full Name (first, middle and last name): _____
3. Maiden name, if applicable: _____
4. Date of Birth (day/month/year): _____
5. My VAC Identifier (CSDN ID, K number or Service Number):

6. I request a payment to myself under the settlement of the Class Proceeding approved by the Federal Court Order. Proceed to Section 4.

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SECTION 2 - A REPRESENTATIVE OF AN ESTATE OF THE DECEASED CLASS MEMBER

7. Deceased's Full Name (first, middle and last name): _____

8. Deceased's Maiden Name, if applicable: _____

9. Deceased's Date of Birth (Day/Month/Year), if known: _____

10. Deceased's VAC Identifier (CSDN ID, K number or Service Number), if known: _____

11. The Deceased died (check one box only):

- ☐ with a Will;
☐ without a Will;
☐ not known.

12. At the time of death, the Deceased's address was as follows, if known:

 (Street Address) (Postal Code) (Country)

 (City, Town or Village) (Province, Territory, or State)

13. I am the _____ of the Deceased's estate.

14. I attach the following document to show that I am the estate trustee, estate administrator or executor of the Deceased's estate.

- ☐ Will;
☐ Court appointment.
☐ Other document. Please specify: _____

15. I request a payment to the Estate on behalf of the Deceased under the settlement of the Class Proceeding approved by the Federal Court Order. Proceed to Section 4.

SECTION 3 – FAMILY MEMBER OF THE DECEASED CLASS MEMBER

16. Deceased's Full Name (first, middle and last name): _____

17. Deceased's Maiden Name, if applicable: _____

18. Deceased's Date of Birth (Day/Month/Year), if known: _____

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19. Deceased's VAC Identifier (CSDN ID, K number or Service Number), if known:

20. At the time of death, the Deceased's address was as follows, if known:

(Street Address) (Postal Code) (Country)

(City, Town or Village) (Province, Territory, or State)

21. I am the following relationship to the Deceased (check one box only):

- ☐ Spouse or common law partner
- ☐ Child
- ☐ Grandchild
- ☐ Parent
- ☐ Sibling
- ☐ Niece or nephew (including nieces-in-law and nephews-in-law)
- ☐ Next-of-kin (Please specify relationship _____)
- ☐ Charitable organization provided for by the Deceased's Will (Will required)

22. I request a payment to me on behalf of the Deceased under the settlement of the Class Proceeding approved by the Federal Court Order, Proceed to Section 4.

SECTION 4 – METHOD OF CONTACT, PAYMENT METHOD AND SIGNATURE

23. For communication purposes, email communication is preferred (check one box only):

- ☐ My email address is: _____
- ☐ I am unable to communicate via email, I can be contacted by phone at: _____
- ☐ I am unable to communicate via email or phone and consent to be contacted at the mailing address that I have provided in Paragraph 25.
- ☐ My Power of Attorney, _____, will communicate on my behalf and their email address/phone number is as follows: _____

24. I understand that the payment will be made by cheque sent to the address at Paragraph 25.

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25. My Mailing Address:

 (Street Address) (Postal Code) (Country)

 (City, Town or Village) (Province, Territory, or State)

26. My phone number is _____.

27. I attach a copy of my proof of identity. The proof of identity needs to be issued by a federal, provincial, territorial or state government authority and valid (i.e., not expired). To be considered acceptable, the valid proof of identity needs to include your name, date of birth and photo (see various options below and check one box only):

- ☐ Driver's license
- ☐ Health card (if it shows your name, date of birth and photo)
- ☐ Passport
- ☐ Canadian military identification card
- ☐ Veterans service card
- ☐ Canadian citizenship card
- ☐ Secure certification of Indian status card
- ☐ Government-issued identification card
- ☐ U.S. permanent resident card

28. I understand that the Administrator may require that I provide additional documentation.

29. By signing the Claim Form at Paragraph 30, I consent to the use, collection, disclosure, and retention of my personal information provided on this form. The personal information collected by KPMG will be used exclusively for the purpose of processing and determining my entitlement to make a claim under the *Manuge v. HMK* class action settlement (CFN: T-119-19). KPMG may process applications using automation to support processing of decision-making. The personal information provided in this claim form may also be disclosed to Class Counsel, Veterans Affairs Canada, or an auditor, if applicable, for the purpose of: validating identity; carrying out any lawful investigations to confirm that I am an eligible Class Member; processing of claims; development of payment strategy; and/or reporting obligations. I further consent to the use and disclosure of records containing my personal information that are in the possession of the Government of Canada to KPMG for the purpose of processing and determining my entitlement to make a claim under the *Manuge v. HMK* class action settlement.

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30. I solemnly declare that the information provided in this Claim Form is correct.

Signature

Date (Day/Month/Year)

Witness Name (Capital Letters)

Witness Signature

Information Regarding Disability Pension Corrective Payment

31. If you were legally entitled to inherit the assets of a deceased Class Member who received a *Pension Act* disability pension between 2003-2010, you may be entitled to a corrective payment in addition to the amounts recovered in this Class Proceeding. Information about the Disability Pension Corrective Payment, and a link to the application, are on VAC's website: [Disability Pension Corrective Payment](#).

32. Class Counsel has committed to assisting those applying for corrective payments at no cost. Class Counsel can be contacted for assistance as follows:

Call: 1-866-545-9920

Email: info@vetspensionerror.ca

SCHEDULE "B" – Short Form Notice

LEGAL NOTICE

**Do you collect a disability-related benefit
administered by Veterans Affairs Canada?**

**A class action settlement may affect you.
Please read this notice carefully.**

On [date] the Federal Court approved a settlement in a certified class action involving alleged underpayment of certain disability pension benefits administered by Veterans Affairs Canada ("VAC") payable to members or former members of the Canadian Armed Forces ("CAF") and the Royal Canadian Mounted Police ("RCMP") and their spouses, common-law partners, survivors, other related individuals, and estates (the "Settlement").

If you received any of the disability-related benefits listed in this notice at any time between 2003 and 2023, you may be entitled to compensation under the Settlement. As the executor, estate trustee, administrator, or family member of a deceased class member who collected VAC-administered disability benefits, you may also be able to claim on behalf of the estate.

If you are entitled to compensation under the Settlement and you have an active payment arrangement with VAC, such as direct deposit, you do not need to do anything to receive payment.

If you are claiming on behalf of a deceased veteran of the CAF or RCMP, including as the executor, trustee, administrator of an estate, or a family member, you must submit a claim form to [NAME], the administrator ("Administrator") responsible for handling claims available at:

[Administrator Details]

[Obtaining Claim Form Details]

The deadline to submit a claim is [date]. All eligible claimants are entitled to receive legal assistance free of charge from Class Counsel for purposes relating to implementing the Settlement, including preparing and/or submitting a claim to the Administrator.

For more information or for assistance with filing a claim, send an email to info@vetspensionerror.ca, or call toll-free at 1-866-545-9920. To see the full text of the Final Settlement Agreement, please visit <https://vetspensionerror.ca/court-documents/>.

WHO IS INCLUDED?

The Settlement covers members and former members of the CAF and the RCMP and their spouses, common-law partners, dependants, survivors, orphans, and any other individuals, including eligible estates of all such persons, who received—at any time between 2003 and 2023—disability benefits based on annual adjustments of the basic pension under s. 75 of the *Pension Act* (the “**Class Members**”).

The terms of the Settlement are binding on Class Members. The Settlement includes releases of claims asserted in the certified Class Action.

WHAT BENEFITS ARE AFFECTED?

The Settlement affects prescribed annual adjustments of the following benefits (the “**Affected Benefits**”):

- *Pension Act* pension for disability;
- *Pension Act* pension for death;
- *Pension Act* attendance allowance;
- *Pension Act* allowance for wear and tear of clothing or for specially made apparel;
- *Pension Act* exceptional incapacity allowance;
- *Civilian War-related Benefits Act* war pensions and allowances for salt water fishers, overseas headquarters staff, air raid precautions works, and injury for remedial treatment of various persons and voluntary aid detachment (World War II);
- *Flying Accidents Compensation Regulations* flying accidents compensation;
- RCMP Disability Benefits awarded in accordance with the *Pension Act*;
- *Veterans Well-being Act* clothing allowance;

WHAT DOES THE SETTLEMENT PROVIDE?

The Settlement provides direct compensation to Class Members who receive (or have previously received) any of the Affected Benefits listed above, since January 1, 2003. Class Members will receive a single payment equal to [X%] of all Affected Benefits they have received since January 1, 2003. The total amount of compensation paid by Canada to the Class could be as much as \$817,300,000.

This is only a summary of the benefits available under the Settlement. The full text of the Final Settlement Agreement (“**FSA**”) is available online at <https://vetspensionerror.ca/court->

[documents/](#). You should review the entire FSA in order to determine your entitlement and any steps you may need to take to access compensation.

HOW AM I PAID?

Eligible Class Members who are currently collecting VAC-administered disability benefits or pensions will receive a Settlement payment automatically through the same payment method they currently use to collect benefits, including by direct deposit.

Class Members who received Affected Benefits between 2003 to 2023 but who do not have a current payment arrangement with VAC will be required to make a claim with the Claims Administrator. This includes all Class Members who are deceased, and where an executor, estate trustee, administrator of an estate, or a family member is making a claim on behalf of that Class Member.

However, if a deceased Class Member has a survivor who is in receipt of VAC benefits and has a current payment arrangement, that survivor will automatically receive the deceased Class Member's entitlement without the need to make a claim with the Claims Administrator.

HOW DO I MAKE A CLAIM?

If you do not have an active payment arrangement with VAC, you must submit a claim form with the Administrator here:

[Administrator Details]

Please read and follow the instructions on the Claim Form. Class Counsel are available, free of charge, to answer your questions and assist you with preparing your claim form.

The deadline to file a claim is [date].

AM I RESPONSIBLE FOR LEGAL FEES?

You are not responsible for payment of legal fees. The Federal Court has approved Class Counsel's fees (including HST) and disbursements to be automatically calculated and deducted from the Settlement amount you are entitled to receive before the payment is issued.

The Federal Court approved payments to Class Counsel equal to approximately 17% of each payment made under the Settlement. The FSA contains additional details about Class Counsel fees, available online at <https://vetspensionerror.ca/court-documents/>.

Class Counsel are available to assist **Class Members** through the claims process free of charge.

FURTHER INFORMATION?

For further information or to get help with your claim, contact Class Counsel by phone, email, or online:

Visit: <https://vetspensionerror.ca/>

Call: 1-866-545-9920

Email: info@vetspensionerror.ca

DO YOU KNOW ANY OTHER RECIPIENTS OF A VAC DISABILITY PENSION?

Please share this information with them.

Long Form Notice

LEGAL NOTICE

**Do you collect a disability-related benefit
administered by Veterans Affairs Canada?**

**A class action settlement may affect you.
Please read this notice carefully.**

*The Federal Court has authorized this notice.
This is not a solicitation from a lawyer or a lawsuit against you.*

On **[date]** the Federal Court approved a settlement in a certified class action involving alleged underpayment of certain disability pension benefits administered by Veterans Affairs Canada ("**VAC**") payable to members or former members of the Canadian Armed Forces ("**CAF**") and the Royal Canadian Mounted Police ("**RCMP**") and their spouses, common-law partners, survivors, other related individuals, and estates (the "**Settlement**").

If you received any of the disability-related benefits listed in this notice at any time between 2003 and 2023, you may be entitled to compensation under the Settlement. As the executor, estate trustee, administrator of an estate, or family member of a deceased class member who collected VAC-administered disability benefits, you may also be able to claim on behalf of the estate.

If you are entitled to compensation under the Settlement and you have an active payment arrangement with VAC, such as direct deposit, you do not need to do anything to receive payment.

If you are claiming compensation on behalf of a deceased veteran of the CAF or RCMP, including as the executor, trustee, administrator of an estate, or family member, you are required to submit a claim form ("Claim Form") to **[NAME]**, the administrator ("Administrator") responsible for handling claims:

[Administrator Details]

[Obtaining Claim Form Details]

The deadline to submit a claim is **[date]**. All eligible claimants are entitled to receive legal assistance free of charge from Class Counsel for purposes relating to implementing the Settlement, including preparing and/or submitting a claim to the Administrator.

For more information or for assistance with filing a claim, send an email to info@vetspensionerror.ca, or call toll-free at 1-866-545-9920. To see the full text of the Final Settlement Agreement, please visit <https://vetspensionerror.ca/court-documents/>.

WHAT THIS NOTICE CONTAINS

BASIC INFORMATION

1. Why did I get this notice?
2. What is a class action?
3. What are VAC-administered disability benefits?
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13. Who determines if I have a valid claim?
14. Can my claim be denied?
15. What am I giving up in the Settlement?
16. Can I remove myself from the Settlement?
17. Am I responsible for legal fees?

THE LAWYERS REPRESENTING YOU

18. Who are the lawyers for the Class?
-

BASIC INFORMATION

1. Why did I get this notice?

The Federal Court has authorized this notice to inform you about the Settlement. This notice explains the lawsuit, the Settlement, and how to claim compensation. You should read the entire notice, as your rights may be affected even if you do nothing.

In an effort to reach as many people as possible, copies of this notice have been distributed to veterans' organizations across Canada. You may have received this notice from the lawyers in the class action or from someone you know, or you may have found this notice in a newspaper or public place. If you know a current or former member of the CAF or the RCMP, please show them a copy of this notice.

2. What is a class action?

In a class action, one or more people called "**Representative Plaintiffs**" sue on behalf of those who have similar claims. All of these people are called a "**Class**" or "**Class Members**." The courts resolve the issues for everyone affected by the class action, except for those who exclude themselves, or "opt-out" of, the lawsuit. In this class action, the deadline to opt-out has passed.

3. What are VAC-administered disability benefits?

Many current and former members of the CAF or the RCMP and their family members receive, or received, some kind of disability benefit, pension, or related payment administered by VAC. If you are a current or former member of the CAF or the RCMP, or you are related to a current or former member, including deceased former members, you may have received (or may currently be receiving) one or more of the following benefits:

- *Pension Act* pension for disability
 - *Pension Act* pension for death
 - *Pension Act* attendance allowance
 - *Pension Act* allowance for wear and tear of clothing or for specially made apparel
 - *Pension Act* exceptional incapacity allowance
 - *Civilian War-related Benefits Act* war pensions and allowances for salt water fishers, overseas headquarters staff, air raid precautions works, and injury for remedial treatment of various persons and voluntary aid detachment (World War II)
 - *Flying Accidents Compensation Regulations* flying accidents compensation
 - RCMP Disability Benefits awarded in accordance with the *Pension Act*
 - *Veterans Well-being Act* clothing allowance;
-

If you have a My VAC Account, you can check online for the types of benefits you receive.

4. What is this lawsuit about?

Each year, VAC is required to calculate an annual adjustment in monthly disability benefits to account for inflation and changes in the cost of living. The annual adjustment is mandated by s. 75 of the *Pension Act*.

The Class Action alleges that since 2003 VAC has made errors in calculating increases in annual adjustments, meaning that Class Members have been underpaid by small amounts each month over many years. Canada does not admit that VAC made these errors, but it has agreed to make payments to Class Members to resolve the dispute. In this Settlement, the benefits that were allegedly affected by calculation errors are referred to as the **"Affected Benefits"**. A list of Affected Benefits is included in the response above to Question 3.

5. Why is there a Settlement?

The Federal Court has approved a Settlement between the Plaintiffs and Canada. Following a Settlement Approval Hearing on December 18, 2023, in Ottawa, the Federal Court determined that the Settlement is fair, reasonable, and in the best interests of the Class as a whole.

By agreeing to settle the lawsuit, the parties have avoided the costs, uncertainty, and delay of going to trial and obtaining judgment. In this case, it also means that Class Members will not need to testify in court and prove each necessary element of their case. Class Members will have the certainty of knowing their entitlement to payments under the Settlement and will receive payments more quickly under a timeline described in the Settlement and approved by the Federal Court.

WHO IS INCLUDED IN THE SETTLEMENT?

6. Who is included in the Settlement?

The Settlement affects any person who falls under the Class Definition. The Court certified a Class Definition on December 23, 2020 as:

All members and former members of the Canadian Armed Forces and Royal Canadian Mounted Police, and their spouses, common law partners, dependants, survivors, orphans, and any other individuals, including eligible estates of all such persons, who received – at any time between 2002 and the present – disability pensions, disability awards, and other benefits from Veterans Affairs Canada that were affected by the annual adjustment of the basic pension under section

75 of the *Pension Act* including, but not limited to, the awards and benefits listed above.

SETTLEMENT BENEFITS

7. What does the settlement provide?

The Settlement provides direct compensation to Class Members who receive (or have previously received) any of the Affected Benefits listed in the answer to Question 3, above, since January 1, 2003. Each Class Member is entitled to a payment of [%] of all Affected Benefits they have received since January 1, 2003. The total amount of compensation paid to the Class could be as much as \$817,300,000.

The Settlement also provides a streamlined process for the survivors, executors, trustees and administrators of Class Members' estates and family members of deceased Class Members to submit claims for compensation even if the deceased died without a will.

This is only a summary of the benefits available under the Settlement. The full text of the Final Settlement Agreement ("FSA") is available online at <https://vetspensionerror.ca/court-documents/>. You should review the entire FSA in order to determine your entitlement and any steps you may need to take to access compensation.

8. What happens if the recipient of the benefit is deceased?

If the Class Member who received Affected Benefits at any time from 2003 to 2023 is deceased and that Class Member has a survivor who is currently receiving VAC-administered benefits, then that survivor will automatically receive the deceased Class Member's entitlement. Survivors with an active payment arrangement with VAC will receive payment automatically, without the need to file a claim form.

If the deceased Class Member has no survivor currently receiving VAC-administered benefits, then an executor, estate trustee, or administrator of that Class Member's estate should submit a claim to the Administrator to receive the Settlement amount.

Additionally, other persons such as family members of the deceased Class Member may make a claim, including:

- Surviving spouses or common law partners
 - Surviving children
 - Surviving grandchildren
 - Surviving parents
 - Surviving siblings
 - Surviving nieces or nephews
 - Any other surviving next of kin
 - Charitable organization provided for by a deceased Class Member under a will
-

If more than two individuals claim in respect of the same Class Member, the FSA contains a process to determine how the payment should be made.

9. How can I receive a payment?

If you are already receiving VAC-administered disability benefit payments as a Class Member, then VAC will calculate the amount owing to you under the Settlement and pay you in the same way that you normally receive benefit payments from VAC. For example, if you are registered for direct deposit, you will automatically receive a payment under the Settlement as an additional amount in a future deposit. As noted above in Question 8, survivors of a deceased CAF or RCMP Class Member who have an active payment arrangement with VAC will automatically receive that CAF or RCMP Class Member's payment through a second, separate deposit.

Any Class Member who received Affected Benefits between 2003 to 2023 but who does not have a current payment arrangement with VAC must submit a claim to the Administrator to receive a Settlement Payment. This includes all Class Members who are deceased, and applies to an executor, estate trustee, administrator of an estate or family member who is making a claim on behalf of the deceased Class Member.

If you have received VAC benefits in the past but the payments have stopped or your banking information has changed, you must complete a Claim Form and submit it to the Administrator before the deadline in order to receive a payment.

10. How do I file a claim?

If you do not have an active payment arrangement with VAC, you are required to submit a Claim Form with the Administrator here:

[Administrator Details]

Please read and follow the instructions on the Claim Form. The deadline to submit a claim is [date]. Class Counsel are available, free of charge, to assist you with preparing your claim form.

If you have any questions about the Claim Form or would like assistance with submitting your claim, please contact Class Counsel at info@vetspensionerror.ca.

11. When is the deadline to file a claim?

The deadline to file a claim is **[Claim Period end date]**. Please note that it is not enough to send your claim form to Class Counsel. **All claim forms must be sent to the Administrator.**

12. When will I receive my payment?

The timing of payments will depend on whether you have a current payment arrangement with VAC. Class Members who do not have an active payment arrangement with VAC will need to submit a Claim Form to the Administrator. Some of these claims can be processed more quickly than others. Please contact Class Counsel for more information.

Class Members with a current payment relationship with VAC will receive payments automatically beginning after **[date of Final Order]**. Canada is required to complete all automatic payments by **[date of Final Order + 9 months]**.

If you do not have a current payment arrangement with VAC, you are required to submit a Claim Form to the Administrator to be eligible to receive compensation under the Settlement. The time required to process these claims will depend on a number of factors, including whether you are claiming on behalf of a deceased Class Member. The deadline to submit a claim is **[Claim Period end date]** and all claims are required to be paid by **[Claims Payment End Date]**. You should submit a claim as soon as possible to ensure timely payment.

13. Who determines if I have a valid claim?

The Federal Court has appointed KPMG to act as the Administrator. The Administrator is a neutral third-party responsible for administering the Settlement in accordance with the approved Settlement, under the supervision of the Court.

14. Can my claim be denied?

The Administrator will notify you if your claim is denied.

Your claim can be denied if (a) you are not an eligible Class Member because you do not meet the Class Definition; (b) you have already been compensated under the Settlement, including if you submit a claim on behalf of a Class Member whose entitlement has already been paid; or (c) if your claim did not include required supporting documents. (Some types of claims require additional documentation while others do not; see the Claim Form or contact Class Counsel for assistance).

If your claim is rejected because you are missing the required supporting documents, please reach out to Class Counsel for assistance.

15. What am I giving up in the Settlement?

Unless you have previously opted out, the Settlement requires you to surrender the right to pursue specific individual claims against Canada. Under the Settlement, you are "releasing" Canada from liability, which means you, or someone on your behalf, cannot sue Canada for underpayment of the disability-related benefits based on the annual adjustment errors alleged in the Class Action for any time up to and including December 31, 2023.

16. Can I remove myself from the Settlement?

No. The deadline to exclude yourself as a Class Member, or "opt-out", expired on March 30, 2022. The Settlement is now final and binding by order of the Federal Court.

17. Am I responsible for legal fees?

You are not responsible for payment of legal fees. The Federal Court has approved Class Counsel's fees, including HST and disbursements, to be automatically calculated and deducted from the Settlement amount you are entitled to before the payment is issued.

The Federal Court approved payments to Class Counsel equal to approximately 17% of each payment made under the Settlement. The FSA contains additional details about Class Counsel fees, available online at <https://vetspensionerror.ca/court-documents/>.

Class Counsel are available to assist Class Members through the claims process free of charge.

THE LAWYERS REPRESENTING YOU

18. Who are Class Counsel, the lawyers for the Class?

Class Counsel are:

- Gowling WLG of Toronto;
- McInnes Cooper of Halifax;
- Koskie Minsky LLP of Toronto;
- Michel Drapeau Law Office of Ottawa; and
- Murphy Battista LLP of Vancouver.

Class Counsel are available to answer any questions you may have about the Settlement or the claims process.

GETTING MORE INFORMATION

This notice summarizes the Settlement. More details are in the Final Settlement Agreement available online at <https://vetspensionerror.ca/court-documents/>.

For more information or for assistance filing a claim, send an email to info@vetspensionerror.ca, or call toll-free at 1-866-545-9920.



ANNEXE "B" - Avis abrégé

AVIS LÉGAL

Percevez-vous une prestation liée à un handicap et administrée par Anciens Combattants Canada?

**Le règlement d'un recours collectif peut vous concerner.
Veuillez lire attentivement cet avis.**

Le [date], la Cour fédérale a approuvé un règlement dans le cadre d'un recours collectif certifié concernant le paiement insuffisant présumé de certaines prestations de pension d'invalidité administrées par Anciens Combattants Canada (« **ACC** ») payables aux membres ou anciens membres des Forces armées canadiennes (« **FAC** ») et de la Gendarmerie royale du Canada (« **GRC** ») et à leurs époux, conjoints de fait, survivants, autres personnes liées et successions (le « **règlement** »).

Si vous avez reçu l'une des prestations liées à l'invalidité énumérées dans cet avis à tout moment entre 2003 et 2023, vous pourriez avoir droit à une compensation dans le cadre du règlement. En tant qu'exécuteur testamentaire, fiduciaire de la succession, administrateur ou membre de la famille d'un membre du groupe décédé qui a reçu des prestations d'invalidité administrées par ACC, vous pouvez également être en mesure de faire une réclamation au nom de la succession.

Si vous avez droit à une indemnisation en vertu du règlement et que vous avez un accord de paiement actif avec ACC, tel qu'un dépôt direct, vous n'avez rien à faire pour recevoir le paiement.

Si vous faites une demande au nom d'un ancien combattant décédé des FAC ou de la GRC, notamment en tant qu'exécuteur testamentaire, fiduciaire, administrateur d'une succession ou membre de la famille, vous devez soumettre un formulaire de demande à [NOM], l'administrateur (« administrateur ») responsable du traitement des demandes, disponible à l'adresse suivante :

[Détails pour l'administrateur]

[Obtenir les détails du formulaire de réclamation]

La date limite pour soumettre une réclamation est le [date]. Tous les demandeurs éligibles ont le droit de recevoir une assistance juridique gratuite de la part des avocats du Groupe pour les besoins de la mise en œuvre du règlement, y compris la préparation et/ou la soumission d'une réclamation à l'administrateur.

Pour plus d'informations ou pour obtenir de l'aide pour déposer une demande, envoyez un courriel à info@vetspensionerror.ca, ou appelez le numéro gratuit 1-866-545-9920. Pour

consulter le texte intégral de la Convention de règlement final, veuillez vous rendre sur le site <https://vetspensionerror.ca/court-documents/>.

QUI EST CONCERNÉ ?

Le règlement concerne les membres et anciens membres des FAC et de la GRC, ainsi que leurs époux, conjoints de fait, personnes à charge, survivants, orphelins et toute autre personne, y compris les successions admissibles de toutes ces personnes, qui ont reçu - à tout moment entre 2003 et 2023 - des prestations d'invalidité fondées sur des ajustements annuels de la pension de base en vertu de l'article 75 de la *Loi sur les pensions* (les « **membres du groupe** »).

Les modalités du règlement lieront l'ensemble des membres du groupe. Le règlement comprend des renonciations aux réclamations déposées dans le cadre du recours collectif certifié.

QUELLES SONT LES PRESTATIONS CONCERNÉES ?

Le règlement affecte les ajustements annuels prescrits des prestations suivantes (les « **prestations affectées** ») :

- Pension pour invalidité *en vertu de la loi sur les pensions* ;
- Pension suite à un décès *en vertu de la loi sur les pensions* ;
- Allocation pour soins *en vertu de la loi sur les pensions* ;
- Allocation pour usure de vêtements et port d'articles d'habillement *spéciaux prévue par la loi sur les pensions* ;
- Allocation exceptionnelle d'incapacité *en vertu de la loi sur les pensions* ;
- Pensions et allocations de guerre pour les pêcheurs canadiens en eau salée, personnel central d'outre-mer, engagés de la défense passive et pour blessures au cours d'un traitement curatif de diverses personnes et Détachement des auxiliaires volontaires (Seconde Guerre mondiale) *en vertu de la Loi sur les prestations de guerre pour les civils* ;
- Indemnités *en vertu du Règlement sur l'indemnisation en cas d'accident d'aviation* ;
- Prestations d'invalidité de la GRC accordées conformément à la *loi sur les pensions* ;
- Allocation vestimentaire *en vertu de la Loi sur le bien-être des vétérans* ;

QUE PRÉVOIT LE RÈGLEMENT ?

Le règlement prévoit une compensation directe pour les membres du groupe qui reçoivent (ou ont déjà reçu) l'un des avantages concernés énumérés ci-dessus, depuis le 1er janvier 2003. Les membres du groupe recevront un paiement unique égal à **[X %]** de tous les avantages affectés qu'ils ont reçus depuis le 1er janvier 2003. Le montant total de l'indemnisation versée par le Canada au groupe pourrait s'élever à 817 300 000 \$.

Il ne s'agit que d'un résumé des avantages offerts par le règlement. Le texte intégral du document d'entente finale intitulée « transaction définitive » ("FSA") est disponible en ligne à l'adresse suivante : <https://vetspensionerror.ca/court-documents/>. Nous vous conseillons de consulter l'intégralité de l'entente de transaction définitive afin de bien identifier vos droits et les mesures à prendre pour accéder à l'indemnisation.

COMMENT SUIS-JE PAYÉ ?

Les membres du groupe admissibles qui perçoivent actuellement des prestations d'invalidité ou des pensions administrées par ACC recevront automatiquement un paiement au titre du règlement par le biais de la méthode de paiement qu'ils utilisent actuellement pour percevoir les prestations, y compris par dépôt direct.

Les membres du groupe qui ont reçu des avantages touchés entre 2003 et 2023, mais qui n'ont pas d'entente de paiement avec ACC, devront présenter une demande à l'administrateur des réclamations. Cela comprend tous les membres du groupe qui sont décédés et lorsqu'un exécuter testamentaire, un fiduciaire de la succession, un administrateur de la succession ou un membre de la famille fait une réclamation au nom de ce membre du groupe.

Toutefois, si un membre du groupe décédé a un survivant qui reçoit des prestations d'ACC et qui a conclu un accord de paiement, ce survivant recevra automatiquement le droit du membre du recours collectif décédé sans qu'il soit nécessaire de présenter une demande à l'administrateur des réclamations.

COMMENT FAIRE UNE DEMANDE D'INDEMNISATION ?

Si vous n'avez pas d'accord de paiement présentement en vigueur avec ACC, vous devez soumettre un formulaire de demande à l'administrateur ici :

[Détails pour l'administrateur]

Veillez lire et suivre les instructions figurant sur le formulaire de réclamation. Les avocats du groupe sont à votre disposition, gratuitement, pour répondre à vos questions et vous aider à préparer votre formulaire de réclamation.

La date limite pour déposer une demande d'indemnisation est le [date].

SUIS-JE RESPONSABLE DES FRAIS DE JUSTICE ?

Vous n'êtes pas responsable du paiement des frais juridiques. La Cour fédérale a approuvé que les honoraires (y compris la TVH) et les débours des avocats du groupe soient automatiquement calculés et déduits du montant du règlement que vous avez le droit de recevoir avant que le paiement ne soit émis.

La Cour fédérale a approuvé des paiements à l'avocat du groupe correspondant à environ 17 % de chaque paiement effectué dans le cadre du règlement. Le document de transaction définitive contient des détails supplémentaires sur les honoraires des avocats du groupe, disponibles en ligne à l'adresse suivante : <https://vetspensionerror.ca/court-documents/>.

Les avocats du groupe sont disponibles pour assister gratuitement les membres du groupe tout au long de la procédure de réclamation.

DES RENSEIGNEMENTS COMPLÉMENTAIRES ?

Pour de plus amples informations ou pour obtenir de l'aide pour votre demande, contactez les avocats du groupe par téléphone, par courriel ou en ligne :

Visitez : <https://vetspensionerror.ca/>

Appeler 1-866-545-9920

Courriel : info@vetspensionerror.ca

CONNAISSEZ-VOUS D'AUTRES BÉNÉFICIAIRES D'UNE PENSION D'INVALIDITÉ ACC ?

Veillez partager ces renseignements avec eux.

Avis détaillé

AVIS LÉGAL

**Percevez-vous une prestation liée à un handicap
et gérée par le ministère des Anciens
Combattants ?**

**Un règlement de recours collectif peut vous concerner.
Veuillez lire attentivement cet avis.**

*La Cour fédérale a autorisé la publication de cet avis.
Il ne s'agit pas d'une sollicitation de la part d'un avocat ou d'un procès contre vous.*

Le [date], la Cour fédérale a approuvé un règlement dans le cadre d'un recours collectif certifié concernant le paiement insuffisant présumé de certaines prestations de pension d'invalidité administrées par Anciens Combattants Canada ("**ACC**") payables aux membres ou anciens membres des Forces armées canadiennes ("**FAC**") et de la Gendarmerie royale du Canada ("**GRC**") et à leurs époux, conjoints de fait, survivants, autres personnes liées et successions (le "**règlement**").

Si vous avez reçu l'une des prestations d'invalidité énumérées dans le présent avis à tout moment entre 2003 et 2023, vous pourriez avoir droit à une compensation dans le cadre du règlement. En tant qu'exécuteur testamentaire, fiduciaire de la succession, administrateur d'une succession ou membre de la famille d'un membre du groupe décédé qui a reçu des prestations d'invalidité administrées par ACC, vous pouvez également être en mesure de faire une demande au nom de la succession.

Si vous avez droit à une indemnisation en vertu du règlement et que vous avez un accord de paiement présentement en vigueur avec ACC, tel qu'un dépôt direct, vous n'avez rien à faire pour recevoir le paiement.

Si vous demandez une indemnisation au nom d'un ancien combattant décédé des FAC ou de la GRC, notamment en tant qu'exécuteur testamentaire, fiduciaire, administrateur d'une succession ou membre de la famille, vous devez soumettre un formulaire de demande (« formulaire de demande ») à [NOM], l'administrateur (« administrateur ») chargé de traiter les demandes :

[Détails pour l'administrateur]

[Obtenir les détails du formulaire de réclamation]

La date limite pour soumettre une réclamation est le **[date]**. Tous les requérants éligibles ont le droit de recevoir une assistance juridique gratuite de la part des avocats du groupe pour les besoins de la mise en œuvre du règlement, y compris la préparation et/ou la soumission d'une réclamation à l'administrateur.

Pour plus de renseignements ou pour obtenir de l'aide afin de déposer une demande, envoyez un courriel à info@vetspensionerror.ca, ou appelez le numéro sans frais 1-866-545-9920. Pour consulter le texte intégral de l'entente de transaction définitive, veuillez vous rendre sur le site <https://vetspensionerror.ca/court-documents/>.

CE QUE CONTIENT LE PRÉSENT AVIS

INFORMATIONS DE BASE

1. Pourquoi ai-je reçu cet avis ?
2. Qu'est-ce qu'un recours collectif ?
3. Quelles sont les prestations d'invalidité gérées par ACC ?
4. Quel est l'objet de ce procès ?
5. Pourquoi y a-t-il un règlement ?

QUI EST CONCERNÉ PAR LE RÈGLEMENT ?

6. Qui est visé par le règlement ?

LES AVANTAGES LIÉS AU RÈGLEMENT ?

7. Que prévoit le règlement ?
8. Que se passe-t-il si le bénéficiaire de la prestation est décédé ?
9. Comment puis-je recevoir un paiement ?
10. Comment déposer une demande d'indemnisation ?
11. Quelle est la date limite pour déposer une demande d'indemnisation ?
12. Quand recevrai-je mon paiement ?
13. Qui vérifie la validité de ma demande ?
14. Ma demande peut-elle être refusée ?
15. À quoi est-ce que je renonce dans le règlement ?
16. Puis-je me retirer du règlement ?
17. Suis-je responsable des frais de justice ?

LES AVOCATS QUI VOUS REPRÉSENTENT

18. Qui sont les avocats du groupe ?
-

INFORMATIONS DE BASE

1. Pourquoi ai-je reçu cet avis ?

La Cour fédérale a autorisé le présent avis afin de vous informer sur le règlement. Cet avis explique le procès, le règlement et la démarche à suivre pour demander une indemnisation. Vous devez lire l'avis dans son intégralité, car vos droits peuvent être affectés même si vous ne faites rien.

Afin de rejoindre le plus grand nombre de personnes possible, des copies de cet avis ont été distribuées aux organisations d'anciens combattants à travers le Canada. Vous avez peut-être reçu cet avis des avocats du recours collectif ou de quelqu'un que vous connaissez, ou vous avez peut-être trouvé cet avis dans un journal ou un lieu public. Si vous connaissez un membre actuel ou ancien des FAC ou de la GRC, veuillez lui montrer une copie de cet avis.

2. Qu'est-ce qu'un recours collectif ?

Dans un recours collectif, une ou plusieurs personnes appelées « **représentants** » intentent une action au nom de ceux qui ont des réclamations similaires. Toutes ces personnes sont appelées « **groupe** » ou « **membres du groupe** ». Les tribunaux règlent les questions pour toutes les personnes concernées par le recours collectif, à l'exception de celles qui s'excluent elles-mêmes du recours. Dans ce recours collectif, la date limite pour s'exclure est dépassée.

3. Quelles sont les prestations d'invalidité gérées par ACC ?

De nombreux membres actuels et anciens des FAC ou de la GRC et les membres de leur famille reçoivent, ou ont reçu, une prestation d'invalidité, une pension ou un paiement connexe administré par ACC. Si vous êtes un membre actuel ou ancien des FAC ou de la GRC, ou si vous avez un lien de parenté avec un membre actuel ou ancien, y compris les anciens membres décédés, vous avez peut-être reçu (ou recevez peut-être actuellement) une ou plusieurs des prestations suivantes :

- Pension d'invalidité en vertu de la loi sur les pensions
 - Pension en vertu de la loi sur les pensions Pension en cas de décès
 - Allocation de présence de la loi sur les pensions
 - Indemnité prévue par la loi sur les pensions pour l'usure des
 - (loi sur les prestations civiles liées à la guerre) pensions et allocations de guerre pour les pêcheurs en eau salée, le personnel des quartiers généraux d'outre-mer, les ouvrages de protection contre les raids aériens et les blessures pour le traitement correctif de diverses personnes et le détachement d'aide volontaire (Seconde Guerre mondiale) loi sur les prestations civiles liées à la guerre)
-

- vêtements ou pour des vêtements spécialement confectionnés
- *Règlement sur l'indemnisation des victimes d'accidents aériens* indemnisation des victimes d'accidents aériens
- Allocation exceptionnelle d'incapacité *prévue par la loi sur les pensions*
- Prestations d'invalidité de la GRC accordées conformément à la *loi sur les pensions*
- Allocation vestimentaire en vertu de la *loi sur le bien-être des anciens combattants* ;

Si vous avez un compte Mon ACC, vous pouvez vérifier en ligne les types d'avantages que vous recevez.

4. Quel est l'objet de ce procès ?

Chaque année, ACC est tenu de calculer un ajustement annuel des prestations mensuelles d'invalidité afin de tenir compte de l'inflation et de l'évolution du coût de la vie. L'ajustement annuel est prescrit par l'article 75 de la *loi sur les pensions*.

Le recours collectif allègue que depuis 2003, ACC a commis des erreurs dans le calcul des augmentations des ajustements annuels, ce qui signifie que les membres du groupe ont été sous-payés de petits montants chaque mois pendant de nombreuses années. Le Canada n'admet pas qu'ACC a commis ces erreurs, mais il a accepté d'effectuer des paiements aux membres du recours collectif pour régler le différend. Dans le présent règlement, les avantages qui ont été prétendument touchés par les erreurs de calcul sont appelés les « **avantages affectés** ». Une liste des avantages affectés est intégrée à la réponse à la question 3 ci-dessus.

5. Pourquoi y a-t-il un règlement ?

La Cour fédérale a approuvé un règlement entre les demandeurs et le Canada. À la suite d'une audience d'approbation du règlement tenue le 18 décembre 2023 à Ottawa, la Cour fédérale a déterminé que le règlement est juste, raisonnable et dans le meilleur intérêt de l'ensemble du groupe.

En acceptant de régler le recours collectif, les parties ont évité les coûts, l'incertitude et les délais d'un procès et d'un jugement. Dans ce cas, cela signifie également que les membres du groupe n'auront pas besoin de témoigner devant le tribunal et de prouver chaque élément nécessaire de leur dossier. Les membres de la classe auront la certitude de connaître leur droit aux paiements dans le cadre du règlement et recevront les paiements plus rapidement selon un échéancier décrit dans le règlement et approuvé par la Cour fédérale.

QUI EST CONCERNÉ PAR LE RÈGLEMENT ?

6. Qui est visé par le règlement ?

Le règlement concerne toute personne qui entre dans le cadre de la définition du groupe. Le 23 décembre 2020, la Cour a certifié la définition du groupe comme suit :

Tous les membres et anciens membres des Forces armées canadiennes et de la Gendarmerie royale du Canada, ainsi que leurs conjoints, conjoints de fait, personnes à charge, survivants, orphelins et toute autre personne, y compris les successions admissibles de ces personnes, qui ont reçu - à tout moment entre 2002 et aujourd'hui - des pensions d'invalidité, des indemnités d'invalidité et d'autres avantages d'Anciens Combattants Canada qui ont été touchés par l'ajustement annuel de la pension de base en vertu de l'article 75 de la *Loi sur les pensions*, y compris, mais sans s'y limiter, les indemnités et les avantages énumérés ci-dessus.

INDEMNITÉS DE RÈGLEMENT

7. Que prévoit le règlement ?

Le règlement prévoit une compensation directe pour les membres du groupe qui reçoivent (ou ont déjà reçu) l'un des avantages affectés énumérés dans la réponse à la Question 3, ci-dessus, depuis le 1er janvier 2003. Chaque membre du groupe a droit à un paiement de [%] de tous les avantages affectés qu'il a reçus depuis le 1er janvier 2003. Le montant total de l'indemnisation versée au groupe pourrait s'élever à 817 300 000 dollars.

Le règlement prévoit également une procédure simplifiée pour les survivants, les exécuteurs testamentaires, les fiduciaires et les administrateurs des successions des membres du groupe, ainsi que pour les membres de la famille des membres du groupe décédés, afin de soumettre des demandes d'indemnisation, même si le défunt est décédé sans testament.

Il ne s'agit que d'un résumé des avantages offerts par le règlement. Le texte intégral de l'entente finale de transaction définitive ("**FSA**") est disponible en ligne à l'adresse suivante : <https://vetspensionerror.ca/court-documents/>. Nous vous conseillons de consulter l'intégralité de la transaction définitive afin de bien comprendre vos droits et les mesures à prendre pour accéder à l'indemnisation.

8. Que se passe-t-il si le bénéficiaire de la prestation est décédé ?

Si le membre du groupe qui a reçu des prestations affectées à tout moment entre 2003 et 2023 est décédé et que ce membre du groupe a un survivant qui reçoit actuellement des

prestations administrées par ACC, ce survivant recevra automatiquement le droit du membre du groupe décédé. Les survivants ayant conclu un accord de paiement avec ACC recevront le paiement automatiquement, sans avoir à remplir un formulaire de demande.

Si le membre du groupe décédé n'a pas de survivant recevant actuellement des prestations administrées par ACC, l'exécuteur testamentaire, le fiduciaire de la succession ou l'administrateur de la succession de ce membre du groupe doit soumettre une demande à l'administrateur afin de recevoir le montant du règlement.

En outre, d'autres personnes, telles que les membres de la famille du membre de l'action collective décédé, peuvent déposer une réclamation, y compris :

- Conjoints ou concubins survivants
- Enfants survivants
- Petits-enfants survivants
- Parents survivants
- Frères et sœurs survivants
- Nièces et neveux survivants
- Tout autre parent survivant
- Organisme de bienfaisance créé par un membre décédé du groupe en vertu d'un testament

Si plus de deux personnes déposent une demande au titre du même membre du groupe, la FSA prévoit une procédure pour déterminer comment le paiement doit être effectué.

9. Comment puis-je recevoir un paiement ?

Si vous recevez déjà des prestations d'invalidité administrées par ACC en tant que membre du groupe, ACC calculera le montant qui vous est dû en vertu du règlement et vous paiera de la même manière que vous recevez normalement les prestations d'ACC. Par exemple, si vous êtes inscrit au dépôt direct, vous recevrez automatiquement un paiement en vertu du règlement en tant que montant supplémentaire dans un dépôt futur. Comme indiqué ci-dessus à la question 8, les survivants d'un membre décédé des FAC ou du groupe de la GRC qui ont un accord de paiement actif avec ACC recevront automatiquement le paiement de ce membre des FAC ou du groupe de la GRC par le biais d'un deuxième dépôt distinct.

Tout membre du groupe qui a reçu des prestations affectées entre 2003 et 2023, mais qui n'a pas d'accord de paiement avec ACC, doit soumettre une réclamation à l'administrateur pour recevoir un paiement aux termes du règlement. Ceci inclut tous les membres du groupe qui sont décédés, et s'applique à un exécuteur testamentaire, un fiduciaire de la succession, un administrateur de la succession ou un membre de la famille qui fait une réclamation au nom du membre du groupe décédé.

Si vous avez reçu des prestations d'ACC dans le passé mais que les paiements ont cessé ou que vos informations bancaires ont changé, vous devez remplir un formulaire de demande et le soumettre à l'administrateur avant la date limite afin de recevoir un paiement.

10. Comment déposer une demande d'indemnisation ?

Si vous n'avez pas d'accord de paiement présentement en vigueur avec ACC, vous devez soumettre un formulaire de réclamation à l'administrateur ici :

[Détails pour l'administrateur]

Veuillez lire et suivre les instructions figurant sur le formulaire de demande d'indemnisation. La date limite pour soumettre une réclamation est le [date]. Les avocats du groupe sont à votre disposition, gratuitement, pour vous aider à remplir votre formulaire de réclamation.

Si vous avez des questions sur le formulaire de réclamation ou si vous souhaitez obtenir de l'aide pour soumettre votre réclamation, veuillez contacter l'avocat du groupe à l'adresse [suivante : info@vetspensionerror.ca](mailto:info@vetspensionerror.ca).

11. Quelle est la date limite pour déposer une demande d'indemnisation ?

La date limite pour déposer une réclamation est le **[date de fin de la période de réclamation]**. Veuillez noter qu'il ne suffit pas d'envoyer votre formulaire de réclamation à l'avocat du groupe. **Tous les formulaires de réclamation doivent être envoyés à l'administrateur.**

12. Quand recevrai-je mon paiement ?

L'échéancier des paiements dépendra de l'existence ou non d'un accord de paiement avec ACC. Les membres du groupe qui n'ont pas d'accord de paiement présentement en vigueur avec ACC devront soumettre un formulaire de réclamation à l'administrateur. Certaines de ces réclamations peuvent être traitées plus rapidement que d'autres. Veuillez contacter l'avocat du groupe pour plus de renseignements.

Les membres du groupe qui ont une entente de paiement avec ACC recevront automatiquement leurs paiements à compter du **[date de l'ordonnance définitive]**. Le Canada est tenu d'effectuer tous les paiements automatiques au plus tard le **[date de l'ordonnance définitive + 9 mois]**.

Si vous n'avez pas d'accord de paiement avec ACC, vous devez soumettre un formulaire de réclamation à l'administrateur pour être éligible à recevoir une compensation dans le cadre du règlement. Le temps nécessaire au traitement de ces réclamations dépendra d'un certain nombre de facteurs, y compris si vous faites une réclamation au nom d'un membre du groupe décédé. La date limite pour soumettre une réclamation est le **[date de fin de la période de réclamation]** et toutes les réclamations doivent être payées au plus tard le **[date de fin du paiement des réclamations]**. Vous devez soumettre une réclamation dès que possible afin de garantir un paiement en temps voulu.

13. Qui vérifie la validité de ma demande ?

La Cour fédérale a désigné KPMG pour agir à titre d'administrateur. L'administrateur est un tiers neutre chargé d'administrer le règlement conformément au règlement approuvé, sous la supervision de la Cour.

14. Ma demande peut-elle être refusée ?

L'administrateur vous informera si votre demande est refusée.

Votre demande peut être refusée si (a) vous n'êtes pas un membre éligible du groupe parce que vous ne répondez pas à la définition du groupe ; (b) vous avez déjà été indemnisé dans le cadre du règlement, y compris si vous soumettez une demande au nom d'un membre du groupe dont le droit a déjà été payé ; ou (c) si votre demande n'a pas été accompagnée des documents justificatifs requis. (Certains types de réclamations nécessitent des documents supplémentaires, d'autres non ; consultez le formulaire de réclamation ou contactez l'avocat du groupe pour obtenir de l'aide).

Si votre demande est rejetée parce qu'il vous manque les pièces justificatives requises, veuillez contacter l'avocat du groupe pour obtenir de l'aide.

15. À quoi est-ce que je renonce dans le règlement ?

À moins que vous ne vous soyez précédemment exclu, le règlement vous oblige à renoncer au droit de poursuivre et d'entreprendre des réclamations individuelles spécifiques contre le Canada. En vertu du règlement, vous "libérez" le Canada de toute responsabilité, ce qui signifie que vous, ou quelqu'un en votre nom, ne pouvez pas poursuivre le Canada pour le paiement insuffisant des prestations liées à l'invalidité sur la base des erreurs d'ajustement annuel alléguées dans le recours collectif pour toute période allant jusqu'au 31 décembre 2023 inclusivement.

16. Puis-je me retirer du règlement ?

Non. La date limite pour vous exclure en tant que membre du groupe, ou "opting-out", a expiré le 30 mars 2022. Le règlement est désormais définitif et contraignant en vertu d'une ordonnance de la Cour fédérale.

17. Suis-je responsable des frais de justice ?

Vous n'êtes pas responsable du paiement des honoraires et autres frais juridiques. La Cour fédérale a approuvé que les honoraires des avocats du groupe, y compris la TVH et les débours, soient automatiquement calculés et déduits du montant du règlement auquel vous avez droit avant que le paiement ne soit émis.

La Cour fédérale a approuvé des paiements à l'avocat du groupe correspondant à environ 17 % de chaque paiement effectué dans le cadre du règlement. La transaction définitive contient des détails supplémentaires sur les honoraires des avocats du groupe, disponibles en ligne à l'adresse suivante : <https://vetspensionerror.ca/court-documents/>.

Les avocats du groupe sont disponibles afin d'aider gratuitement les membres du groupe tout au long de la procédure de réclamation.

LES AVOCATS QUI VOUS REPRÉSENTENT**18. Qui sont les avocats du groupe?**

Les avocats du groupe sont :

- Gowling WLG de Toronto ;
- McInnes Cooper de Halifax ;
- Koskie Minsky LLP de Toronto ;
- Michel Drapeau Law Office d'Ottawa ; et
- Murphy Battista LLP de Vancouver.

Les avocats du groupe demeurent disponibles pour répondre à toutes les questions que vous pourriez avoir sur le règlement ou sur la procédure de demande d'indemnisation.

OBTENIR PLUS DE RENSEIGNEMENTS

Cet avis résume le règlement. Vous trouverez plus de détails dans la transaction définitive disponible en ligne à l'adresse suivante : <https://vetspensionerror.ca/court-documents/>.

Pour plus d'informations ou pour obtenir de l'aide pour déposer une demande, envoyez un courriel à info@vetspensionerror.ca, ou appelez le numéro gratuit 1-866-545-9920.

Schedule "C" – Distribution Plan

Distribution Plan

The Parties will notify Class Members of Settlement Approval in the following manner:

1. The Defendant shall post a banner of the Short Form Notice on the My VAC Account for all Class Members, directing them to a link to the Short Form Notice;
 2. The Defendant shall publish the Long Form Notice on the website of Veterans Affairs Canada;
 3. Class Counsel shall publish the Long Form Notice on their designated website: www.vetspensionerror.ca;
 4. Class Counsel shall send the Short Form Notice to all individuals who registered for an update on the website www.vetspensionerror.ca;
 5. Class Counsel shall issue a press release by [date];
 6. Class Counsel shall place online advertisements using the Google and Meta Advertising networks. The online advertisements will provide links to the designated website: www.vetspensionerror.ca. The budget for online advertising shall be \$50,000;
 7. Class Counsel shall publish the Short Form Notice, or an agreed-upon short form bulletin in print and/or digital editions of the *Globe & Mail*, *National Post*, *La Presse*, and the *Legion Magazine*; and
 8. Class Counsel shall make best efforts to circulate Short or Long Form Notices, or an agreed-upon short form bulletin, to community centres across Canada operated by the Royal Canadian Legion. Class Counsel, subject to their discretion and considering take-up rates during the Claims Period, may circulate the Short or Long Form Notices, or an agreed-upon short form bulletin, to various Canadian Armed Forces regimental associations and/or various Royal Canadian Mounted Police divisions or various divisions of the Royal Canadian Mounted Police Veterans' Association.
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FEDERAL COURT
SOLICITORS OF RECORD

DOCKET: T-119-19

STYLE OF CAUSE: DENNIS MANUGE, RAYMOND TOTH, BETTY BROUSE, BRENTON MACDONALD, JEAN-FRANCOIS PELLETIER AND DAVID WHITE v HIS MAJESTY THE KING

PLACE OF HEARING: OTTAWA, ONTARIO

DATE OF HEARING: DECEMBER 18, 2023

REASONS FOR ORDER AND ORDER: KANE J.

DATED: JANUARY 17, 2024

APPEARANCES:

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