

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 17 January 2024 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 KPMG Inc., the administrator ("**Administrator**") responsible for handling claims:

KPMG Inc.

C/O Disability Pension Class Action Claims Administrator

600 boul. de Maisonneuve West, Suite 1500

Montréal, Québec

H3A 0A3

Online: <https://veteranspensionsettlement.kpmg.ca/>

E-mail: veteranspension@kpmg.ca

For assistance with submitting a Claim Form, please contact the Administrator's dedicated call center at 1-833-839-0648, available Monday to Friday, 8:00 AM to 8:00 PM (Eastern Time).

The deadline to submit a claim is **19 March 2025**. 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.

You may also contact Class Counsel for more information or for assistance with filing a claim, by sending an email to info@vetspensionerror.ca, or calling 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?
4. What is this lawsuit about?
5. Why is there a Settlement?

WHO IS INCLUDED IN THE SETTLEMENT?

6. Who is included in the Settlement?

SETTLEMENT BENEFITS?

7. What does the Settlement provide?
8. What happens if the recipient of the benefit is deceased?
9. How can I receive a payment?
10. How do I file a claim?
11. When is the deadline to file a claim?
12. When will I receive my payment?
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 18 December 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 23 December 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 1 January 2003. Each Class Member is entitled to a payment of about 2% of all Affected Benefits they have received since 1 January 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 and 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.

You must submit a completed and signed Claim Form to the Administrator within the Claim Period.

You are encouraged to use the Claim Form submission link available online at <https://veteranspensionsettlement.kpmg.ca/>. You may, however, submit your Claim Form to the Administrator using one of the following three methods:

1. **online** at <https://veteranspensionsettlement.kpmg.ca/>;
2. by **e-mail** to veteranspension@kpmg.ca; or
3. by **mail** to:

KPMG Inc.

C/O Disability Pension Class Action Claims Administrator

600 boul. de Maisonneuve West, Suite 1500

Montréal, Québec

H3A 0A3

You may download a copy of the Claim Form available online at: <https://veteranspensionsettlement.kpmg.ca/download/Claim-Form.pdf>.

If submitting electronically, the Administrator must receive your completed and signed Claim Form no later than 19 March 2025. If submitting by mail, your completed and signed Claim Form must be postmarked no later than 19 March 2025.

For assistance with submitting a Claim Form, please contact the Administrator's dedicated call center at 1-833-839-0648, available Monday to Friday, 8:00 AM to 8:00 PM (Eastern Time).

Please read and follow the instructions on the Claim Form. The deadline to submit a claim is 19 March 2025. Class Counsel are also 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 **19 March 2025**. 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 **19 March 2024**. Canada is required to complete all automatic payments by **19 December 2024**.

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 **19 March 2025** and all claims are required to be paid by **19 March 2026**. 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 31 December 2023.

16. Can I remove myself from the Settlement?

No. The deadline to exclude yourself as a Class Member, or "opt-out", expired on 30 March 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 to cover fees, disbursements, and HST. 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.