Federal Court  Cour fédérale

Date: 20250704

Docket: T-972-17

Citation: 2025 FC 1193

Ottawa, Ontario, July 4, 2025

PRESENT: The Honourable Mr. Justice Manson

BETWEEN:

DOUGLAS JOST

Plaintiff

and

THE ATTORNEY GENERAL OF CANADA

Defendant

ORDER AND REASONS

WHEREAS the Plaintiff and the Defendant have entered into a final Settlement Agreement dated March 21, 2025 in respect of the claims of the Plaintiff and Class Members against the Defendant;

AND WHEREAS this honourable Court approved the form of notice and plan for distribution of the notice of this motion by Order dated April 3, 2025 (the "Notice Order");

AND UPON READING the Plaintiff's and the Defendant's motion records and written

submissions with respect to approving the Settlement Agreement and payment of the counsel fees and honorarium of the Representative Plaintiff;

AND UPON BEING ADVISED of the Defendant's consent to the form of the Order approving the Settlement Agreement and of the Defendant taking no position with respect to payment of the counsel fees and honorarium to the Representative Plaintiff;

AND UPON HEARING the motions made in writing and by oral submissions of counsel for the Plaintiff, and all interested parties, including any objections, written and oral;

AND UPON CONSIDERNG the following:

I. Introduction

[1] Before this Court are two separate motions brought under sections 334.29 and 334.4 of the *Federal Courts Rules*, SOR/98-106 [Rules]. The first motion seeks the judicial approval of a class action settlement ("Settlement Agreement") while the second one asks the Court to approve the payment of the legal fees and disbursements sought by Class Counsel, Koskie Minsky LLP ("Class Counsel Fees"), and an honorarium to Mr. Douglas Jost, the Representative Plaintiff ("Honorarium").

[2] In 2017, the Representative Plaintiff brought the class action proceeding against the Defendant, the Attorney General of Canada, in relation to the alleged improper pension administration to individuals who served in the Canadian Armed Forces ("CAF") - Reserve Force ("Class Action"). After eight years of litigation, the Settlement Agreement, attached as Annex "A" to this Order, was reached and executed on March 21, 2025.

[3] For the reasons that follow, I will approve the Settlement Agreement, the Class Counsel Fees, and the Honorarium.

II. Background

A. *Procedural History*

[4] The Reserve Force Plan came into effect in 2007, providing pension benefits to Reserve Force Members payable upon release. This was the first pension plan created by Parliament in 40 years. Prior to its implementation, Canada was warned that its existing systems could not effectively manage the new pension plan. Upon implementation, CAF - Reserve Force Members faced substantial delays in receiving their pension entitlements and a backlog in pension administration processing.

[5] In 2011, the Auditor General released a report that concluded, among other things, that the Reserve Force Plan was introduced without adequate planning and without adequately dealing with risks that management had identified prior to the coming into force date for the plan. The backlog persisted until pension administration was transferred to Public Services and Procurement Canada in or around July 2016, who cleared the backlog by the end of 2017.

[6] Mr. Jost commenced this class action proceeding on June 30, 2017. The Statement of Claim alleged that Canada acted negligently and breached implied terms of contractual duties to the Plaintiff and the Class in the administration of the pension entitlements. While the pension

benefits were ultimately paid, the Plaintiff alleges that the delay in payment caused actionable damages.

[7] On November 4, 2019, this Court certified the action as a class proceeding.

[8] The Defendant appealed the certification order. On December 10, 2020, the Federal Court of Appeal held that the Statement of Claim disclosed reasonable causes of action but remitted the certification motion back to the motion judge for determination.

[9] The parties then reached an agreement on certification. The common issues that were certified concerned whether the Defendant breached its duty of care and contractual obligations owed to the Class Members in respect of the delayed pension payments. The following class was certified:

> All individuals who:
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> (a) served in the Canadian Armed Forces – Reserve Force;
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> (b) released from the Canadian Armed Forces between March 1, 2007 and October 31, 2017;
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> (c) were entitled to receive an Immediate Annuity, Transfer Value, Annual Allowance and/or Bridge Benefit under the Regular Force Pension Plan or the Reserve Force Pension Plan; and
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> (d) did not receive payment of the Immediate Annuity, Transfer Value, Annual Allowance and/or Bridge Benefit for more than 60 days from the date of release.

[10] The trial was scheduled to begin on November 4, 2024.

[11] Parties were engaged in trial preparation up to the eve of trial. The Plaintiff had served and filed expert reports and Requests to Admit, and on September 9, 2024, brought a motion to amend the common issues. On September 17, 2024, the Defendant requested the trial be extended by five days.

[12] Shortly after a full-day judicial mediation held on October 7, 2024, the parties reached an agreement on aggregate quantum. On October 16, 2024, the parties agreed to a timetable for the return of the fee and settlement approval motions. In November 2024, Canada advised that it was unable to satisfy the previously agreed to timetable, and a new timetable was agreed upon, with the final settlement agreement to be reached by March 2025.

B. *Overview of the Settlement Agreement*

[13] The parties executed the final Settlement Agreement on March 21, 2025, subject to this Court’s approval. Both parties agree that the settlement is fair, reasonable and in the best interests of the class as a whole.

[14] The key terms of the settlement include an all-inclusive payment of $6,000,000. This all-inclusive amount includes payment for Class Members' compensation, which is dependent on the type of pension benefit that they received and the length of delay that they experienced from the date that the Class Member was released from the CAF to the date that the Class Member received their first pension payment.

[15] Class Members who were entitled to a monthly pension benefit, such as an Immediate Annuity, Annual Allowance and/or Bridge Benefit, would be compensated as follows:

- 1 to 90 Days: $0
- 91 to 150 Days: $400.00
- 151 to 365 Days: $600.00
- 366 to 730 Days: $800.00
- Over 730 days: $1,200.00

[16] Class Members who were entitled to a Transfer Value - a lump sum payment representing the present value of future pension benefits – would be compensated as follows:

- 1 to 180 Days: $0
- Over 181 Days: $600.00

[17] The Settlement Agreement includes additional non-monetary benefits for the class including:

a) payment without proof of harm or damages;

b) a streamlined user-friendly claims process that is managed and paid for by Canada;

c) payment by direct deposit to Class Members' accounts;

d) direct notice of the Settlement Agreement to the Class provided by Canada at Canada's expense.

C. *Notices to Class Members*

[18] In accordance with this Court's Notice Order dated April 3, 2025, and as outlined in the Settlement Agreement, Canada took the following steps between April 22, 2025 and April 30, 2025 to provide Phase I Notice of the Settlement Agreement to Class Members:

a) Posting on the DND website;

b) Posting to DND/Canadian Armed Forces social media channels;

c) Posting on Veteran Affairs Canada website;

d) Posting on MyVAC Account;

e) Distribution of Phase I Notice in Maple Leaf;

f) Direct mailing to Class Members by e-mail and mail;

[19] The Settlement Agreement also includes a Phase II Notice plan to advise Class Members of Settlement Agreement approval and claims process, which includes the same steps as listed above, including direct notice.

III. Issues

[20] The following issues arise on these motions:

A. Should the Court approve the Settlement Agreement as being fair, reasonable and in the best interest of the Class?

B. Should the Court approve the requested fees as fair and reasonable in all the circumstances?

C. Should the Court approve the proposed honorarium of $10,000 to the Representative Plaintiff?

IV. Analysis

A. *The Settlement Agreement*

(1) The test for the approval of class action settlements

[21] Rule 334.29 of the Rules provides that a class proceeding settlement must be approved by the Court. The legal test to be applied is whether the proposed settlement is "fair, reasonable and in the best interests of the class as a whole" (*Condon v Canada*, 2018 FC 522 [*Condon*] at paras 17-20; *Wenham v Canada (Attorney General)*, 2020 FC 588 [*Wenham*] at paras 48-51, aff'd 2020 FCA 186).

[22] While the function of the Court in reviewing a proposed class action settlement is not to reopen and enter into negotiations with litigants in the hope of improving the terms of the agreement, the Court has a responsibility to ensure that class members' interests are not being sacrificed to the interests of class counsel (*Breckon v Cermaq Canada Ltd*, 2024 FC 225 [*Breckon*] at paras 29-30).

[23] In determining whether to approve a settlement, the Court may consider a number of factors, the weight of which will vary depending on the circumstances. The non-exhaustive list of factors includes:

a) the terms and conditions of the settlement;

b) the likelihood of success/recovery;

c) the amount and nature of pre-trial activities, including investigation, assessment of evidence, production and discovery;

d) the arm's length bargaining and information regarding dynamics of negotiations;

e) the recommendation of class counsel;

f) the communications with class members;

g) any expression of support and objections;

h) the presence of good faith and absence of collusion;

i) the future expense and likely duration of litigation; and

j) any other relevant factor or circumstance.

Condon at para 19; *Wenham* at para 50

[24] The Plaintiff asserts, and I agree, that the most important factors in this case are the terms of the Settlement Agreement, the likelihood of success/recovery and future expenses, inherent delays if the litigation were to continue, and the small number of objectors. Although the other factors are not explicitly addressed, I find they generally overlap with the factors discussed below, and also weigh in favour of approval of the Settlement Agreement.

(a) *Terms and Conditions of the Settlement*

[25] As outlined above, the key terms of the settlement include an all-inclusive payment of $6,000,000. Class Members' settlement eligibility will be determined based on the length of delay that they experienced, calculated from the date that a Class Member was released from the CAF to the date that the Class Member received their pension benefit.

[26] The application and distribution process will be administered directly through Canada, which provides both a user-friendly process and meaningful benefits to Class Members. Most significantly, the claims process does not require Class Members to show economic loss, hardship, emotional distress or any other form of damages in order to receive compensation. There are also several advantages to Canada administering the settlement, including significant cost savings by not engaging a third-party, quicker payments since the eligibility requirements need to be determined by reference to Canada's internal pension records, Canada already has the infrastructure in place to process the information, and Canada has the ability to provide direct notice to Class Members at addresses that they are known to use. There is also no conflict inherent in Canada, as the Defendant, administering the settlement (see e.g., *Manuge v Canada*, 2024 FC 68 at paras 38, 47, and 59).

(b) *Likelihood of Success*

[27] The Plaintiff asserts that the anticipated challenges facing the Plaintiff at a common issues trial are a strong factor in favour of settlement approval. He identifies four significant litigation risks in this case: (i) whether there is an enforceable contract with respect to pension administration between members of the CAF and Canada; (ii) whether the duty of care concerns "core" policy, which is not justiciable or, alternatively, whether there are other policy reasons against imposing a duty of care; (iii) whether it is possible for the Class to recover interest on the delayed payment; and (iv) whether aggregate damages are available.

[28] I agree with Counsel for the Plaintiff that the claims raised were novel and the Plaintiff faced a great deal of uncertainty and risk regarding their success at a common issues trial. There

were serious questions as to whether there was an enforceable contract between veterans and Canada (*Canada (Attorney General) v Jost*, 2020 FCA 212 at para 60; *Knisley v Attorney General of Canada*, 2024 ONSC 3528 at paras 48 to 56 rev'd on other grounds, 2025 ONCA 185 at para 16) and whether the negligence claim concerned core policy decisions for which there is no liability (*R v Imperial Tobacco Canada Ltd*, 2011 SCC 42 at para 90). Additionally, even if the Plaintiff was successful on proving liability, as acknowledged by the Plaintiff, the complexity and individual nature of each of the Class Members' personal circumstances and records militated against this Court awarding aggregate damages. Absent aggregate damages, individuals would have to wait until the individual issues stage to be paid compensation and would have to make their claim on financial records that were more than ten years old.

[29] Given the late-stage settlement, Class Counsel engaged in detailed and cumbersome processes leading to the eve of trial, which included a contentious certification motion and appeal, voluminous document production that took place over three years, extensive discovery, and trial preparation. I am satisfied that Class Counsel was well-positioned to evaluate the risks of further litigation and conclude that settlement is in the best interests of the class (*Cannon v Funds for Canada Foundation*, 2017 ONSC 2670 at para 5).

(c) *Future Delays, including Individual Issue Claims Process*

[30] The Plaintiff asserts that had he continued with litigation, the potential compensation for Class Members would still be many years away. He expects it would take at least four to five years, accounting for the expectation that, given the novelty of the issues, a trial decision would take up to a year, there would be an appeal to the Federal Court of Appeal, and a further appeal

to the Supreme Court of Canada. Additionally, Class Members would be required to prove damages, which would increase the length of time for Class Members to receive compensation.

[31] Courts have recognized that immediate payment to class members is a factor in support of a settlement (*Condon* at para 58; *Breckon* at para 76). This is particularly true in this case, where Class Members can efficiently and simply apply for and receive their benefits through the streamlined application process.

(d) *The Small Number of Objections*

[32] After a direct and indirect notice campaign to Class Members, which is described above, approximately 0.2% of Class Members (19) filed objection forms. As noted by the Plaintiff, only 0.1% of the Class (9) actually object to the settlement, as the other objections did not disclose an objection. These objections fell under three general categories: (1) concerns over the compensation amounts; (2) concerns over Canada administering the settlement as a potential conflict of interest; and (3) a desire for a late-stage opt out.

[33] Given this minuscule number of objections and considering the objections raised, I am of the view that the Settlement Agreement should be approved. As this Court stated in *Manuge v Canada*, 2013 FC 341 [*Manuge*] at paragraph 25 and *Condon* at paragraph 70, “it would not serve the interests of the vast majority of the Class who did not object to the settlement to send the parties back into further discussions to address the concerns of a “handful” of objectors.” The Settlement Agreement is fair, reasonable and in the best interests of the Class as a whole, even if it is less than ideal for any particular Class Member (*Condon* at para 69).

(e) *Concerns Over Quantum*

[34] I agree with the Plaintiff that the level of compensation reflects the litigation risk and the time-value of money to the class, while accounting for the advanced age of most of the Class Members. In my view, the fact that the settlement does not require Class Members to prove any form of legally compensable loss, including emotional or mental distress, which may not be compensable here, is a significant benefit not considered by the objections based on quantum. The predictability and efficiency with which Class Members will receive the award are important considerations in this case that support the fairness and reasonableness of the Settlement Agreement. The Concerns over quantum do not constitute a reason to deny approval.

(2) Conclusion on the Settlement Agreement

[35] In this case, I am satisfied that the Court was presented with sufficient evidence to allow me to make an objective, impartial and independent assessment of the fairness of the proposed Settlement Agreement (*Condon* at para 38).

[36] Considering the above, I agree with the parties that the Settlement Agreement is fair, reasonable and in the best interests of the Class as a whole, and as such I hereby approve the Settlement Agreement.

B. *Class Counsel Fees and the Honorarium*

[37] Class Counsel request fees in the amount of $1,910,807.77, plus HST, plus $180,096.01 in unpaid disbursements and applicable taxes.

[38] The requested fee is just shy of 33% contingency fee agreed to in the Retainer Fee Agreement. Under the Retainer Fee Agreement, Class Counsel are entitled to be paid an amount equal to:

a) any disbursements not already paid to Class Counsel by the Defendant as costs, plus applicable taxes, plus interest thereon; plus

b) 33% of the "Recovery", which is $6,000,000 less disbursements ($203,508.49), plus HST.

[39] According to the Retainer Fee Agreement, Class Counsel would be entitled to $180,096.01 in disbursements plus $23,412.48 in HST and $1,912,842.20 of the Recovery, plus $248,669.49 in HST.

[40] The jurisprudence has held that a percentage-based fee contained in a retainer agreement is presumed to be fair and should only be rebutted or reduced "in clear cases based on principled reasons" (*Condon* at para 85, citing *Cannon v Funds for Canada Foundation*, 2013 ONSC 7686 at para 8).

(1) The test for the approval of class counsel fees

[41] Rule 334.4 of the Rules provides that all payments to counsel flowing from a class proceeding must be approved by the Court. The overarching test applicable to assessing class counsel fees is that they have to be "fair and reasonable in all of the circumstances" (*Condon* at para 81; *Manuge* at para 28).

[42] The principal factors the Plaintiff asserts this Court should consider in assessing whether the counsel fees are reasonable are: (i) the results achieved for class members; (ii) the risks undertaken by class counsel; and (iii) the legal and factual complexities of the case (citing to *Condon* at para 83). Other factors the Court may consider include: the importance of the issues to the class; the skill and competence demonstrated by class counsel throughout the case; ability of the class to pay and the class's expectation of legal fees; the opportunity cost to class counsel in the expenditure of time in pursuit of the litigation; and fees in similar cases (*Breckon* at para 127; *Moushoom v Canada (Attorney General),* 2023 FC 1739 at paras 83-84).

(a) *The Results Achieved*

[43] The terms of the Settlement Agreement have been outlined above. It includes an all-inclusive payment of $6,000,000, which will provide compensation to Class Members according to their pension type and the delay that they experienced. The significant advantages of this agreement include the non-monetary benefits, including the streamlined distribution process. Additionally, the settlement has a mechanism to adjust Class Members' individual payments if settlement funds remain available after all individual payments are assessed.

(b) *The Risks and Degree of Responsibility Assumed by Class Counsel*

[44] As described above, this was a high risk and complex case. The liability claims were novel and difficult to prove, and the damages claim was similarly complex, likely requiring individual damage assessments at the end of the trial.

[45] For over eight years, Class Counsel bore all the risks of litigation without any guarantee of payment. Class Counsel pursued this action on a contingency fee basis, and accepted responsibility for all expenses and costs, without pursuing third-party litigation funding or partnering with any other firm as part of a consortium to prosecute the suit. As of May 15, 2025, Class Counsel incurred $2,561,699.50 in unbilled fees, $333,020.94 in HST, and $203,508.49 in unbilled disbursements and taxes, for a total of $3,098,228.93.

(c) *Expectations of the Class*

[46] The amount of fees sought by Class Counsel were disclosed as part of the Notice Plan implemented by the parties in April 2025. No objections to the legal fees sought have been received.

[47] The Representative Plaintiff also provided evidence that he was aware of the contingency fee rate in the retainer agreement and that he believes the fees Class Counsel are seeking are fair in all the circumstances.

(d) *Importance to the Class*

[48] Evidence provided showed that the Class consists of upwards of 9,610 veterans. Without this class proceeding and counsel's willingness to prosecute this action on a contingency basis, these class members would have had no meaningful way to obtain compensation.

(e) *Class Counsel's Experience*

[49] Class Counsel have been involved in dozens of class actions including in employment and employee benefits claims. They have a breadth of experience at all stages of class action procedure, from certification to trial to settlement.

(f) *Opportunity Costs to Class Counsel*

[50] Class counsel have expended significant time and resources in pursuing this litigation over the eight years. As of May 15, 2025, Class Counsel have spent 4,501.60 hours of lawyer, student and clerk time, with a value of $2,561,699.50.

(g) *Fees in Similar Cases*

[51] The requested fee, which falls just short of the 33% contingency fee, falls into the high end of fees sought by class counsel (*Lin v Airbnb, Inc*, 2021 FC 1260 at para 102). The British Columbia Supreme Court found that that the typical range for contingency fees has been recently described as being "15% to 33% of the award or settlement" in British Columbia (*Lin* at para 102, citing *Kett v Kobe Steel, Ltd*, 2020 BCSC 1977 at para 54). Although the requested fee

is within the “high end” of what is considered reasonable, in the circumstances of this case, particularly with respect to the risk and uncertainty of the Plaintiff’s claims at trial, it is reasonable.

(2) Conclusion

[52] The legal fees sought by Class Counsel are consistent with the Retainer Fee Agreement and are fair and reasonable in light of the circumstances of this case, which are highlighted above.

C. *The Honorarium*

[53] Class Counsel also request an honorarium in the amount of $10,000 to the Representative Plaintiff, Mr. Douglas Jost, for his contribution to the Class Members’ pursuit of access to justice.

[54] Honoraria to representative plaintiffs are awarded sparingly and requires “exceptional contribution that has resulted in success for the class” (*Breckon* at para 168). In determining whether the circumstances are exceptional, the Court may consider several factors, including: (i) active involvement in the initiation of the litigation and retainer of counsel; (ii) exposure to a real risk of costs; (iii) significant personal hardship or inconvenience in connection with the prosecution of the litigation; (iv) time spent and activities undertaken in advancing the litigation; (v) communication and interaction with other class members; and (vi) participation at various

stages in the litigation, including discovery, settlement negotiations and trial (*Breckon* at para 169, citing *Shah v LG Chem Ltd,* 2021 ONSC 396 at para 50).

[55] This Court has recently supported the nine reasons outlined by Justice Perell in the matter of *Doucet v The Royal Winnipeg Ballet*, 2022 ONSC 976 at paragraph 61 that culminate in the conclusion that, as a matter of legal principle, honorariums should no longer be granted in class proceedings:

> 1. Awarding a litigant on a *quantum meruit* basis for active and necessary assistance in the preparation or presentation of a case is contrary to the policy of the administration of justice that represented litigants are not paid for providing legal services. Lawyers not litigants are paid for providing legal services.
>
> 2. *A fortiori* awarding a represented litigant on a *quantum meruit* basis for active and necessary assistance in the preparation or presentation of a case is contrary to the policy of the administration of justice that self-represented litigants are not paid for providing legal services. Lawyers not litigants are paid for providing legal services.
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> 3. Awarding a litigant for such matters as being a witness on examinations for discovery or for trial is for obvious reasons contrary to the administration of justice.
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> 4. In a class action regime based on entrepreneurial Class Counsel, the major responsibility of a Representative Plaintiff is to oversee and instruct Class Counsel on such matters as settling the action. The court relies on the Representative Plaintiff to give instructions that are not tainted by the self-interest of the Representative Plaintiff receiving benefits not received by the Class Members he or she represents.
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> 5. Awarding a Representative Plaintiff a portion of the funds that belong to the Class Members creates a conflict of interest. Class Members should have no reason to believe that their representative may be motivated by self-interest and personal gain in giving instructions to Class Counsel to negotiate and reach a settlement.
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> 6. Practically speaking, there is no means to testing the genuineness and the value of the Representative Plaintiff's or Class

> Member's contribution. Class Counsel have no reason not to ask for the stipend for their client being paid by the class members. The affidavits in support of the request have become *pro forma*. There is no cross-examination. There is no one to test the truth of the praise of the Representative Plaintiff. Class Members may not wish to appear to be ungrateful and ungenerous and it is disturbing and sometimes a revictimization for the court to scrutinize and doubt the evidence of the apparently brave and resolute Representative Plaintiff.
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> 7. The practice of awarding an honourarium for being a Representative Plaintiff in a class action is tawdry. Using the immediate case as an example, awarding Class Counsel $2.25 million of the class member's compensation for prosecuting the action, makes repugnant awarding Ms. Doucet $30,000 of the class member's compensation for her contribution to prosecuting the action. The tawdriness of the practice of awarding a honourarium dishonours more than honours the bravery and contribution of the Representative Plaintiff.
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> 8. As revealed by the unprecedented request made in the immediate case, the practice of awarding a honourarium to a Representative Plaintiff in one case is to create a repugnant competition and grading of the contribution of the Representative Plaintiff in other class actions.
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> 9. The practice of awarding a honourarium in one case may be an insult to Representative Plaintiffs in other cases where lesser awards were made. For instance, in the immediate case, I cannot rationalize awarding Ms. Doucet $30,000 for her inestimably valuable contribution to this institutional abuse class action with the $10,000 that was awarded to the Representative Plaintiffs who brought access to justice to inmates in federal penitentiaries and who themselves experienced the torture of solitary confinement. I cannot rationalize awarding any honourarium at all when I recall that the Representative Plaintiff in the Indian Residential Schools institutional abuse class action did not ask for a honourarium and he did not even make a personal claim to the settlement fund. Having to put a price tag to be paid by class members on heroism is repugnant.

[56] Like Justice Gascon in *Breckon* at paragraphs 177 to 178, I also agree with those comments outlined above. Generally, honorariums should not be granted for work that is

expected of representative plaintiffs. However, where a plaintiff has gone above and beyond in their contributions on behalf of the class, amounting to exceptional circumstances in a particular case, an honorarium may be justified.

[57] As Class Counsel points out, Mr. Jost was a public advocate for Class Members before he started this class action, he retained Class Counsel, and he continued to advocate for the class for over eight years. He made significant contributions to the class action, having carried out real and significant work, including but not limited to: (i) preparing affidavits for certification; (ii) preparing for and attending cross-examinations on the affidavit in support of certification; (iii) preparing for and attending examinations for discovery in support of the trial; (iv) strategizing with class counsel from time to time over the years, including over settlement; and (v) preparing for and taking the case to the doorstep of trial, as a central witness.

[58] I agree with Class Counsel that Mr. Jost went beyond "merely doing [his] job as class representative." Additionally, he endured personal hardship – including criticism in the media and through cross-examination and discovery – and took on those burdens so hundreds of other class members did not have to do it. I do not hesitate to find that his contributions were exceptional.

[59] Given the above, I find it is appropriate and fair to award Mr. Jost an honorarium in the amount of $10,000.

V. Conclusion

[60] The Plaintiff's two motions are granted.

[61] The Settlement Agreement is approved as I find it fair, reasonable, and in the best interests of the class as a whole. The requested Class Counsel Fees and the Honorarium are also fair and reasonable and are approved.

ORDER in T-972-17

THIS COURT ORDERS that:

1. For the purposes of the settlement, the following definitions shall apply:

   "Administrator" means Canada;

   "Annual Allowance" means "annual allowance" as defined in the *Canadian Forces Superannuation Act,* RSC 1985, c C-17, and its associated regulations;

   "Approval Date" means the date that this Order is executed;

   "Approval Orders" means this Order and the Order approving counsel fees in this matter;

   "Bridge Benefit" means "bridge benefit" as defined in the *Canadian Forces Superannuation Act,* RSC 1985, c C-17, and its associated regulations;

   "Canada" or "Government of Canada" means His Majesty the King in Right of Canada, and includes the Department of National Defence and the Canadian Armed Forces;

   "Certification Order" means the order of the Court dated April 16, 2021 in this matter;

   "Claimant" means a person who completes a Claim Form, or on whose behalf a Claim Form is submitted;

   "Claim Form" means the form which must be completed to apply for an Individual Payment, the content of which is attached as Schedule "B" to the Settlement Agreement or as amended by agreement of the Parties;

   "Class Action" means this class proceeding, Court File No. T-972-17;

   "Class Counsel" means Koskie Minsky LLP;

   "Class Members" means all persons who meet the definition set out in paragraph 3 below;

   "Immediate Annuity" means "immediate annuity" as defined in the *Canadian Forces Superannuation Act,* RSC 1985, c C-17, and its associated regulations;

   "Implementation Date" means the latest of:

   a) forty-five (45) days from the Approval Order; and

   b) thirty (30) days from the last day on which a Class Member may appeal or seek leave to appeal the Approval Order; and

   c) thirty (30) days from the date of the final determination of any appeal brought in relation to the Approval Order.

"Opt Out" means the delivery of a valid opt out form prior to the expiry of the Opt Out Period;

"Opt Out Period" means the period that expired on August 14, 2021 pursuant to the Certification Order;

"Parties" means the Plaintiff and Canada;

"Releasees" means individually and collectively, Canada, all current and former Ministers, employees, departments, Crown agents, agencies, staff, Crown servants and members of the CAF;

"Releasor(s)" means each Class Member, deceased Class Member, Estate Executor, and their respective legal representatives, successors, heirs and assigns;

"Settlement Agreement" means the final Settlement Agreement, including the Schedules listed at Section 1.06 of the Agreement, executed between the parties on March 21, 2025 and attached as an Appendix to this Order;

"Transfer Value" means "transfer value" as defined in the *Canadian Forces Superannuation Act,* RSC 1985, c C-17, and its associated regulations.

2. All applicable parties have adhered to and acted in accordance with the Notice Order dated April 3, 2025 and the procedures provided in the Notice Order have constituted good and sufficient notice of the hearing of this motion.

CLASS DEFINITION

3. The Class includes all individuals who did not opt out of the Class Action during the Opt Out Period and who:

    a) served in the Canadian Armed Forces – Reserve Force;

    b) released from the Canadian Armed Forces between March 1, 2007 and October 31, 2017;

    c) were entitled to receive an Immediate Annuity, Transfer Value, Annual Allowance and/or Bridge Benefit under the Regular Force Pension Plan or the Reserve Force Pension Plan; and

    d) did not receive payment of the Immediate Annuity, Transfer Value, Annual Allowance and/or Bridge Benefit for more than 60 days from the date of release.

4. There shall be no further provision for Class Members to opt out of the Class Action.

SETTLEMENT APPROVAL

5. The settlement of this Class Action on the terms set out in the Settlement Agreement attached as an Appendix to this Order, including the Schedules, and as expressly incorporated by

reference into this Order, is fair and reasonable and in the best interests of Class Members as a whole, and is approved.

6. The Settlement Agreement and this Order are binding on the Parties and on every Class Member, including persons under a disability, and are binding whether or not such Class Member claims or receives compensation.

DISMISSAL AND RELEASE

7. The Class Action, and the claims of the Class Members and the Class as a whole, are dismissed against Canada, without costs and with prejudice and such dismissal shall be a defence and absolute bar to any subsequent action against Canada in respect of any of the claims or any aspect of the claims made in the Class Action and relating to the subject matter thereof, and are released against the Releasees in accordance with Section 10 of the Settlement Agreement, in particular as follows:

    (a) the Releasor(s) fully, finally and forever release and discharge the Releasees from any and all actions, suits, proceedings, causes of action, common law, Quebec civil law and statutory liabilities, equitable obligations, contracts, claims, losses, costs, 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 which any Releasor may ever have had, may now have, or may in the future have, directly or indirectly arising from or in any way relating to or by way of any subrogated or assigned right or otherwise with respect to or in relation to any aspect of the Class Action and this release includes any such claim made or that could have been made in any proceeding including the Class Action whether asserted directly by the Releasor(s) or by any other person, group or legal entity on behalf of or as representative of the Releasor(s);

    (b) The Releasor(s) agree that if they make any claim or demand or take any actions or proceedings against another person or persons in which any claim could arise against a Releasee for damages or contribution or indemnity and/or other relief over under the provisions of the *Negligence Act*, R.S.O. 1990, c. N-3, or its counterpart in other jurisdictions in relation to the Class Action, then the Releasor(s) will expressly limit their claims to exclude any portion of responsibility of the Releasees;

    (c) Canada's obligations and liabilities under the Settlement Agreement constitute the consideration for the releases and other matters referred to in the Settlement Agreement and such consideration is in full and final settlement and satisfaction of any and all claims referred to therein and the Releasor(s) are limited to the benefits provided and compensation payable pursuant to the Settlement Agreement, in whole or in part, as their only recourse on account of such claims.

8. This Order, including the releases referred to in paragraph 7 above, and the Settlement Agreement, are binding upon all Class Members, including those persons who are under a disability.

ADMINISTRATION

9. Canada shall administer the Claims process in accordance with the Settlement Agreement. The costs of administration shall be borne by Canada.

10. No person may bring any action or take any proceeding against the Administrator, or any employees, servants, agents, partners, associates, representatives, successors or assigns, for any matter in any way relating to the Settlement Agreement, the Notice Plan, the administration of the Settlement Agreement or the implementation of this Order, except with leave of the Court on notice to all affected parties.

NOTICE

11. The Notice Plan provided for in Section 3.01 of the Settlement Agreement and in the forms described in Section 3.02 and Schedule "C" of the Settlement Agreement satisfy the requirements of the *Federal Courts Rules,* and constitute the best notice practicable under the circumstances.

12. Within forty-five (45) days of this Order, notice shall be given of this Order, the approval of the Settlement Agreement and the Claims Period, in accordance with the Notice Plan attached as Schedule "C" to the Settlement Agreement.

13. Notice shall be given in the forms attached as Schedule "F" to the Settlement Agreement subject to the right of the parties to make non-material amendments as may be necessary or appropriate.

14. Subject to the exceptions identified in Section 3.04 of the Settlement Agreement, Canada shall pay the reasonable costs associated with the Notice Plan.

CLASS COUNSEL FEES AND NOTICE FEES

15. The total amount payable out of the Settlement Amount to Class Counsel in respect of legal fees is hereby set at $1,910,807.77 plus $248,405.01 for HST, which is hereby set at the rate of harmonized sales tax applicable in the province of Ontario. No other consumption taxes shall apply. The sum total of legal fees and taxes on same is $2,159,212.78.

16. The total amount payable out of the Settlement Amount to Class Counsel in respect of disbursements, in addition to legal fees payable pursuant to paragraph 1, above, is hereby set at $180,096.01 plus $23,412.48 for HST, which is hereby set at the rate of harmonized sales

tax applicable in the province of Ontario. No other consumption taxes shall apply. The sum total for disbursements and taxes on same is $203,508.49.

17. The Plaintiff, Douglas Jost, shall receive an honourarium of $10,000.00 to be paid out of the Settlement Amount.

18. The Defendant shall make the payments listed at paragraphs 1, 2 and 3, above, to Class Counsel within sixty (60) days of the Implementation Date.

19. There shall be no order as to costs regarding this motion.

CONTINUING JURISDICTION AND REPORTING

20. The Settlement Agreement shall be implemented in accordance with this Order and further orders of this Court.

21. This Court, without in any way affecting the finality of this Order, shall have exclusive and continuing jurisdiction over this Class Action, the Plaintiff, Class Members and the Defendant, for the limited purpose of implementing and enforcing the Settlement Agreement and this Order.

22. This Court may issue such further and ancillary orders, from time to time, as are necessary to implement and enforce the provisions of the Settlement Agreement and this Order.

"Michael D. Manson"

Judge

ANNEX A

48

Court File No.: T-972-17

FEDERAL COURT

CLASS PROCEEDING

B E T W E E N :

DOUGLAS JOST

Plaintiff

- and -

ATTORNEY GENERAL OF CANADA

Defendant

SETTLEMENT AGREEMENT

WHEREAS the representative Plaintiff, Douglas Jost, initiated this action on behalf of all individuals who:

(a) served in the Canadian Armed Forces – Reserve Force;

(b) released from the Canadian Armed Forces between March 1, 2007 and October 31, 2017;

(c) were entitled to receive an Immediate Annuity, Transfer Value, Annual Allowance and/or Bridge Benefit under the Regular Force Pension Plan or the Reserve Force Pension Plan; and

(d) did not receive payment of the Immediate Annuity, Transfer Value, Annual Allowance and/or Bridge Benefit for more than 60 days from the date of release.

AND WHEREAS the Federal Court of Canada certified this action as a class proceeding on April 16, 2021;

AND WHEREAS the Parties have agreed to settle the Class Action upon the terms contained in this Settlement Agreement;

AND WHEREAS the Parties to this Settlement Agreement have conducted a thorough analysis of the claims and have taken into account the extensive burdens and expense of a common issues trial and any appeals;

NOW THEREFORE, in consideration of the mutual agreements, covenants and undertakings set out in this Settlement Agreement, the Parties agree to resolve the issues in dispute in this class proceeding as follows:

SECTION ONE: INTERPRETATION

1.01 Definitions

In this Settlement Agreement, the following terms will have the following meanings:

"Administrator" means Canada;

"Annual Allowance" means "annual allowance" as defined in the *Canadian Forces Superannuation Act,* RSC 1985, c C-17, and its associated regulations;

"Approval Date" means the date the Court issues its Approval Order;

"Approval Order" means the order of the Federal Court, a draft of which is attached as **Schedule "A"**, approving this Settlement Agreement as fair, reasonable and in the best interests of the Class Members;

"Bridge Benefit" means "bridge benefit" as defined in the *Canadian Forces Superannuation Act,* RSC 1985, c C-17, and its associated regulations;

"Business Day" means a day other than a Saturday or a Sunday or a day observed as a holiday under the laws of the province or territory in which the person who needs to take action pursuant to this Settlement Agreement is situated, or a holiday under the federal laws of Canada applicable in the said province or territory;

"Canada" or **"Government of Canada"** means His Majesty the King in Right of Canada, and includes the Department of National Defence and the Canadian Armed Forces;

"Canadian Armed Forces" or **"CAF"** includes, for the purposes of this Settlement Agreement, any branch, corps, service or other group within, or forming part of, the Sovereign's armed or military forces of Canada;

"Certification Order" means the order of the Court dated April 16, 2021 in the Class Action;

"Claim" means an application for an Individual Payment completed substantially in the form attached as **Schedule "B"** or as amended by agreement of the Parties,

along with any supporting documentation;

"Claimant" means a person who completes and submits a Claim Form, or on whose behalf a Claim Form is submitted;

"Claim Form" means the form which must be completed to apply for an Individual Payment, the content of which is attached as **Schedule "B"** or as amended by agreement of the Parties;

"Claims Deadline" means the date that is five (5) months from the commencement of the Claims Period;

"Claims Period" means the period from the Implementation Date to the Claims Deadline;

"Class Action" means the action styled as *Douglas Jost v. Attorney General of Canada*, File No. T-972-17;

"Class Counsel" means Koskie Minsky LLP;

"Class Counsel Fees" means the fees, disbursements, and all applicable taxes, awarded to Class Counsel as determined by the settlement approval hearing and pursuant to Part 5.1 of the *Federal Courts Rules,* SOR/98-106;

"Class Members" means all persons who meet the definition in **Section 4.02**;

"Class Period" means the period from March 1, 2007 to October 31, 2017;

"Court" means the Federal Court of Canada;

"Date of Payment" means the date determined in accordance with **Section 5.03**;

"Date of Release" means the date of the release that formed the basis for the calculation of an Immediate Annuity, Transfer Value, Annual Allowance and/or Bridge Benefit under the Regular Force Pension Plan or the Reserve Force Pension Plan in respect of which a Claim is made;

"Department of National Defence" or **"DND"** means the department established under section 3 of the *National Defence Act,* RSC, 1985, c N-5, over which the Minister of National Defence presides;

"Eligible Class Member" means a Class Member who was alive during any part of the Class Period, and whose eligibility for an Individual Payment is approved in accordance with the provisions of this Settlement Agreement;

"Estate Executor" means the estate executor, administrator or trustee of a deceased Claimant's estate or of a deceased Class Member's estate;

"Immediate Annuity" means "immediate annuity" as defined in the *Canadian*

Forces Superannuation Act, RSC 1985, c C-17, and its associated regulations;

"Immediate Family Member" means a spouse, child, parent or sibling, including a child, parent or sibling by a valid adoption in accordance with applicable provincial and territorial legislation;

"Implementation Date" means the latest of:

a) forty-five (45) days from the Approval Order; and

b) thirty (30) days from the last day on which a Class Member may appeal or seek leave to appeal the Approval Order; and

c) thirty (30) days from the date of the final determination of any appeal brought in relation to the Approval Order.

"Increased Individual Payment" means the payment determined in accordance with **Section 5.06**;

"Individual Payment" means the payment assessed as owing to an Eligible Class Member in accordance with the provisions of this Settlement Agreement;

"Notice Plan" means the program of notice set out in **Schedule "C"**;

"Opt-Out" means the delivery of a valid opt out form prior to the expiry of the Opt-Out Period;

"Opt-Out Period" means the period that expired on August 14, 2021 pursuant to the Certification Order;

"Parties" means the Plaintiff and Canada;

"Personal Representative" means the personal representative of a Class Member who is under a disability as defined by applicable federal, provincial and/or territorial legislation;

"Reduced Individual Payment" means the payment determined in accordance with **Section 5.05**;

"Regular Force Pension Plan" means the pension plan governed by Part I of the *Canadian Forces Superannuation Act,* RSC 1985, c C-17, and its associated regulations;

"Releasees" means individually and collectively, Canada, all current and former Ministers, employees, departments, Crown agents, agencies, staff, Crown servants and members of the CAF;

"Releasor(s)" means each Class Member, deceased Class Member, Estate Executor, and their respective legal representatives, successors, heirs and

assigns;

"Reserve Force Pension Plan" means the pension plan governed by Part I.1 of the *Canadian Forces Superannuation Act,* RSC 1985, c C-17, and its associated regulations;

"Settlement Agreement" means this document entitled "Settlement Agreement", including the Schedules listed in **Section 1.07**;

"Settlement Amount" means the total amount of six million dollars ($6,000,000) which will be used to pay out Individual Payments, Increased Individual Payments or Reduced Individual Payments, as the case may be, Class Counsel Fees, any honorarium for the representative Plaintiff, the allowable costs of the Notice Plan, and all applicable taxes;

"Settlement Compensation Amount" means the portion of the Settlement Amount remaining after the deduction of Class Counsel Fees, any honorarium for the representative Plaintiff, the allowable costs of the Notice Plan, and all applicable taxes;

"Transfer Value" means "transfer value" as defined in the *Canadian Forces Superannuation Act,* RSC 1985, c C-17, and its associated regulations.

1.02 Headings

The division of this Settlement Agreement into Sections and Schedules and the insertion of a table of contents and headings are for convenience of reference only and do not affect the construction or interpretation of this Settlement Agreement.

1.03 Interpretation

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

1.04 Day For Any Action

Where the day or date on or by which any action required to be taken hereunder expires or falls on a day that is not a Business Day, such action may be done on the next succeeding day that is a Business Day.

1.05 Currency

All references to currency herein are to the lawful money of Canada.

1.06 Schedules

The following Schedules to this Settlement Agreement are incorporated into and form part of it by this reference as fully as if contained in the body of this Settlement Agreement:

- **Schedule "A"** – Draft Approval Order
- **Schedule "B"** – Content of Claim Form
- **Schedule "C"** – Notice Plan
- **Schedule "D"** – Notice of Settlement Approval Hearing
- **Schedule "E"** – Objection Form
- **Schedule "F"** – Notice of Approval of Settlement and Claims Process
- **Schedule "G"** – Original Statement of Claim, issued June 30, 2017
- **Schedule "H"** – Fresh As Amended Statement of Claim, dated April 14, 2021
- **Schedule "I"** – Class Counsel

In the event of a contradiction between the content of the body of this Settlement Agreement and the content of the body of one of the above Schedules, the language of the body of the Settlement Agreement will govern.

1.07 No Other Obligations

All actions, causes of action, liabilities, claims and demands whatsoever of any nature or kind for damages, contribution, indemnity, costs, expenses or interest which any Class Member ever had, now has or may hereafter have arising against His Majesty the King in Right of Canada, and all current or former Ministers, employees, officials, departments, Crown agents, agencies, or Crown servants in relation to the delay in payment of an Immediate Annuity, Transfer Value, Annual Allowance and/or Bridge Benefit under the Regular Force Pension Plan or the Reserve Force Pension Plan during the Class Period, and actions taken in relation thereto, whether or not such claims were made or could have been made in any proceeding including the Class Action, will be finally settled on the terms and conditions set out in this Settlement Agreement upon the Implementation Date, and His Majesty the King in Right of Canada, and all current and former Ministers, employees, officials, departments, Crown agents, agencies, and Crown servants will have no further liability except as set out in this Settlement Agreement.

SECTION TWO: EFFECTIVE DATE OF THIS SETTLEMENT AGREEMENT

2.01 Date when Binding and Effective

This Settlement Agreement shall become effective and be binding on all the Parties and the Class Members on the Implementation Date. The Approval Order shall constitute approval of this Settlement Agreement in respect of all Class Members.

2.02 Effective in Entirety

None of the provisions of this Settlement Agreement shall become effective unless and until the Court approves all of the provisions of this Settlement Agreement, including the Schedules.

SECTION THREE: NOTICE

3.01 Notice Program

The Parties have agreed to the Notice Plan attached as **Schedule "C"**, which entails two phases:

(a) Notice of the hearing to approve the Settlement Agreement ("Phase I Notice"); and

(b) Notice of the approval of the Settlement Agreement and the Claims process ("Phase II Notice").

The Parties have agreed that, during each phase, notice to the class shall be effected by two methods: (a) direct mailing to Class Members (postal and/or electronic mailing, subject to the availability of contact information held by Canada); and (b) a public notice campaign.

3.02 Form and Content of Notices and Participation Forms

Notice of the settlement of the Class Action, the objection process and the settlement approval hearing shall generally be in the form set out in **Schedule "D"**.

Class Members will be offered an opportunity to express their objection to the proposed settlement using the form set out in **Schedule "E"**.

Notice of the approval of the settlement and the Claims process, which is subject to amendment by the Parties on consent, will be generally in the form set out in **Schedule "F"**.

3.03 Timing of Phase II Notice

Within forty-five (45) days of the Approval Date or, if the Approval Order is appealed, within thirty (30) days of the later of the date of the final determination of any appeal brought in relation to the Approval Order or the last day on which a Class Member may appeal or seek leave to appeal the Approval Order, the Phase II Notice shall be disseminated in accordance with the Notice Plan attached as Schedule "C" to this Settlement Agreement.

3.04 Cost of Effecting Notice

Subject to the exceptions set out below, Canada shall bear the cost associated with implementing the Notice Plan attached as **Schedule "C"**.

The cost of posting the Notices to the website, social media sites and online platforms maintained by Class Counsel shall be assumed by Class Counsel.

The cost of publishing the Notices in non-government publications and on non-government websites, other than those maintained by Class Counsel, shall be deducted from the Settlement Amount.

SECTION FOUR: CLASS DEFINITION

4.01 Class Definition

As set out in the Certification Order, the Class is defined as:

All individuals who:

a) served in the Canadian Armed Forces – Reserve Force;

b) released from the Canadian Armed Forces between March 1, 2007 and October 31, 2017;

c) were entitled to receive an Immediate Annuity, Transfer Value, Annual Allowance and/or Bridge Benefit under the Regular Force Pension Plan or the Reserve Force Pension Plan; and

d) did not receive payment of the Immediate Annuity, Transfer Value, Annual Allowance and/or Bridge Benefit for more than 60 days from the date of release.

4.02 Class Members

The Parties agree that, for the purposes of this Settlement Agreement, Class Members are defined as all individuals who meet the Class Definition set out in the Certification Order and who did not opt-out of the Class Action prior to the expiry of the Opt-Out Period.

4.03 No Further Opt-Out

The Opt-Out Period for the Class Action ended on August 14, 2021. There shall be no further opt-out period, nor any opt-out relating to the validity of the Settlement Agreement.

SECTION FIVE: INDIVIDUAL PAYMENTS

5.01 Eligibility for Individual Payment – Monthly Benefit

Subject to **Section 5.05** and **Section 5.06**, each Class Member who received an Immediate Annuity, Annual Allowance and/or Bridge Benefit under the Regular Force Pension Plan or the Reserve Force Pension Plan, and who experienced a delay between the Date of Release and the Date of Payment, is eligible for an Individual Payment in accordance with the table below (the "Monthly Benefit Grid"):

1 to 90 Days	91 to 150 Days	151 to 365 Days	366 to 730 Days	Over 730 Days
$0	$400.00	$600.00	$800.00	$1,200.00

Where:

- The reference to "1 to 90 Days" refers to the number of days between the Date of Release and the Date of Payment, not including the Date of Release but including the Date of Payment;

- The reference to "91 to 150 Days" refers to the number of days between the Date of Release and the Date of Payment, not including the Date of Release but including the Date of Payment;

- The reference to "151 to 365 Days" refers to the number of days between the Date of Release and the Date of Payment, not including the Date of Release but including the Date of Payment;

- The reference to "366 to 730 Days" refers to the number of days between the Date of Release and the Date of Payment, not including the Date of Release but including the Date of Payment;

- The reference to "Over 730 Days" refers to the number of days between the Date of Release and the Date of Payment, not including the Date of Release but including the Date of Payment.

For greater clarity, regardless of the Class Definition, a Class Member who received an Immediate Annuity, Annual Allowance and/or Bridge Benefit shall not receive an Individual Payment for a delay of 90 days or less between the Date of Release and the Date of Payment, not including the Date of Release but including the Date of Payment. The 90-day threshold acknowledges that the steps required prior to the payment of an Immediate Annuity, Annual Allowance and/or Bridge Benefit may take at least 90 days in the normal course of administering a pension plan.

5.02 Eligibility for Individual Payment – Transfer Value

Subject to **Section 5.05** and **Section 5.06**, each Class Member who received a Transfer Value under the Regular Force Pension Plan or the Reserve Force Pension Plan, and who experienced a delay between the Date of Release and the Date of Payment, is eligible for an Individual Payment in accordance with the table below (the "Transfer Value Grid"):

1 to 180 Days	Over 181 Days
$0	$600.00

Where:

- The reference to "1 to 180 Days" refers to the number of days between the Date of Release and the Date of Payment, not including the Date of Release but including the Date of Payment;
- The reference to "Over 181 Days" refers to the number of days between the Date of Release and the Date of Payment, not including the Date of Release but including the Date of Payment.

For greater clarity, regardless of the Class Definition, a Class Member who received a Transfer Value shall not receive an Individual Payment for a delay of 180 days or less between the Date of Release and the Date of Payment, not including the Date of Release but including the Date of Payment. The 180-day threshold acknowledges that the steps required prior to the payment of a Transfer Value may take at least 180 days in the normal course of administering a pension plan, as well as the fact that members of the Regular Force Pension Plan and the Reserve Force Pension Plan have up to one year from the Date of Release to exercise the option to receive a Transfer Value.

5.03 Date of Payment

In respect of an Immediate Annuity, Annual Allowance and/or Bridge Benefit that forms the basis for a Claim, the Date of Payment shall be deemed to be the "SSD Payment Date" identified in the system of record for pension administration (if the Date of Release is between March 1, 2007 and December 31, 2016, dates inclusive) or the "PSPC Earliest Transaction Date" identified in the system of record for pension administration (if the Date of Release is between January 1, 2017 and October 31, 2017, dates inclusive).

In respect of a Transfer Value that forms the basis for a Claim, the Date of Payment shall be deemed to be the date that is the "DND Benefit Approval Date" identified in the system of record for pension administration (if the Date of Release is between March 1, 2007 and June 3, 2016, dates inclusive) or the date that is the "PSPC Earliest Transaction Date" identified in the system of record for pension administration (if the Date of Release is between June 4, 2016 and October 31, 2017, dates inclusive).

If the data on the system of record for pension administration is not sufficient to determine the Date of Payment in accordance with the paragraphs above then the Date of Payment shall be deemed to be the date determined by the Administrator by way of a review of relevant records.

If the Date of Payment cannot be confirmed by way of a review of available electronic or paper records, or if such records are not readily accessible, then the benefit of the doubt shall accrue to the Claimant such that the Date of Payment shall be deemed to be the date identified on the Claim Form as the date when the Claimant received the Immediate Annuity, Transfer Value, Annual Allowance and/or Bridge Benefit that forms the basis for the Claim.

5.04 Characterization of Payment

An Individual Payment to an Eligible Class Member is intended to compensate the Class Member for the experience of delay, not being an economic loss, in receiving an Immediate Annuity, Transfer Value, Annual Allowance and/or Bridge Benefit under the Regular Force Pension Plan or the Reserve Force Pension Plan during the Class Period.

This Settlement Agreement shall not be read as providing any advice regarding the taxable nature of the Individual Payment.

5.05 *Pro rata* Reduction of Individual Payments if Settlement Exceeds Cap

If the Settlement Compensation Amount is not sufficient to pay the total aggregate amount of the Individual Payments assessed as owing to Eligible Class Members, the Individual Payments owing to Eligible Class Members shall be decreased on a *pro rata* basis such that the total aggregate amount of the Individual Payments

otherwise payable to Eligible Class Members does not exceed the Settlement Compensation Amount (the "Reduced Individual Payments"). Eligible Class Members shall then be eligible to receive only the Reduced Individual Payments. In the event that Reduced Individual Payments are to be paid, for each Eligible Class Member, the Reduced Individual Payment shall be calculated and prorated according to the following formula:

$$R = X \times \frac{Y}{Z}$$

Where: ***R*** = Reduced Individual Payment

X = Individual Payment assessed as owing to the Eligible Class Member under **Section 5.01** or **Section 5.02**

Y = Settlement Compensation Amount

Z = Total value of all assessed Individual Payments owing to Eligible Class Members under **Section 5.01** and **Section 5.02**, if no cap existed

5.06 Increase of Individual Payments if Compensation Threshold Not Met

If more than five hundred thousand dollars ($500,000) remains of the Settlement Compensation Amount following the deduction of all Individual Payments assessed as owing to Eligible Class Members, the amount remaining of the Settlement Compensation Amount shall be distributed on a *pro rata* basis to Eligible Class Members up to a maximum of twenty percent (20%) of the Individual Payment (the "Gross Up Amount"), in accordance with the following formula:

$$A = B \times \frac{C}{D}$$

Where: ***A*** = Gross Up Amount

B = Amount of the Settlement Compensation Amount remaining following the deduction of the total aggregate amount of all Individual Payments assessed as owing to Eligible Class Members under **Section 5.01** and **Section 5.02**

C = Individual Payment assessed as owing to the Eligible Class Member under **Section 5.01** or **Section 5.02**

D = Total value of all assessed Individual Payments owing to Eligible Class Members under **Section 5.01** and **Section 5.02**

The Increased Individual Payment then owing to the Eligible Class Member in place

of the Individual Payment shall be the sum of the Individual Payment and the Gross Up Amount or, if the Gross Up Amount is more than twenty percent (20%) of the Individual Payment, the Individual Payment with a twenty percent (20%) increase.

Following payment of the Increased Individual Payments to Eligible Class Members, Canada shall not be required to pay any further residue from the Settlement Compensation Amount.

5.07 Payment if Deceased

The estate or Immediate Family Member of a Class Member who is deceased may receive an Individual Payment the Class Member would otherwise be eligible for had he or she not died, provided the Estate Executor or, if the estate has been wound up, an Immediate Family Member of the deceased, submits the Claim Form and establishes the person is the Estate Executor or, where the estate has been wound up, an Immediate Family Member and the beneficiary of the residue of the estate. For greater certainty, only one Individual Payment may be paid in respect of any Class Member.

5.08 Late Claims

The Administrator shall consider and accept Claims filed within the 30-day period following the end of the Claims Period, where the Claimant has provided a reason for the failure to provide the Claim within the time allotted. No Claim shall be accepted beyond the 30-day period following the end of the Claims Period for any reason.

5.09 No Assignment

No amount payable under this Settlement Agreement may be assigned, and any such assignment is null and void except as expressly provided for in this FSA.

5.10 Compensation Inclusive

For greater certainty, the amounts payable under this Settlement Agreement are inclusive of any other forms of damages, compensation or benefits, and all pre-judgment or post-judgment interest or other amounts that may be claimed by Class Members.

SECTION SIX: DUTIES OF THE ADMINISTRATOR

6.01 Duties of the Administrator

The Administrator shall conduct the Claims process as outlined in **Section 7** of the Settlement Agreement and more generally shall perform the following duties and responsibilities:

(a) develop and implement tools and procedures for the intake of Claim Forms, including the processing of Claims;

(b) establish procedures for assessing the eligibility of a Claimant to receive an Individual Payment and the amount of any Individual Payment;

(c) establish procedures for issuing payments;

(d) communicate decisions made in respect of Claims;

(e) respond to enquiries and correspondence from Claimants regarding their Claims;

(f) communicate with Claimants in either English or French, as the Claimant elects;

(g) coordinate with other entities as required to support the administration of the Settlement Agreement; and

(h) such other duties and responsibilities as the Court may from time to time direct.

SECTION SEVEN: CLAIMS ADMINISTRATION

7.01 Claims Period

The Claims Period shall begin on the Implementation Date and shall continue for five (5) months with the possibility of a 30-day extension of time for late Claims, in accordance with **Section 5.08**.

7.02 Initial Review and Processing

The Administrator shall complete an initial review of the Claim Form to ensure all required information has been provided. If the Claim Form does not contain all required information to establish eligibility for an Individual Payment, the Administrator shall, within thirty (30) days of receipt of the Claim Form, contact the Claimant to request the missing information. The Claimant shall have an additional thirty (30) days from the date the Administrator contacts the Claimant to provide the missing information.

7.03 Eligibility Assessment

The Administrator shall determine if the Claimant is eligible to receive an Individual

Payment and, if so, the amount of the Individual Payment that the Class Member is eligible to receive under **Section 5.01** or **Section 5.02**, subject to the application of **Section 5.05** or **Section 5.06**.

As soon as possible after a Claim is received following the Implementation Date but no later than ninety (90) days after receiving a complete Claim Form, the eligibility determination of the Administrator shall be communicated to the Claimant.

If the Administrator determines that the amount of the Individual Payment assessed as owing to the Claimant is less than the Individual Payment claimed, the Administrator shall provide the Claimant with an explanation and copies of the record(s) upon which the determination was based, if available.

7.04 Timelines

The Administrator shall make best efforts to meet the timelines in this Section and shall inform the Parties and/or the Claimant, as appropriate, if a processing timeline cannot be met in respect of a particular Claim.

7.05 Determinations Final

The Administrator's determinations are final and binding as against the Class Members and Canada, and are subject to review only as provided for in this Settlement Agreement. For greater certainty, the Administrator's determinations are not subject to judicial review under section 18.1 of the *Federal Courts Act*, nor are they reviewable through any other means.

SECTION EIGHT: REDETERMINATION PROCESS

8.01 Right of Redetermination

If the Claimant disagrees with the determination of the Administrator regarding the eligibility of the Claimant to receive an Individual Payment or which payment from the Monthly Benefit Grid or the Transfer Value Grid the Claimant is eligible to receive, the Claimant may request a redetermination by the Administrator within thirty (30) days of receipt of the Administrator's determination. The request for redetermination shall be accompanied by copies of supporting records, if available.

8.02 Redetermination Assessment

Following the receipt of a request for redetermination, the Administrator shall consider whether to uphold the original determination or to issue a new determination on the Claim. Redeterminations shall be made by an individual other than the individual who made the initial eligibility determination.

As soon as possible after a request for redetermination is received but no later than

thirty (30) days following receipt of the request for redetermination, the redetermination of the Administrator shall be communicated to the Claimant and shall be accompanied by an explanation and copies of the record(s) upon which the redetermination was based, if available.

8.03 Timelines

The Administrator shall make best efforts to meet the timelines in this Section and shall inform the Parties and/or the Claimant, as appropriate, if a processing timeline cannot be met in respect of a particular Claim.

8.04 Redeterminations Final

The Administrator's redeterminations are final and binding as against the Class Members and Canada. For greater certainty, the Administrator's redeterminations are not subject to judicial review under section 18.1 of the *Federal Courts Act*, nor are they reviewable through any other means.

SECTION NINE: ISSUANCE OF PAYMENTS

9.01 Assessment of Total Amount Owing

Within thirty (30) days of the end of the Claims processing period, the Administrator shall assess the total aggregate amount of the Individual Payments owing to Eligible Class Members in order to determine whether Section 5.05 or Section 5.06 is engaged.

For greater clarity, the "end of the Claims processing period" refers to the point in time when all Claims and redetermination requests have been processed and the time for any further redetermination requests has expired.

9.02 Payment by Direct Deposit

Within sixty (60) days of the assessment described in **Section 9.01**, the Administrator shall issue Individual Payments, Reduced Individual Payments or Increased Individual Payments to Eligible Class Members or, in accordance with **Section 5.07**, estates or Immediate Family Members, by way of direct deposit or, in exceptional circumstances, by cheque.

9.03 Payment by Cheque

Individual Payments made by way of cheque shall be sent by registered mail to the address provided on the Claim Form.

9.04 Timelines

The Administrator shall make best efforts to meet the timelines in this Section and shall inform the Parties and/or the Claimant, as appropriate, if a processing timeline cannot be met in respect of a particular Claim. Such notice shall be provided prior to the expiry of the timeline to complete the relevant step.

SECTION TEN: RELEASE AND LIMITATIONS ON FURTHER LITIGATION

10.01 Full and Final Release

Upon approval by the Court of this Settlement Agreement, the Plaintiff and Class Counsel agree that the actions and the claims of the Class Members and the Class as a whole, are discontinued against Canada, without costs and with prejudice and such discontinuance shall be a defence and absolute bar to any subsequent action against Canada in respect of any of the claims or any aspect of the claims made in the Class Action relating to the subject-matter thereof, and are released against the Releasees, and particularly the Releasor(s) fully, finally and forever release and discharge the Releasees from any and all legal proceedings, actions, suits, proceedings, causes of action, common law, Quebec civil law and statutory liabilities, including for damages, contribution, indemnity, costs, expenses and interest which any Releasor may ever have had, may now have, or may in the future have, directly or indirectly arising from or in any way relating to or by way of any subrogated or assigned right or otherwise with respect to or in relation to any aspect of the Class Action ("Release").

Canada's obligations and liabilities under this Settlement Agreement constitute the consideration for the Release and other matters referred to in this Settlement Agreement and such consideration is in full and final settlement and satisfaction of any and all claims referred to in this Section and the Releasor(s) are limited to the benefits provided and compensation payable pursuant to this Settlement Agreement, in whole or in part, as their only recourse on account of such claims.

10.02 Discontinuation of Related Claims and Indemnification

The Releasor(s) agree not to commence or maintain any legal proceedings against any person, corporation or other entity, which might claim contribution or indemnity or otherwise against Canada in respect of the claims released in **Section 10.01**. It is agreed and understood that if any Releasor(s) commences or continues any legal proceeding, and Canada is added to the legal proceeding in any manner whatsoever, whether justified in law or not, Canada may, at Canada's sole discretion, require the initiating Releasor(s) to immediately discontinue the legal proceeding. If Canada exercises this discretion, the initiating Releasor(s) will be liable, on a full indemnity scale, to Canada for all legal costs incurred. The Release will operate conclusively as an estoppel and may be pleaded in the event any legal proceeding is brought or continued, as a complete defence and reply, and may be

relied upon to dismiss the legal proceeding on a summary basis, and no objection will be raised by the Releasor(s) that the other parties in the legal proceeding were not privy to the formation of this Release.

10.03 Dismissal/Discontinuance of the Class Action

The Plaintiff and Class Counsel agree that all necessary steps will be taken to obtain or effect a dismissal or discontinuance of the Class Action, without costs.

10.04 Cooperation with respect to Approval and Implementation

Upon execution of this Settlement Agreement, the Plaintiff and Class Counsel shall cooperate with Canada and make best efforts to obtain approval of this Settlement Agreement and general participation by Class Members in all aspects of this Settlement Agreement.

10.05 Undertaking

Class Counsel's firm and each counsel listed in **Schedule "I"** undertakes not to commence or assist or advise on the commencement or continuation of any actions or proceedings against Canada, and all current or former Ministers, employees, officials, departments, Crown agents, agencies and Crown servants, calculated to or having the effect of undermining this Settlement Agreement. Notwithstanding such undertaking, if counsel listed in **Schedule "I"** or another member of Class Counsel's firm commences or continues litigation against any person or persons who may claim contribution or indemnity from Canada in any way relating to or arising from any claim which is released by this Settlement Agreement, they shall be required to indemnify Canada in the event Canada is found liable in relation to such a claim. For greater certainty, the Parties agree that the above undertaking does not preclude Class Counsel or other members of their firm from representing Class Members in matters that are not released under the terms of this Settlement Agreement.

SECTION ELEVEN: SETTLEMENT APPROVAL

11.01 Settlement Approval

The Parties agree that they shall seek the Court's approval, in Toronto or other such place as the Parties may agree, of this Settlement Agreement in full and final settlement of all claims, as negotiated in this Settlement Agreement, and shall consent to the terms of an Approval Order, substantially in the form attached as **Schedule "A"**.

11.02 Approval of Motion Materials

The motion for approval of this Settlement Agreement shall be prepared by the Plaintiff and Class Counsel and must be approved by Canada prior to being filed with the Court. Such approval shall not be unreasonably withheld. Canada shall advise Class Counsel of any concerns within seven (7) days of receiving the draft motion material.

For greater certainty, Canada shall not have any right to review or approve the motion for approval of Class Counsel Fees.

SECTION TWELVE: REVERSION OF FUNDS

12.01 Reversion of Funds

Following the payment of Individual Payments or Increased Individual Payments, as the case may be, Class Counsel Fees, the allowable costs of the Notice Plan, and all applicable taxes, any residual Settlement Amount shall revert back to Canada.

SECTION THIRTEEN: LEGAL FEES

13.01 Legal Fees

Within sixty (60) days of the Implementation Date, Canada shall pay to Class Counsel its legal fees and disbursements, together with all applicable taxes, in an amount not to exceed two and a half million dollars ($2,500,000). Class Counsel agree that no amounts shall be deducted from any Individual Payments, Reduced Individual Payments or Increased Individual Payments made to Eligible Class Members on account of legal fees or disbursements.

13.02 Honorarium for Representative Plaintiff

If an honorarium is sought for the representative Plaintiff, any amount approved shall be added to the amount of the legal fees and disbursements assessed as owing to Class Counsel, together with all applicable taxes, such that the total of all amounts shall not exceed two and a half million dollars ($2,500,000).

13.03 Approval of Legal Fees

Class Counsel shall seek the Court's approval of the amount of legal fees, disbursements and, if applicable, an honorarium for the representative Plaintiff contemporaneously with the approval of this Settlement Agreement. Canada shall take no position on the fee approval motion without leave of the Court.

13.04 Provision of Legal Services to Class Members

In consideration of the payment for legal fees in **Section 13.01**, Class Counsel agree to provide reasonable assistance to Claimants or Class Members throughout the Claims process at no additional charge and are precluded from seeking any further payment from Canada, the Claimants or Class Members on account of legal fees or for any other reason, including appeals or applications before the Court or the Federal Court of Appeal, for work performed in relation to this Settlement Agreement.

13.05 Pre-Approval of Fees Required

The Parties shall request that the Court order that no fees may be charged to Eligible Class Members in relation to submitting a Claim under this Settlement Agreement by counsel not listed on **Schedule "I"** without prior approval of the Court.

SECTION FOURTEEN: CONDITIONS AND TERMINATIONS

14.01 Settlement Agreement is Conditional

This Settlement Agreement shall not be effective unless and until it is approved by the Court and confirmed on appeal or, if no appeal is taken, the time for such an appeal has expired, and if such approval is not granted, this Settlement Agreement will thereupon be terminated and none of the Parties will be liable to any of the other Parties hereunder for such termination.

14.02 Amendments

Except as expressly provided in this Settlement Agreement, no amendment or supplement may be made to the provisions of this Settlement Agreement, and no restatement of this Settlement Agreement may be made unless agreed to by the Parties in writing and any such amendment, supplement or restatement is approved by the Court without any material difference.

SECTION FIFTEEN: CONFIDENTIALITY

15.01 Use of and Confidentiality of Records held by Canada

Nothing in this agreement shall restrict the retention of documents held by Canada. All records received by Canada in relation to the settlement shall be handled in accordance with the federal law concerning government records.

15.02 Use of and Confidentiality of Records held by Class Counsel

Any information provided, created or obtained while implementing this Settlement Agreement, whether written or oral, shall be kept confidential by Class Counsel, and shall not be used for any purpose other than the implementation of this Settlement Agreement unless otherwise agreed by the Parties or as otherwise provided by law.

15.03 Confidentiality of Negotiations

Except as may otherwise be agreed between the Parties, or as may be required by law, the undertaking of confidentiality as to the discussions and all communications, whether written or oral, made in and surrounding the negotiations leading to the Settlement Agreement continues in force and in perpetuity, notwithstanding the termination or voiding of this Settlement Agreement.

SECTION SIXTEEN: GENERAL

16.01 Applicable Law

This Settlement Agreement shall be governed by and construed in accordance with the laws of the province of Ontario.

16.02 No Admission of Liability

This Settlement Agreement is not to be construed as an admission of liability by Canada.

16.03 Entire Agreement

This Settlement Agreement constitutes the entire agreement among the Parties with respect to the subject-matter hereof and cancels and supersedes any prior or other understandings or agreements between or among the Parties. There are no representations, warranties, terms, conditions, undertakings, covenants or collateral agreements, express, implied or statutory between or among the Parties with respect to the subject-matter hereof other than as expressly set forth or referred to in this Settlement Agreement.

16.04 Counterparts

This Settlement Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which, taken together, shall be deemed to constitute one and the same Settlement Agreement, and a facsimile or electronic signature shall be deemed to be an original signature for the purposes of executing the Settlement Agreement.

16.05 Language

Class Counsel shall arrange and pay for a French language version of this Agreement and all Schedules, to be reviewed by Canada. The French language version shall not be required at the time of execution of the English language version of this Settlement Agreement. To the extent that there are any inconsistencies between the English and French versions of this Settlement Agreement, the Parties acknowledge and agree that the English version was the original version as executed.

Signed this March 21, 2025 at Toronto, Ontario.

CANADA, as represented by the Attorney General of Canada

BY: _____

ATTORNEY GENERAL OF CANADA
Per: Laura Tausky
For the Defendant, the Attorney General of Canada

THE PLAINTIFF, as represented by Class Counsel

BY: _____

KOSKIE MINSKY LLP
Per: Celeste Poltak
For the Plaintiff, Douglas Jost

70

SCHEDULE "A" – DRAFT APPROVAL ORDER

FEDERAL COURT
CERTIFIED CLASS PROCEEDING

Date: 2025-XX-XX

Court File No.: T-972-17

Toronto, Ontario, Date, 2025

PRESENT: The Honourable Mr. Justice Manson

DOUGLAS JOST

Plaintiff

- and -

THE ATTORNEY GENERAL OF CANADA

Defendant

ORDER

WHEREAS the Plaintiff and the Defendant have entered into a Final Settlement Agreement dated March 21, 2025 in respect of the claims of the Plaintiff and Class Members against the Defendant;

AND WHEREAS this Honourable Court approved the form of notice and plan for distribution of the notice of this motion by Order dated **[insert date]** (the "Notice Order");

AND UPON READING the Plaintiff's motion record and written submissions;

AND UPON BEING ADVISED of the Defendant's consent to the form of this Order;

AND UPON HEARING the motion made by oral submissions of counsel for the Plaintiff, and all interested parties, including any objections, written and oral;

THIS COURT ORDERS THAT:

1. For the purposes of this Order, the following definitions shall apply:

   "Administrator" means Canada;

   "Annual Allowance" means "annual allowance" as defined in the *Canadian Forces Superannuation Act,* RSC 1985, c C-17, and its associated regulations;

   "Approval Date" means the date that this Order is executed;

   "Approval Orders" means this Order and the Order approving counsel fees in this matter;

   "Bridge Benefit" means "bridge benefit" as defined in the *Canadian Forces Superannuation Act,* RSC 1985, c C-17, and its associated regulations;

   "Canada" or **"Government of Canada"** means His Majesty the King in Right of Canada, and includes the Department of National Defence and the Canadian Armed Forces;

   "Certification Order" means the order of the Court dated April 16, 2021 in this matter;

   "Claimant" means a person who completes a Claim Form, or on whose behalf a Claim Form is submitted;

   "Claim Form" means the form which must be completed to apply for an Individual Payment, the content of which is attached as Schedule "B" to the Settlement Agreement or as amended by agreement of the Parties;

   "Class Action" means this class proceeding, Court File No. T-972-17;

   "Class Counsel" means Koskie Minsky LLP;

   "Class Members" means all persons who meet the definition set out in paragraph 3 below;

   "Immediate Annuity" means "immediate annuity" as defined in the *Canadian Forces Superannuation Act,* RSC 1985, c C-17, and its associated regulations;

   "Implementation Date" means the latest of:

   a) forty-five (45) days from the Approval Order; and

   b) thirty (30) days from the last day on which a Class Member may appeal or seek

leave to appeal the Approval Order; and

c) thirty (30) days from the date of the final determination of any appeal brought in relation to the Approval Order.

"Opt Out" means the delivery of a valid opt out form prior to the expiry of the Opt Out Period;

"Opt Out Period" means the period that expired on August 14, 2021 pursuant to the Certification Order;

"Parties" means the Plaintiff and Canada;

"Releasees" means individually and collectively, Canada, all current and former Ministers, employees, departments, Crown agents, agencies, staff, Crown servants and members of the CAF;

"Releasor(s)" means each Class Member, deceased Class Member, Estate Executor, and their respective legal representatives, successors, heirs and assigns;

"Settlement Agreement" means the final Settlement Agreement, including the Schedules listed at Section 1.06 of the Agreement, executed between the parties on March 21, 2025 and attached as an Appendix to this Order.

"Transfer Value" means "transfer value" as defined in the *Canadian Forces Superannuation Act,* RSC 1985, c C-17, and its associated regulations.

2. All applicable parties have adhered to and acted in accordance with the Notice Order dated **[insert date]** and the procedures provided in the Notice Order have constituted good and sufficient notice of the hearing of this motion.

CLASS DEFINITION

3. The Class includes all individuals who did not opt out of the Class Action during the Opt Out Period and who:

   a) served in the Canadian Armed Forces – Reserve Force;

   b) released from the Canadian Armed Forces between March 1, 2007 and October 31, 2017;

   c) were entitled to receive an Immediate Annuity, Transfer Value, Annual Allowance and/or Bridge Benefit under the Regular Force Pension Plan or the Reserve Force Pension Plan; and

d) did not receive payment of the Immediate Annuity, Transfer Value, Annual Allowance and/or Bridge Benefit for more than 60 days from the date of release.

4. There shall be no further provision for Class Members to opt out of the Class Action.

SETTLEMENT APPROVAL

5. The settlement of this Class Action on the terms set out in the Settlement Agreement attached as an Appendix to this Order, including the Schedules, and as expressly incorporated by reference into this Order, is fair and reasonable and in the best interests of Class Members as a whole, and is approved.

6. The Settlement Agreement and this Order are binding on the Parties and on every Class Member, including persons under a disability, and are binding whether or not such Class Member claims or receives compensation.

DISMISSAL AND RELEASE

7. The Class Action, and the claims of the Class Members and the Class as a whole, are dismissed against Canada, without costs and with prejudice and such dismissal shall be a defence and absolute bar to any subsequent action against Canada in respect of any of the claims or any aspect of the claims made in the Class Action and relating to the subject matter thereof, and are released against the Releasees in accordance with Section 10 of the Settlement Agreement, in particular as follows:

    (a) the Releasor(s) fully, finally and forever release and discharge the Releasees from any and all actions, suits, proceedings, causes of action, common law, Quebec civil law and statutory liabilities, equitable obligations, contracts, claims, losses, costs, 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 which any Releasor may ever have had, may now have, or may in the future have, directly or indirectly arising from or in any way relating to or by way of any subrogated or assigned right or otherwise with respect to or in relation to any aspect of the Class Action and this release includes any such claim made or that could have been made in any proceeding including the Class Action whether asserted directly by the Releasor(s) or by any other person, group or legal entity on behalf of or as representative of the Releasor(s);

    (b) The Releasor(s) agree that if they make any claim or demand or take any actions or proceedings against another person or persons in which

any claim could arise against a Releasee for damages or contribution or indemnity and/or other relief over under the provisions of the *Negligence Act,* R.S.O. 1990, c. N-3, or its counterpart in other jurisdictions in relation to the Class Action, then the Releasor(s) will expressly limit their claims to exclude any portion of responsibility of the Releasees;

(c) Canada's obligations and liabilities under the Settlement Agreement constitute the consideration for the releases and other matters referred to in the Settlement Agreement and such consideration is in full and final settlement and satisfaction of any and all claims referred to therein and the Releasor(s) are limited to the benefits provided and compensation payable pursuant to the Settlement Agreement, in whole or in part, as their only recourse on account of such claims.

8. This Order, including the releases referred to in paragraph 7 above, and the Settlement Agreement, are binding upon all Class Members, including those persons who are under a disability.

ADMINISTRATION

9. Canada shall administer the Claims process in accordance with the Settlement Agreement. The costs of administration shall be borne by Canada.

10. No person may bring any action or take any proceeding against the Administrator, or any employees, servants, agents, partners, associates, representatives, successors or assigns, for any matter in any way relating to the Settlement Agreement, the Notice Plan, the administration of the Settlement Agreement or the implementation of this Order, except with leave of the Court on notice to all affected parties.

NOTICE

11. The Notice Plan provided for in Section 3.01 of the Settlement Agreement and in the forms described in Section 3.02 and Schedule "C" of the Settlement Agreement satisfy the requirements of the *Federal Courts Rules,* and constitute the best notice practicable under the circumstances.

12. Within forty-five (45) days of this Order, notice shall be given of this Order, the approval of the Settlement Agreement and the Claims Period, in accordance with the Notice Plan attached as Schedule "C" to the Settlement Agreement;

13. Notice shall be given in the forms attached as Schedule "F" to the Settlement Agreement.

14. Subject to the exceptions identified in Section 3.04 of the Settlement Agreement, Canada shall pay the reasonable costs associated with the Notice Plan.

CLASS COUNSEL FEES AND NOTICE FEES

15. The legal fees, disbursements and applicable taxes owing to Class Counsel shall be determined by further order of this Court.

16. No fee may be charged to Class Members in relation to claims under the Settlement Agreement without prior approval of the Court.

CONTINUING JURISDICTION AND REPORTING

17. The Settlement Agreement shall be implemented in accordance with this Order and further orders of this Court.

18. This Court, without in any way affecting the finality of this Order, shall have exclusive and continuing jurisdiction over this Class Action, the Plaintiff, Class Members and the Defendant, for the limited purpose of implementing and enforcing the Settlement Agreement and this Order.

19. This Court may issue such further and ancillary orders, from time to time, as are necessary to implement and enforce the provisions of the Settlement Agreement and this Order.

_____

Justice Michael Manson

SCHEDULE "B" – CONTENT OF CLAIM FORM

Description	English/Anglais
Title/Titre	JOST - Claim Form
Description	### INTRODUCTION This Claim Form is for the CAF Pension Benefits Class Action that refers to a class action lawsuit involving delayed payment of pension benefits to members of the Canadian Armed Forces (CAF) who served in the Reserve Force and were released between March 1, 2007 and October 31, 2017. The Claim Form and claims process are part of an out-of-court Settlement reached by the parties in class action litigation. The Settlement Agreement explains who is eligible to receive financial compensation. You can find a copy of the Settlement Agreement at < WEBSITE >. Your Claim Form will be received by the Department of National Defence ("DND") and processed in accordance with the Settlement Agreement. If you have any questions regarding this Claim Form or the Claims Process, please contact <insert positional mailbox to be created for claims administration>. Please read all questions and instructions carefully so that your claim can be assessed without delay. All mandatory fields must be filled out in order to proceed to the next page.
Section: Start	**Start page**
Question 1	I agree that:
Question 1 - Option 1	I have read and understood the instructions.
Question 1 - Option 2	I understand the information I provide will be governed by the Privacy Act

77

Question 1 - Option 3	I am a former CAF member who has received delayed payments of Reserve Force Pension Plan or Regular Force Pension Plan benefits between March 1, 2007-October 31, 2017
Question 1 – Option 4	I am a Claimant under this Settlement Agreement or a representative submitting a Claim on behalf of a Claimant
Question 2	Do you wish to apply for compensation
Question 2 - Option 1	Yes
Question 2 - Option 2	No
(If select NO) **Section: Criteria Not Met**	**Claimant is ineligible for compensation**
(If select YES) **Section: Claimant Information**	**Claimant Information**
Page text/Texte de page	### The contact information you provide below will be used to send any communication to you.
Question 4	Preferred Honorific (Mr, Ms, Mrs, etc.)
Question 5	Claimant Full Name
Question 6	Claimant Legal First Name
Question 7	Claimant Last Name at Birth
Question 8	Other names (all previous names, pre-married names, or names used while a member of the Canadian Armed Forces)
Question 9	Gender
Question 9 - Option 1	Male
Question 9 - Option 2	Female
Question 9 - Option 3	Other
Question 10	Date of Birth (yyyy-mm-dd)
Question 11	Do you have your Service Number?
Question 11 - Option 1	Yes
Question 11 - Option 2	No

78

	*Pop up to inform Claimant to find SN prior to proceeding or move to Question 12
Question 12	Service Number
Question 12 – Option	Service number is 1 letter and 8 numbers, example: A12345678
Question 13	Please provide your Social Insurance Number as an alternative:
Question 13 – Option	The Canadian Social Insurance Number (SIN) is a 9-digit number formatted as three groups of three digits, like this: 123-456-789
Question 14	Please provide your Pension Number, if available
Question 14 – Option	Your pension number is the number identifying your pension as assigned by the pension administrator at the time of your release
Section: Contact Information	**Contact Information**
Question 15	Mailing address
Question 15	Include street name and number.
Question 16	City, town, or community
Question 17	Province, Territory or State
Question 18	Country
Question 19	Postal Code or Zip code
Question 20	Email address Your email address will be used as the preferred method of contact
Question 20	For example: name@example.com
Question 21	Daytime Telephone Number
Question 21	For example: 111-222-3333
Question 22	Evening Telephone Number
Question 22	For example: 111-222-3333
Question 23	Preferred language for communication

79

Question 23 - Option 1	English
Question 23 - Option 2	French
Section: Identification	**Identification**
Page text/Texte de page	You must submit a government-issued photo ID with your claim. Acceptable IDs include: - Driver's License - Canadian Passport - Health Card - Canadian Citizenship Card - Permanent Resident Card - Secure Certificate of Indian Status Card - Military ID If you do not have a government-issued photo identification, please indicate on the Claims Form. Canada will accept two non-photo documents that can collectively ascertain your name, date of birth and signature. Examples include: - Birth certificate - Marriage certificate - Social Insurance Number - Other government-issued identification
Question 24	Please select which government issued piece of identification you are providing (may select more than 1):
Question 24 - Option 1	Driver's License
Question 24 - Option 2	Canadian Passport
Question 24 - Option 3	Health Card
Question 24 - Option 4	Canadian Citizenship Card
Question 24 - Option 5	Permanent Resident Card
Question 24 - Option 6	Military ID
Question 24 - Option 7	Secure Certificate of Indian Status Card
Question 25	A screenshot, photocopy or photo of your identification must be sent to [insert positional

80

	mailbox] prior to finalizing and submitting this Claim Form. Please ensure the subject line of your email includes: **Last Name, First Name, Service Number (or Pension Number)**
Section: Canadian Armed Forces Information	**Canadian Armed Forces Information**
Question 26	Date joined the CAF
Question 27	Regular Force Service
Question 28	Reserve Force Service
Question 29	Date released from the CAF
Question 30	Unit upon release
Section: Legal Representation	**Legal Representation**
Page text/Texte de page	Representatives of Deceased Class Members or Class Members subject to a Disability A person claiming on behalf of a Class Member subject to a disability, or on behalf of a Class Member's estate, must establish that they have the legal authority to act on behalf of the Class Member subject to a disability or the Class Member's estate. This may include: - Proof of Death - Will naming the Executor or Letter of Administration - Representative's government-issued identification - Power of Attorney supporting documentation - Other as necessary Compensation will be issued in the name of the Class Member and/or the estate of the Class Member.
Question 31	Are you submitting a Claim on behalf of a Class Member?
Question 31 - Option 1	Yes
Question 31 - Option 2	No
(If select YES)	**Legal Representation Details**

81

Section: Legal Representation Details	
Question 32	Name of Representative
Question 33	Class Member's Date of Death, if applicable.
Question 34	I have legal authority to act on behalf of the Class Member
Question 35 - Option 1	Yes
Section: Compensation	**Compensation**
Question 36	I confirm that (please select all that apply):
Question 36 - Option 1	I served in the Canadian Armed Forces – Reserve Force;
Question 36 - Option 2	I was released from the Canadian Armed Forces between March 1, 2007 and October 31, 2017;
Question 36 - Option 3a	I was entitled to receive an Immediate Annuity, Annual Allowance and/or Bridge Benefit under the Regular Force Pension Plan or the Reserve Force Pension Plan; or
Question 36 – Option 3b	I was entitled to receive a Transfer Value under the Regular Force Pension Plan or the Reserve Force Pension Plan; and
Question 36 - Option 4	I did not receive payment of the Immediate Annuity, Annual Allowance and/or Bridge Benefit for more than 90 days from the date of release; or I did not receive payment of the Transfer Value for more than 180 days from the date of release.
Question 37	Date on which I became entitled to receive benefits
Question 38	Date on which I began receiving benefits
Section: Payment information	**Payment information**

82

Page text/Texte de page	Please provide the following information to facilitate payment of compensation under the Settlement Agreement. Please note that a payment will only be issued upon a positive determination regarding eligibility under the Settlement Agreement.
Page text/Texte de page	Please refer to [Direct deposit help centre - Canada.ca](https://www.canada.ca/en/public-services-procurement/services/payments-to-from-government/direct-deposit/help-centre.html#a15) to help find your banking information.
Question 39	Bank Institution:
Question 40	Bank Address:
Question 41	Financial Institution Number#:
Question 41	This is a unique identifier for the bank or financial institution, it's a 3-digit number.
Question 42	Transit/Branch #:
Question 42	This 5-digit number identifies the specific branch of the financial institution where the account is held.
Question 43	Account Number#:
Question 43	This number identifies the specific account within the branch. It can vary in length but is usually between 7 to 12 digits.
Question 44	I confirm the information provided above is correct.
Question 44 - Option 1	Yes
Section: Submit Attestation	**32. Submit Attestation**
Page text/Texte de page	Please carefully read the following:
Question 45	I confirm that: - This Claim Form was completed by me, the Claimant, or on behalf of a Claimant; - The information provided in this Claim Form is true based on my personal records, experience and knowledge;

83

	- If the information provided in this Claim Form is false or misleading, I may be required repay any compensation that I receive.
Question 45 – Option 2	I confirm that I have submitted my proof of identification as required to [insert positional mailbox]
Question 45 – Option 3	By checking this box, you agree to digitally sign this document.
Section: Review	**End (Review page and Confirmation)**
Section: End	**Confirmation page**
Privacy statement/Avis de confidentialité	### PRIVACY STATEMENT Information you provide in this Claim Form will be kept confidential, except as indicated. Your privacy is important. The personal information you provide, to the Government of Canada (GOC), is governed by the *[Privacy Act](https://https://laws-lois.justice.gc.ca/ENG/ACTS/P-21/index.html)*. This collection of personal information is described in [Information about Programs and Information Holdings](https://), personal information bank DNDP PU 873.
Confirmation message/Message de confirmation	**Your form has been submitted** Thank you for submitting your Claim Form and proof of identification. Your claim has been received and will be processed.

SCHEDULE "C" – NOTICE PLAN

A. PURPOSE

The purpose of this Notice Plan is to:

(a) outline the process by which Canada will identify Class Members and their current addresses;

(b) set out the process for informing the Target Audience of the Hearing to Approve the Settlement Agreement (Phase I Notice); and

(c) set out the process for informing the Target Audience of the approval of the Settlement Agreement and the Claims Process, if approved (Phase II Notice).

In this Schedule, the "Target Audience" means current and former members of the CAF with Reserve Force service who released between March 1, 2007 and October 31, 2017, and who received an Immediate Annuity, Transfer Value, Annual Allowance and/or Bridge Benefit under the Regular Force Pension Plan or the Reserve Force Pension Plan.

B. IDENTIFICATION OF CLASS MEMBERS

Class Definition and Class Members

The Class includes all individuals who:

a) served in the Canadian Armed Forces – Reserve Force;

b) released from the Canadian Armed Forces between March 1, 2007 and October 31, 2017;

c) were entitled to receive an Immediate Annuity, Transfer Value, Annual Allowance and/or Bridge Benefit under the Regular Force Pension Plan or the Reserve Force Pension Plan; and

d) did not receive payment of the Immediate Annuity, Transfer Value, Annual Allowance and/or Bridge Benefit for more than 60 days from the date of release.

For the purposes of the Settlement Agreement, Class Members are defined as all individuals who meet the Class Definition above and who did not opt out of the Class Action prior to the expiry of the Opt Out Period.

Methodology to Identify Class Members

The Department of National Defence ("DND") shall instruct Public Services and Procurement Canada ("PSPC") to identify individuals who meet the Class Definition based on the data in the system of record used for pension administration.

For greater clarity, PSPC shall be asked to extract the names, addresses and, if available, e-mail addresses of individuals who meet the following conjunctive criteria:

1. served in the Canadian Armed Forces – Reserve Force;

2. released from the Canadian Armed Forces between March 1, 2007 and October 31, 2017;

3. received an Immediate Annuity, Transfer Value, Annual Allowance and/or Bridge Benefit under the Regular Force Pension Plan or the Reserve Force Pension Plan; and

4. did not receive payment of the Immediate Annuity, Transfer Value, Annual Allowance and/or Bridge Benefit for more than 60 days from the date of release.

In the course of doing so, PSPC shall also extract the relevant "SSD Payment Date", "DND Benefit Approval Date" and/or "PSPC Earliest Transaction Date", if available, from the system of record used for pension administration.

C. CONTENT OF NOTICES

Wherever possible, Canada shall replicate the content of the Court-approved notices.

Canada may make minor amendments relating to the formatting, size or placement of the text to the Court-approved notices to suit the platform on which the notices will be posted. If significant changes to the form of the notices are contemplated, including revisions to the text of the notices, Canada will first consult with Class Counsel before posting.

D. METHOD OF NOTICE

Direct Mailings

All direct mailings shall be sent, via regular mail, to an individual's most recent address on file with PSPC. The following is noted with respect to the addresses on file with PSPC:

i. Class Members who are in receipt of a monthly benefit are expected to have a current address on file with PSPC;

ii. Class Members who received a Transfer Value during the Class Period may not have a current address on file with PSPC, and direct mailings will be sent to the most recent address on file with PSPC.

In addition to direct mailings via regular mail, e-mails shall be sent Class Members who have an e-mail address on file with PSPC.

Phase I Notice

On or before the date set by the Court, Canada shall make a request that the Phase I Notice or a link to the Notice shall be posted in the following locations:

a. The website of the Department of National Defence, in English and French;
b. DND/CAF social media channels;
c. The website of Veterans Affairs Canada, in English and French;
d. The "MyVAC Account" platform, in English and French;
e. The Maple Leaf (a national DND/CAF newspaper with electronic distribution).

Depending on the platform, Canada may use any of the Short Form Notice, Long Form Notice or the Social Media Notice, as appropriate.

On or before the date set by the Court, Class Counsel shall ensure that the Phase I Notice or a link to the Notice shall be posted electronically on other related non-government websites, including as follows:

a. Class Counsel's website, at: https://kmlaw.ca/cases/canada-forces-delayed-pension-class-action
b. Legion Magazine

The Phase I Notice shall also be sent to Class Members by direct mailing and, for Class Members who have an e-mail address on file with PSPC, by e-mail. The Phase I Notice direct mailing shall include the Phase I Long Form Notice and the Objection Form. The Phase I Notice e-mails shall include links to the Notice and the Objection Form.

Class Counsel shall send an email containing links to the Phase I Notice and the Objection Form to all individuals who have contacted Koskie Minsky LLP about this class proceeding.

Phase II Notice

If the Settlement Agreement is approved, on or before the date set by the Court, Canada shall make a request that the Phase II Notice or a link to the Notice shall be posted in the following locations:

a. The website of the Department of National Defence, in English and French;
b. DND/CAF social media channels;
c. The website of Veterans Affairs Canada, in English and French;
d. The "MyVAC Account" platform, in English and French;
e. The Maple Leaf (a national DND/CAF newspaper with electronic distribution).

Depending on the platform, Canada may use any of the Short Form Notice, Long Form Notice or the Social Media Notice, as appropriate.

On or before the date set by the Court, Class Counsel shall ensure that the Phase II Notice or a link to the Notice shall be posted electronically on other related non-government websites, including as follows:

a. Class Counsel's website, at: https://kmlaw.ca/cases/canada-forces-delayed-pension-class-action
b. Legion Magazine

The Phase II Notice shall be sent to Class Members by direct mailing and, for Class Members who have an e-mail address on file with PSPC, by e-mail. The Phase II Notice direct mailing shall include the Phase II Long Form Notice. The Phase II Notice e-mails shall include a link to the Notice.

Class Counsel shall send an email containing a link to the Phase II Notice and the Claim Form to all individuals who have contacted Koskie Minsky LLP about this class proceeding.

88

SCHEDULE "D" – NOTICE OF SETTLEMENT APPROVAL HEARING AND OBJECTION PROCESS

[SHORT FORM NOTICE]

Did you experience a delay in receiving a pension benefit under the Reserve Force Pension Plan or the Regular Force Pension Plan?

A proposed settlement may affect you. Please read this notice carefully.

The Federal Court authorized this notice. This is not a solicitation from a lawyer.

The federal government of Canada ("Canada") and Douglas Jost (the "Representative Plaintiff") have reached a proposed settlement in a class action lawsuit.

WHAT IS THIS CLASS ACTION ABOUT?

The class action involves delays in payment of certain pension benefits under the Reserve Force Pension Plan and the Regular Force Pension Plan between 2007 and 2017. If you served in the Canadian Armed Forces ("CAF") with at least some of that service in the Reserve Force and you were released from the CAF between 2007 and 2017, you may be entitled to a payment under the settlement.

The Federal Court certified the class action on April 16, 2021, which means that it is permitted to proceed to trial as a class action. The case has not yet gone to trial and there has been no judicial decision made on the merits of the lawsuit.

The Representative Plaintiff is represented by Koskie Minsky LLP ("Class Counsel").

The proposed settlement must first be approved by the Federal Court before any compensation is made available to members of the Class.

WHO IS INCLUDED?

The Federal Court has defined the Class as all individuals who:

(a) served in the Canadian Armed Forces – Reserve Force;

(b) released from the Canadian Armed Forces between March 1, 2007 and October 31, 2017;

(c) were entitled to receive an Immediate Annuity, Transfer Value, Annual Allowance and/or Bridge Benefit under the Regular Force Pension Plan or the Reserve Force Pension Plan; and

(d) did not receive payment of the Immediate Annuity, Transfer Value, Annual Allowance and/or Bridge Benefit for more than 60 days from the date of release.

In the decision certifying the lawsuit as a class proceeding, the Federal Court set a deadline to "opt out" of the class action. The "opt out" period expired on August 14, 2021. There will be no further opt-out period.

The proposed settlement applies to all individuals who meet the criteria set out above and who did not opt out of the Class (the "Class Members").

Estates of Class Members may also be eligible to receive a payment under the proposed settlement. A claim must be filed by the estate executor or, if the estate has been wound up, by an immediate family member.

If the proposed settlement is approved, all Class Members except those who validly opted out will be bound by the Court order approving the settlement and, in accordance with the terms of the proposed settlement, will not have the right to sue Canada for alleged harm caused by the delayed payment of pension benefits under the Reserve Force Pension Plan or the Regular Force Pension Plan during the Class Period from March 1, 2007 to October 31, 2017.

WHAT DOES THE SETTLEMENT PROVIDE?

If approved, the proposed settlement provides compensation for delays in the payment of certain pension benefits under the Reserve Force Pension Plan or the Regular Force Pension Plan during the Class Period from March 1, 2007 to October 31, 2017. The payments under the proposed settlement are intended to compensate Class Members for the experience of delay rather than any economic loss.

The amount of the compensation to be paid to any individual Class Member depends on the type of pension benefit paid to the Class Member and the length of the delay in payment. Class Members who received a Monthly Benefit (Immediate Annuity, Annual Allowance and/or Bridge Benefit) may be eligible to receive a payment in accordance with the following payment schedule:

1 to 90 Days	91 to 150 Days	151 to 365 Days	366 to 730 Days	Over 730 Days
$0	$400.00	$600.00	$800.00	$1,200.00

Class Members who received a Transfer Value may be eligible to receive a payment in accordance with the following payment schedule:

1 to 180 Days	Over 181 Days
$0	$600.00

Under the proposed settlement, Transfer Values are treated differently from Monthly Benefits due to their distinct eligibility criteria and terms of payment under the applicable legislation, the *Canadian Forces Superannuation Act,* RSC 1985, c C-17, and associated regulations.

Class Counsel are also seeking approval of legal fees and disbursements in the amount of **XX**, together with applicable taxes. The legal fees will be paid by Canada in addition to the compensation paid to eligible Class Members. The Federal Court will decide if the amounts requested are fair and reasonable.

Further details may be found in the proposed Settlement Agreement. A copy of the proposed Settlement Agreement is available online at: https://kmlaw.ca/cases/canada-forces-delayed-pension-class-action/

HOW DO I MAKE A CLAIM?

The proposed settlement must be approved by the Federal Court. If it is approved, you may apply for compensation under the settlement.

To make a claim, **you must complete a Claim Form and send it to the Department of National Defence during the Claims Period**. More information on how to make a claim will be available in a further notice if the proposed settlement is approved.

WHAT IF I AGREE OR DO NOT AGREE WITH THE PROPOSED SETTLEMENT?

Class Members may participate in the settlement approval hearing. If you do not agree with the proposed settlement, you have two options:

1. ***Object to the proposed settlement in writing:*** You may mail or email a letter that includes your name, address and telephone number, and explain why you object to the proposed settlement. You may also fill out an Objection Form which can be found at: https://kmlaw.ca/cases/canada-forces-delayed-pension-class-action/. You must mail or email your letter or Objection Form on or before **May 15, 2025** to: **CAF Pension Benefits Class Action**, c/o Koskie Minsky LLP, 20 Queen Street West, Suite 900, Box 52, Toronto Ontario, M5H 3R3; or to: **cafpensions@kmlaw.ca**.

2. ***Object to the settlement in person:*** You may attend the Federal Court at 180 Queen Street West, Toronto ON, on **June 18, 2025** at **9:30 a.m.**, to participate in the settlement approval hearing and voice your concerns. If you wish to appear in person, you must mail or email an Objection Form in writing on or before **May 15, 2025** to: **CAF Pension Benefits Class Action**, c/o Koskie Minsky LLP, 20 Queen Street West, Suite 900, Box 52, Toronto Ontario, M5H 3R3; or to: **cafpensions@kmlaw.ca**.

WHAT IF I DO NOTHING?

If you are a Class Member who did not opt out of the Class Action, you will be bound by the terms of the settlement if it is approved.

WHERE CAN I FIND OUT MORE INFORMATION?

Visit: https://kmlaw.ca/cases/canada-forces-delayed-pension-class-action/

E-mail: cafpensions@kmlaw.ca

Call Toll-free: 1 (800) 513-6344

92

[LONG FORM NOTICE]

PROPOSED SETTLEMENT OF THE CAF PENSION BENEFITS CLASS ACTION

Did you experience a delay in receiving a pension benefit under the Reserve Force Pension Plan or the Regular Force Pension Plan?

A proposed settlement may affect you. Please read this notice carefully.

The Federal Court authorized this notice. This is not a solicitation from a lawyer.

Douglas Jost (the "Representative Plaintiff") sued the federal government of Canada ("Canada") alleging that damages should be paid due to the delayed payment of certain pension benefits under the Reserve Force Pension Plan and the Regular Force Pension Plan between 2007 and 2017.

The Federal Court certified the class action on April 16, 2021, which means that it is permitted to proceed to trial as a class action. The case has not yet gone to trial and there has been no judicial decision made on the merits of the lawsuit. The Representative Plaintiff and Canada have now reached a proposed settlement that provides compensation to certain individuals if the settlement is approved by the Federal Court.

YOUR LEGAL RIGHTS AND OPTIONS IN THIS PROPOSED SETTLEMENT:

PARTICIPATE: To object to the proposed settlement, you may:

(1) **Write** to express your views; or

(2) **Attend the hearing** and ask to speak to the Federal Court about the proposed settlement.

DO NOTHING: You will give up any right you might have to object to the proposed settlement but you will have the right to make a claim if the settlement is approved and you have not opted out of the class action.

Your legal rights and options, including the deadlines to exercise them, are explained in this notice.

Your legal rights are affected even if you do nothing. Please read this notice carefully.

The Federal Court is required to determine whether the proposed settlement is fair and reasonable.

The Court will hear submissions about the approval of the proposed settlement in Toronto, Ontario on **June 18, 2025 at 9:30 a.m.** Compensation will only be made

available if the Federal Court approves the proposed settlement and after any appeals are resolved.

WHAT THIS NOTICE CONTAINS

BASIC INFORMATION
1. Why did I get this notice?
2. What is a class action?
3. What is this class action lawsuit about?
4. Has there been a trial?
5. Why is there a proposed settlement?

WHO IS INCLUDED IN THE PROPOSED SETTLEMENT?
6. Who is included in the proposed settlement?
7. What if I am not sure whether I am included in the proposed settlement?

PROPOSED SETTLEMENT
8. What does the proposed settlement provide?
9. What am I giving up in the proposed settlement?
10. May I remove myself from the proposed settlement?

HOW TO RECEIVE A PAYMENT?
11. How will I receive a payment?
12. How will payments be calculated?
13. What if I disagree with the amount of my payment?
14. What if my claim is denied?

THE LAWYERS REPRESENTING YOU
15. Who is Class Counsel?
16. Do I have to pay Class Counsel anything?

OBJECTING TO THE PROPOSED SETTLEMENT
17. How do I tell the Court if I support or object to the proposed settlement?

THE APPROVAL HEARING
18. When/where will the Court decide whether to approve the proposed settlement?
19. Do I have to attend the hearing?
20. May I speak at the hearing?
21. What if I do nothing?

GETTING MORE INFORMATION
22. How do I get more information?

BASIC INFORMATION

1. Why did I get this notice?

The Federal Court authorized this notice to inform you about a proposed settlement and your options before the Court decides whether to approve the proposed settlement. This notice explains the lawsuit, the proposed settlement, and your legal rights.

2. What is a class action?

In a class action, one or more individuals referred to as the "representative plaintiff(s)" sue on behalf of a group of people who have similar claims. The group of individuals with similar claims are called a "class" or "class members." The Court resolves the similar claims for all class members, except for those who clearly exclude themselves from the class action lawsuit.

3. What is this class action lawsuit about?

The class action claims that damages are owing due to the delayed payment of certain pension benefits under the Reserve Force Pension Plan and the Regular Force Pension Plan between 2007 and 2017, following the establishment of a pension plan for members of the Reserve Force. The payments under the proposed settlement are intended to compensate Class Members for the experience of delay rather than any economic loss.

The Representative Plaintiff, represented by Koskie Minsky LLP ("Class Counsel"), commenced the lawsuit in 2017. Canada is named as the Defendant in the case.

4. Has there been a trial?

The Federal Court certified the class action on April 16, 2021, which means that it is permitted to proceed to trial as a class action. A trial was scheduled to start on November 4, 2024 but the trial dates were adjourned because a proposed settlement had been reached. As a result, the case has not yet gone to trial and there has been no judicial decision made on the merits of the lawsuit.

5. Why is there a proposed settlement?

The Representative Plaintiff and Canada have agreed to a proposed settlement.

By agreeing to the proposed settlement, the parties avoid the costs and uncertainty of a trial and potential delays in obtaining judgment, including from potential appeals, and Class Members receive the compensation described in the proposed settlement agreement using a streamlined claims process.

The Representative Plaintiff and Class Counsel believe the proposed settlement is in the best interests of all Class Members.

WHO IS INCLUDED IN THE PROPOSED SETTLEMENT?

6. Who is included in the proposed settlement?

The Class includes all individuals who:

(a) served in the Canadian Armed Forces – Reserve Force;

(b) released from the Canadian Armed Forces between March 1, 2007 and October 31, 2017;

(c) were entitled to receive an Immediate Annuity, Transfer Value, Annual Allowance and/or Bridge Benefit under the Regular Force Pension Plan or the Reserve Force Pension Plan; and

(d) did not receive payment of the Immediate Annuity, Transfer Value, Annual Allowance and/or Bridge Benefit for more than 60 days from the date of release.

In the decision certifying the lawsuit as a class proceeding, the Federal Court set a deadline to "opt out" of the class action. The "opt out" period expired on August 14, 2021. The proposed settlement applies to all individuals who meet the criteria set out above and who did not opt out of the class action (the "Class Members").

Estates of Class Members may also be eligible to receive a payment under the proposed settlement. A claim must be filed by the estate executor or, if the estate has been wound up, by an immediate family member.

If the proposed settlement is approved, all Class Members except those who validly opted out will be bound by the terms of settlement and will be deemed to have released Canada from liability in relation to the subject-matter of the lawsuit.

This means that Class Members will not have the right to sue Canada for alleged harm caused by the delayed payment of certain pension benefits under the Reserve Force Pension Plan or the Regular Force Pension Plan during the Class Period from March 1, 2007 to October 31, 2017.

7. What if I am not sure whether I am included in the proposed settlement?

If you are not sure whether you are included in the proposed settlement, you may call toll-free at 1 (800) 513-6344 or visit https://kmlaw.ca/cases/canada-forces-delayed-pension-class-action/.

PROPOSED SETTLEMENT

8. What does the proposed settlement provide?

If approved, the proposed settlement provides compensation for delays in the payment of certain pension benefits under the Reserve Force Pension Plan and the Regular Force Pension Plan during the Class Period from March 1, 2007 to October 31, 2017.

The amount of the compensation to be paid to any individual Class Member depends on the type of pension benefit paid to the Class Member and the length of the delay in payment. Class Members who received a Monthly Benefit (Immediate Annuity, Annual Allowance and/or Bridge Benefit) may be eligible to receive a payment in accordance with the following payment schedule:

1 to 90 Days	91 to 150 Days	151 to 365 Days	366 to 730 Days	Over 730 Days
$0	$400.00	$600.00	$800.00	$1,200.00

Class Members who received a Transfer Value may be eligible to receive a payment in accordance with the following payment schedule:

1 to 180 Days	Over 181 Days
$0	$600.00

Under the proposed settlement, Transfer Values are treated differently from Monthly Benefits due to their distinct eligibility criteria and terms of payment under the applicable legislation, the *Canadian Forces Superannuation Act,* RSC 1985, c C-17, and associated regulations.

Further details may be found in the proposed Settlement Agreement. A copy of the proposed Settlement Agreement is available online at: https://kmlaw.ca/cases/canada-forces-delayed-pension-class-action/.

9. What am I giving up in the proposed settlement?

Once the proposed settlement becomes final, Class Members will give up their rights to sue Canada for the claims being resolved by the settlement. If you are a Class Member then you will be "releasing" Canada, which means you cannot institute another lawsuit against Canada for anything related to the delayed payment of certain pension benefits under the Reserve Force Pension Plan or the Regular Force Pension Plan during the Class Period from March 1, 2007 to October 31, 2017.

The proposed Settlement Agreement describes the released claims with specific descriptions, so please read it carefully. If you have any questions about what this means, you may contact Class Counsel or your own lawyer. You are responsible for paying your own lawyer's fees.

A copy of the proposed Settlement Agreement is available online at: https://kmlaw.ca/cases/canada-forces-delayed-pension-class-action/.

10. May I remove myself from the proposed settlement?

In the decision certifying the lawsuit as a class proceeding, the Federal Court set a deadline of August 14, 2021 to "opt out" of the class action. A separate notice campaign was approved by the Federal Court to notify potential Class Members of the opt-out deadline. There will be no further opt-out period.

Therefore, Class Members who did not validly opt out of the class action by August 14, 2021 will be bound by the proposed settlement if it is approved by the Federal Court.

HOW TO RECEIVE A PAYMENT IF THE PROPOSED SETTLEMENT IS APPROVED

11. How will I receive a payment?

To request compensation under the Settlement Agreement, **all Class Members must complete and submit a Claim Form.**

Claims will be reviewed and verified by the Department of National Defence acting as the Administrator of the Settlement Agreement. Eligible Class Members will not need to testify in Court. Once the claim is reviewed and verified, eligible Class Members will receive compensation as soon as reasonably practicable.

More information about the claims process, including the Claim Form, will be provided in a further notice if the proposed settlement is approved. The Federal Court must first decide whether to approve the proposed settlement and any appeals from the Federal Court's decision must be resolved. If there are appeals, it could take time for them to resolve. Please be patient.

12. How will payments be calculated?

The Administrator will review your Claim Form and determine if you qualify for a payment. If you do, the Administrator will determine the amount of your payment based on the criteria described in the Settlement Agreement.

13. What if I disagree with the decision?

If you wish to dispute the decision, you may request that the decision be reconsidered.

14. What if my claim is denied?

If your claim is denied, you will receive a notice of the decision. There will be a process to request a reconsideration of the denial decision, with more information to be provided in a further notice if the settlement is approved.

THE LAWYERS REPRESENTING YOU

15. Who is Class Counsel?

The lawyers representing the Representative Plaintiff and Class Members are Koskie Minsky LLP. If you wish to be represented by or receive advice from another lawyer, you may hire a lawyer at your own expense.

16. Do I need to pay Class Counsel anything?

No. Class Counsel are seeking approval of legal fees and disbursements in the amount of **XX**, together with applicable taxes. The legal fees will be paid by Canada in addition to the compensation paid to eligible Class Members. Class Counsel will not be paid unless the Federal Court finds that the proposed legal fees are fair and reasonable.

You will not need to pay any legal fees out of your own pocket for services from Class Counsel relating to the claims process. If a Class Member retains another lawyer or representative, the Class Member must pay the legal fees, disbursements and taxes for their services.

PARTICIPATING IN THE PROPOSED SETTLEMENT

17. How do I tell the Court if I object to the proposed settlement?

To object to the proposed settlement, you may either:

(a) Provide a written submission: Write a letter, send an email or fill out an Objection Form that includes the following information:

- Your name, address and telephone number;
- The reason(s) why you oppose the proposed settlement, together with any supporting material; and
- Your signature.

Objection Forms are available online: https://kmlaw.ca/cases/canada-forces-delayed-pension-class-action/.

(b) Appear in person: Fill out an Objection Form indicating that you intend to appear at the approval hearing to speak to the proposed settlement. The approval hearing

before the Federal Court is scheduled to be heard in Toronto, Ontario on **June 18, 2025 at 9:30 a.m.**

All written correspondence containing submissions on the proposed settlement, including Objection Forms, must be sent on or before **May 15, 2025** to:

CAF Pension Benefits Class Action
c/o Koskie Minsky LLP
20 Queen Street West
Suite 900, Box 52
Toronto, Ontario
M5H 3R3

Email: cafpensions@kmlaw.ca.

THE APPROVAL HEARING

18. When/where will the Court decide whether to approve the proposed settlement?

The Federal Court will hold an approval hearing in Toronto, Ontario on **June 18, 2025 at 9:30 a.m.** to decide whether to approve the proposed settlement and Class Counsel's request for legal fees, disbursements and taxes. You may attend and you may request to speak, but you do not have to.

The hearing date could be moved to a different date or time without additional notice. If you plan to attend the hearing, you should call 1 (800) 513-6344 or check the following website for updates: https://kmlaw.ca/cases/canada-forces-delayed-pension-class-action/.

At the hearing the Federal Court will consider whether the proposed settlement is fair, reasonable and in the best interests of the Class. The Court will also decide whether the amount of legal fees and disbursements requested by Class Counsel are fair and reasonable. If there are objections, the Court will listen to those people who submitted an Objection Form and who asked to speak at the hearing, and the Court will consider those objections as well as the objections submitted in writing.

After the hearing, the Court will issue a decision on whether the proposed settlement has been approved. The timeframe for the issuance of the Court's decision is not known.

19. Do I need to attend the hearing?

No. Class Counsel will answer any questions the Court may have on behalf of the Class.

You and/or your own lawyer are welcome to attend at your expense to participate in the hearing, either to show your support for the proposed settlement or to object to the proposed settlement. If you submit a written objection, you do not need to attend the hearing to speak to it. Your written objection will be considered by the Court as long as it is submitted before the deadline of May 15, 2025.

20. May I speak at the hearing?

Yes. If you wish to speak at the hearing, you must submit a letter or an Objection Form and indicate that you will be requesting an opportunity to speak at the approval hearing.

21. What if I do nothing?

If you are a Class Member who did not opt out of the Class Action, you will be deemed to accept the proposed terms of settlement. The approval hearing will proceed and the Court will consider whether the proposed settlement is fair, reasonable and in the best interests of the Class. This will occur without your views on the matter, and you will have no further opportunity to make objections to the Court.

GETTING MORE INFORMATION

22. How do I get more information?

This notice summarizes the proposed settlement. For full details, a copy of the proposed settlement agreement is available online at: https://kmlaw.ca/cases/canada-forces-delayed-pension-class-action/.

If you have any questions, you may send them to: CAF Pension Benefits Class Action, c/o Koskie Minsky LLP, 20 Queen Street West, Suite 900, Box 52, Toronto Ontario, M5H 3R3; e-mail cafpensions@kmlaw.ca; or call toll free at 1 (800) 513-6344.

102

[SOCIAL MEDIA NOTICE]

CAF Pension Benefits Class Action

Are you a former member of the CAF with Reserve Force service who experienced a delay in receiving a pension benefit under the Reserve Force Pension Plan or the Regular Force Pension Plan? If you released between March 1, 2007 and October 31, 2017, a proposed settlement may affect your rights.

Website: https://kmlaw.ca/cases/canada-forces-delayed-pension-class-action/

Email: cafpensions@kmlaw.ca

Call Toll-free: 1 (800) 513-6344

103

SCHEDULE "E" – OBJECTION FORM

ONLY USE THIS FORM IF YOU WANT TO REGISTER YOUR OBJECTION TO THE PROPOSED SETTLEMENT

THIS IS NOT A CLAIM FORM

THIS FORM IS ONLY FOR INDIVIDUALS WHO DO NOT WANT THE PROPOSED SETTLEMENT TO BE APPROVED

To: **CAF Pension Benefits Class Action**
Koskie Minsky LLP
900-20 Queen St W
Toronto, Ontario
M5H 3R3

– OR –

cafpensions@kmlaw.ca

RE: CAF Pension Benefits Class Action

Name: _____

Mailing Address: _____

_____

Telephone Number: _____

Are you a Class Member? (circle one): YES NO NOT SURE

On what date did you release from the CAF? _____

On what date were you first paid a pension benefit? _____

If you object to the proposed settlement terms, please use the space below to explain why:

_____

_____

_____

104

Persons submitting an objection are required to complete and deliver this Objection Form by no later than **May 15, 2025**.

105

SCHEDULE "F" – NOTICE OF APPROVAL OF SETTLEMENT AND CLAIMS PROCESS

[SHORT FORM NOTICE]

Did you experience a delay in receiving a pension benefit under the Reserve Force Pension Plan or the Regular Force Pension Plan?

A settlement has been approved by the Court. You may be entitled to compensation of up to $1,200. Please read this notice carefully.

The Federal Court authorized this notice. This is not a solicitation from a lawyer.

A settlement between the federal government of Canada ("Canada") and Douglas Jost (the "Representative Plaintiff") has been approved by the Court.

The class action lawsuit commenced by the Representative Plaintiff alleged that damages were owing due to the delayed payment of certain pension benefits under the Reserve Force Pension Plan or the Regular Force Pension Plan between 2007 and 2017. If you served in the Canadian Armed Forces ("CAF") with at least some of that service in the Reserve Force and you released from the CAF between 2007 and 2017, you may be entitled to a payment under the settlement.

WHO IS INCLUDED?

The settlement applies to all individuals, referred to as "Class Members", who did not "opt out" of the class action and who meet the following criteria:

(a) served in the Canadian Armed Forces – Reserve Force;

(b) released from the Canadian Armed Forces between March 1, 2007 and October 31, 2017;

(c) were entitled to receive an Immediate Annuity, Transfer Value, Annual Allowance and/or Bridge Benefit under the Regular Force Pension Plan or the Reserve Force Pension Plan; and

(d) did not receive payment of the Immediate Annuity, Transfer Value, Annual Allowance and/or Bridge Benefit for more than 60 days from the date of release.

In the decision certifying the lawsuit as a class proceeding, the Federal Court set a deadline to "opt out" of the class action. The "opt out" period expired on August 14, 2021. There will be no further opt-out period.

Estates of Class Members may also be eligible to receive a payment under the proposed settlement. A claim must be filed by the estate executor or, if the estate has been wound up, by an immediate family member.

All Class Members except those who validly opted out will be bound by the Settlement Agreement and will be deemed to have "released" Canada from liability for alleged harm caused by the delayed payment of pension benefits under the Reserve Force Pension Plan or the Regular Force Pension Plan during the Class Period from March 1, 2007 to October 31, 2017.

WHAT DOES THE SETTLEMENT PROVIDE?

The settlement provides compensation for delays in the payment of certain pension benefits under the Reserve Force Pension Plan or the Regular Force Pension Plan during the Class Period from March 1, 2007 to October 31, 2017. The payments under the Settlement Agreement are intended to compensate Class Members for the experience of delay rather than any economic loss.

The amount of the compensation to be paid to any individual Class Member depends on the type of pension benefit paid to the Class Member and the length of the delay in payment (*i.e.,* the number of days between the Class Member's date of release and the date of payment). Class Members who received a Monthly Benefit (Immediate Annuity, Annual Allowance and/or Bridge Benefit) may be eligible to receive a payment in accordance with the following payment schedule:

1 to 90 Days	91 to 150 Days	151 to 365 Days	366 to 730 Days	Over 730 Days
$0	$400.00	$600.00	$800.00	$1,200.00

Class Members who received a Transfer Value may be eligible to receive a payment in accordance with the following payment schedule:

1 to 180 Days	Over 181 Days
$0	$600.00

Under the settlement, Transfer Values are treated differently from Monthly Benefits due to their distinct eligibility criteria and terms of payment under the applicable legislation, the *Canadian Forces Superannuation Act,* RSC 1985, c C-17, and its associated regulations.

Further details may be found in the Settlement Agreement. A copy of the Settlement Agreement is available online at: https://kmlaw.ca/cases/canada-forces-delayed-pension-class-action/.

107

HOW DO I GET A PAYMENT?

You must complete a Claim Form and send it to the Administrator at: Administrator of the CAF Pension Benefits Class Action, **[insert address]**. Claims must be submitted by **[insert claims deadline]**. A copy of the Claim Form is available at: **[insert link]**.

HOW WILL MY CLAIM BE PROCESSED?

The Administrator will review your Claim Form and determine if you qualify for a payment. If you do, the Administrator will determine the amount of your payment based on the criteria and process set out in the Settlement Agreement.

Further details may be found in the Settlement Agreement. A copy of the Settlement Agreement is available online at: https://kmlaw.ca/cases/canada-forces-delayed-pension-class-action/.

The Court approved a payment to Class Counsel in the amount of **[amount, plus tax]**. You do not need to pay Class Counsel any money, nor will any counsel fees be deducted from any payment that you receive under the Settlement Agreement.

WHERE CAN I FIND OUT MORE INFORMATION?

Visit, call or email:

Class Counsel
Website: https://kmlaw.ca/cases/canada-forces-delayed-pension-class-action/
Email: cafpensions@kmlaw.ca
Telephone (Toll Free) : 1 (800) 513-6344

Administrator of the CAF Pension Benefits Class Action
Website: **[link to website]**
Telephone: **[add phone number]**
Email: **[add e-mail address]**

DO YOU KNOW ANYONE WHO MAY BE PART OF THE CAF PENSION BENEFITS CLASS ACTION?

Please share this information with them.

108

[LONG FORM NOTICE]

SETTLEMENT OF THE CAF PENSION BENEFITS CLASS ACTION

Did you experience a delay in receiving a pension benefit under the Reserve Force Pension Plan or the Regular Force Pension Plan?

A settlement may affect you. You may be entitled to compensation of up to $1,200. Please read this notice carefully.

The Federal Court authorized this notice. This is not a solicitation from a lawyer.

Douglas Jost (the "Representative Plaintiff") sued the federal government of Canada ("Canada") alleging that damages should be paid due to the delayed payment of certain pension benefits under the Reserve Force Pension Plan or the Regular Force Pension Plan between 2007 and 2017.

The Federal Court has now approved a settlement between the Representative Plaintiff and Canada that provides compensation to individuals who experienced delays in the payment of certain pension benefits under the pension plans for members of the Canadian Armed Forces ("CAF").

Your legal rights are affected even if you do nothing. Please read this notice carefully.

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT:

MAKE A CLAIM: You may submit a claim for compensation under the settlement. To do so, you must complete a Claim Form and send it to the Department of National Defence ("DND") by **[insert claims deadline]**. A copy of the Claim Form is available at: **[insert link]**.

DO NOTHING: If you do not submit a claim for compensation under the settlement before the deadline, you will give up the opportunity to obtain compensation for any harm caused by the delayed payment of certain pension benefits under the Reserve Force Pension Plan or the Regular Force Pension Plan between 2007 and 2017.

109

WHAT THIS NOTICE CONTAINS

BASIC INFORMATION
1. Why did I get this notice?
2. What is a class action?
3. What is this class action lawsuit about?
4. Has there been a trial?
5. Why is there a settlement?

WHO IS INCLUDED IN THE SETTLEMENT?
6. Who is included in the settlement?
7. What if I am not sure whether I am included in the settlement?

SETTLEMENT
8. What does the settlement provide?
9. What am I giving up in the settlement?
10. May I remove myself from the settlement?

HOW TO RECEIVE A PAYMENT?
11. How will I receive a payment?
12. How will payments be calculated?
13. When will I receive my payment?
14. What if I disagree with the amount of my payment?
15. What if my claim is denied?

THE LAWYERS REPRESENTING YOU
16. Who is Class Counsel?
17. How will Class Counsel be paid?

GETTING MORE INFORMATION
18. How do I get more information?

110

BASIC INFORMATION

1. Why did I get this notice?

The Federal Court authorized this notice to provide you with information about how a settlement may affect you. This notice explains the underlying lawsuit, the settlement and your legal rights.

2. What is a class action?

In a class action, one or more individuals referred to as the "representative plaintiff(s)" sue on behalf of a group of people who have similar claims. The group of individuals with similar claims are called a "class" or "class members." The Court resolves the similar claims for all class members, except for those who clearly exclude themselves from the class action lawsuit.

3. What is this class action lawsuit about?

The class action claims that damages are owing due to the delayed payment of certain pension benefits under the Reserve Force Pension Plan and the Regular Force Pension Plan between 2007 and 2017, following the establishment of a pension plan for members of the Reserve Force.

The Representative Plaintiff, represented by Koskie Minsky LLP ("Class Counsel"), commenced the lawsuit in 2017. Canada is named as the Defendant in the case.

4. Has there been a trial?

The Federal Court certified the class action on April 16, 2021, which means that it was permitted to proceed to trial as a class action. The case has not gone to trial and there has been no judicial decision made on the merits of the lawsuit.

5. Why is there a settlement?

On **[insert date]**, the Court approved a settlement between the Representative Plaintiff and Canada. By agreeing to the settlement, the parties avoid the costs and uncertainty of a trial and potential delays in obtaining judgment, and Class Members receive the compensation described in the settlement agreement. The Court found that the settlement is fair and reasonable, and in the best interests of all Class Members.

WHO IS INCLUDED IN THE SETTLEMENT?

6. Who is included in the proposed settlement?

The settlement applies to all individuals, referred to as "Class Members", who did not "opt out" of the class action and who meet the following criteria:

(a) served in the Canadian Armed Forces – Reserve Force;

(b) released from the Canadian Armed Forces between March 1, 2007 and October 31, 2017;

(c) were entitled to receive an Immediate Annuity, Transfer Value, Annual Allowance and/or Bridge Benefit under the Regular Force Pension Plan or the Reserve Force Pension Plan; and

(d) did not receive payment of the Immediate Annuity, Transfer Value, Annual Allowance and/or Bridge Benefit for more than 60 days from the date of release.

In the decision certifying the lawsuit as a class proceeding, the Federal Court set a deadline to "opt out" of the class action. The "opt out" period expired on August 14, 2021. There will be no further opt-out period.

Estates of Class Members may also be eligible to receive a payment under the proposed settlement. A claim must be filed by the estate executor or, if the estate has been wound up, by an immediate family member.

All Class Members except those who validly opted out are bound by the settlement and will be deemed to have "released" Canada in relation to the subject-matter of the lawsuit. This means that Class Members will not have the right to start another lawsuit against Canada for alleged harm caused by the delayed payment of pension benefits under the Reserve Force Pension Plan or the Regular Force Pension Plan during the class period from March 1, 2007 to October 31, 2017.

7. What if I am not sure whether I am included in the settlement?

If you are not sure whether you are included in the settlement, you may call toll-free at **[insert phone number]** or visit https://kmlaw.ca/cases/canada-forces-delayed-pension-class-action/ or **[insert link to DND site]**.

SETTLEMENT

8. What does the settlement provide?

The settlement provides compensation for delays in the payment of certain pension benefits under the Reserve Force Pension Plan and the Regular Force Pension Plan during the class period from March 1, 2007 to October 31, 2017. The payments under the Settlement Agreement are intended to compensate Class Members for the experience of delay rather than any economic loss.

The amount of the compensation to be paid to any individual Class Member depends on the type of pension benefit paid to the Class Member and the length of the delay in payment (*i.e.,* the number of days between the Class Member's date of release and the date of payment). Class Members who received a Monthly Benefit (Immediate Annuity, Annual Allowance and/or Bridge Benefit) may be eligible to receive a payment in accordance with the following payment schedule:

1 to 90 Days	91 to 150 Days	151 to 365 Days	366 to 730 Days	Over 730 Days
$0	$400.00	$600.00	$800.00	$1,200.00

Class Members who received a Transfer Value may be eligible to receive a payment in accordance with the following payment schedule:

1 to 180 Days	Over 181 Days
$0	$600.00

Under the settlement, Transfer Values are treated differently from Monthly Benefits due to their distinct eligibility criteria and terms of payment under the applicable legislation, the *Canadian Forces Superannuation Act*, RSC 1985, c C-17, and its associated regulations.

Further details may be found in the Settlement Agreement. A copy of the Settlement Agreement is available online at: https://kmlaw.ca/cases/canada-forces-delayed-pension-class-action/.

9. What am I giving up in the settlement?

In exchange for being entitled to access the compensation scheme under the settlement, Class Members give up their rights to continue this class action and to start another lawsuit against Canada for the claims being resolved by the settlement.

If you are a Class Member then you are "releasing" Canada, which means you cannot sue Canada for anything related to the delayed payment of certain pension benefits under the Reserve Force Pension Plan or the Regular Force Pension Plan during the Class Period from March 1, 2007 to October 31, 2017.

The Settlement Agreement describes the released claims with specific descriptions, so please read it carefully. If you have any questions about what this means, you may contact Class Counsel or your own lawyer. You are responsible for paying your own lawyer's fees.

10. May I remove myself from the settlement?

In the decision certifying the lawsuit as a class proceeding, the Federal Court set a deadline of August 14, 2021 to "opt out" of the class action. A separate notice campaign was approved by the Federal Court to notify potential Class Members of the opt-out deadline. There will be no further opt-out period.

Therefore, Class Members who did not validly opt out of the class action by August 14, 2021 are bound by the settlement.

HOW TO RECEIVE A PAYMENT

11. How will I receive a payment?

To request compensation under the Settlement Agreement, all Class Members must complete and submit a Claim Form. Claims will be reviewed and verified by the Department of National Defence acting as the Administrator of the Settlement Agreement. Class Members will not need to testify in Court. Once the Claim is reviewed and verified, eligible Class Members will receive compensation as soon as reasonably possible.

The Claim Form is available online at **[insert link to DND website]**, or by calling **[insert phone number]**.

If you need help filling out your Claim Form, you should contact the Administrator.

12. How will payments be calculated?

The Administrator will review your Claim Form and determine if you qualify for a payment. If you do, the Administrator will determine the amount of your payment based on the criteria described in the Settlement Agreement.

13. What if I disagree with the decision?

If you wish to dispute the decision, you may request that the decision be reconsidered.

14. What if my claim is denied?

If your claim is denied, you will receive a notice of the decision. You may request that the denial decision be reconsidered.

THE LAWYERS REPRESENTING YOU

15. Who is Class Counsel?

The lawyers representing the Representative Plaintiff and Class Members are Koskie Minsky LLP. If you wish to be represented by or receive advice from another lawyer, you may hire a lawyer at your own expense.

16. How will Class Counsel be paid?

Class Counsel will be paid fees and disbursements in the amount of **[insert amount]**, together with applicable taxes. This amount will be paid directly by Canada and separately from the compensation paid to Class Members.

You will not need to pay any legal fees out of your own pocket. If you retain another lawyer or representative then you must pay the fees, disbursements and taxes for their services.

GETTING MORE INFORMATION

17. How do I get more information?

This notice summarizes the settlement. For full details, a copy of the Settlement Agreement is available online at: https://kmlaw.ca/cases/canada-forces-delayed-pension-class-action/ or **[DND website]**.

To obtain more information, you may visit, call or email:

Class Counsel
Website: https://kmlaw.ca/cases/canada-forces-delayed-pension-class-action/
Email: cafpensions@kmlaw.ca
Telephone: 1 (800) 513-6344

DND as Administrator of the CAF Pension Benefits Class Action
Website: **[link to website]**
Telephone: **[add phone number]**
Email: **[add e-mail address]**

115

[SOCIAL MEDIA NOTICE]

CAF Pension Benefits Class Action

Are you a former member of the CAF with Reserve Force service who experienced a delay in receiving a pension benefit under the Reserve Force Pension Plan or the Regular Force Pension Plan? If you released between March 1, 2007 and October 31, 2017, a settlement has been approved affecting your rights, and you may be entitled to up to $1,200 in compensation.

Website: **[insert link]**
Email: **[insert email address]**
Telephone: **[insert phone number]**

116

SCHEDULE "G" - STATEMENT OF CLAIM

Court File No.: T-972-17

FEDERAL COURT

PROPOSED CLASS PROCEEDING

DOUGLAS JOST

Plaintiff

and

THE ATTORNEY GENERAL OF CANADA

Defendant

STATEMENT OF CLAIM TO THE DEFENDANT

A LEGAL PROCEEDING HAS BEEN COMMENCED AGAINST YOU by the Plaintiffs. The Claim made against you is set out in the following pages.

IF YOU WISH TO DEFEND THIS PROCEEDING, you or a solicitor acting for you are required to prepare a Statement of Defence in Form 171B prescribed by the Federal Court Rules serve it on the Plaintiffs' solicitor or, where the Plaintiffs do not have a solicitor, serve it on the Plaintiffs, and file it, with proof of service, at a local office of this Court, WITHIN 30 DAYS after this Statement of Claim to the Defendant is served on you, if you are served in Canada.

If you are served in the United States of America, the period for serving and filing your Statement of Defence is forty days. If you are served outside Canada and the United States of America, the period for serving and filing your statement of defence is sixty days.

Copies of the Federal Court Rules information concerning the local offices of the Court and other necessary information may be obtained on request to the Administrator of this Court in Montreal (telephone 514-283-4820) or at any local office.

117

IF YOU FAIL TO DEFEND THIS PROCEEDING, judgment may be given against you in your absence and without further notice to you.

Date JUN 30 2017

Issued by ORIGINAL SIGNED BY ANIL KAMAL
A SIGNÉ L'ORIGINAL

Address of Local office		
	180 Queen Street West Suite 200 Toronto, Ontario M5V 3L6	180, rue Queen Ouest bureau 200 Toronto, Ontario M5V 3L6

TO: **Her Majesty the Queen**
Office of the Deputy Attorney General of Canada
284 Wellington Street
Ottawa, Ontario
K1A 0H8

A. CLAIM

1. The Plaintiff Douglas Jost claims on his own behalf and on behalf of class members (as defined below):

(a) an order certifying this action as a class proceeding and appointing Douglas Jost as representative plaintiff under the *Federal Courts Rules*, SOR/98-106;

(b) a declaration that the Defendant, Her Majesty the Queen as represented by the Attorney General of Canada, breached its contractual obligations, its duty of care, and its fiduciary duty to the Plaintiff and the class members;

(c) general pecuniary and non-pecuniary damages for the Defendant's breaches of its contractual obligations, its duty of care, and its fiduciary duty to the class members in the amount of $100 million or such other sum as this Honourable Court may find appropriate;

(d) pre-judgment and post-judgment interest pursuant to the *Federal Courts Act*, R.S.C., 1985, c. F-7;

(e) the costs of notice and of administering the plan of distribution of the recovery in this action, plus applicable taxes, pursuant to Rule 334.38 of the *Federal Courts Rules,* SOR/98-106; and

(f) such further and other Relief as to this Honourable Court may deem just.

B. OVERVIEW

2. Members of the Canadian Armed Forces (**"CAF"**) earn pensions in return for their service in the CAF. The CAF maintains a pension plan for the Reserve Force and a pension plan for the Regular Force. When CAF members return to civilian life and are discharged from the CAF they take their pension entitlement with them. In some instances, the pension entitlement is payable immediately to the CAF member upon their discharge by way of an Immediate Annuity, Transfer Value, Annual

Allowance or Bridge Benefit (the **"Immediate Pension Entitlements"**). An Immediate Annuity may be payable in circumstances wherein the member is disabled.

3. Members rely on the timely payment of their Immediate Pension Entitlements to secure the basic daily necessities of life, including housing, medication, food and other necessities.

4. The members rely on Canada to calculate and pay the Immediate Pension Entitlements in a timely manner and in a manner which does not erode or jeopardize the pension value. The Immediate Pension Entitlements are essential for the transition from CAF service to civilian life and to maintain the basic livelihood veterans served their country to secure.

5. Since at least March 1, 2007, Canada has engaged in chronic, excessive and unreasonable delay in the payment of Immediate Pension Entitlements to discharged members of the CAF. Through mismanagement, Canada has forced discharged members of the CAF to wait weeks, months and in some instances years, before receiving their Immediate Pension Entitlements.

6. Canada's unreasonable delay has resulted in significant hardship to discharged members. Canada has not properly compensated discharged members for the unreasonable delay in processing, calculating and ultimately paying Immediate Pension Entitlements. As a result of Canada's delay, discharged members of the CAF have lost value in their Immediate Pension Entitlements, gone without medication,

lost shelter, were deprived of the basic necessities of life and endured pain and suffering.

7. In short, Canada's delay in paying Immediate Pension Entitlements has driven discharged members of the CAF to personal and financial crisis. Discharged members are humiliated and are not permitted to make the transition to civilian life in dignity.

8. Canada's unreasonable delay constitutes a breach of Canada's contractual obligations, duty of care and fiduciary duties owed to members of the Reserve Force and Regular Force pension plans. Canada has known about the problem of mismanagement and delay of the Reserve Force and Regular Force pension plans for years. Canada has not taken appropriate steps to rectify its conduct and ignored explicit recommendations aimed at rectifying the problem of delays.

C. THE CLASS

9. The Plaintiff wishes to institute a class action, on his own behalf and on behalf of the members forming part of the following class:

> All members of the Canadian Forces - Reserve Force Pension Plan and the Canadian Forces - Regular Force Pension Plan who were entitled upon release to an Immediate Annuity, Transfer Value, Annual Allowance or Bridge Benefit, between March 1, 2007 and the present. (**"Class Members"** or the **"Class"**)

D. THE PLAINTIFF

10. Douglas Jost was discharged from the CAF on June 30, 2015, with his release effective July 1, 2015. Mr. Jost, like all members of the CAF, was required to give 3

months notice of his impending discharge. Mr. Jost last served as a full-time Naval Reservist at the rank of Lieutenant. Mr. Jost was 48 at the time of his discharge with two or more years of pensionable service and a purported total of 8,969 days of qualifying service. On April 9, 2015, approximately two months prior to his release, Mr. Jost was offered an option of selecting either:

(a) an Annual Allowance – payable at age 50, of $2,760 per month; or

(b) a Deferred Annuity – payable at age 60, of $3,680 per month; or

(c) a Transfer Value – with a total value of approximately $859,980.

11. Mr. Jost opted for the Transfer Value option and was advised he would receive payment in 8-12 weeks.

12. Mr. Jost was then advised on August 1, 2015, approximately 1 month after his release, that his Transfer Value was in fact $726,904.

13. Mr. Jost did not receive his Transfer Value payment within 8-12 weeks. Mr. Jost made his decision to be released and elected a Transfer Value on the understanding and representation he would receive his Transfer Value payment within 8-12 weeks, at the amount represented to him. Mr. Jost made financial plans on this representation and promise.

14. By October 16, 2015, 6.5 months from the notification of his intended discharge, or 3.5 months from his formal discharge, the internal "audited release message" was first completed by Canada. The audited release message was only the

first step to permitting the Reserve Forces Benefit Section to process Mr. Jost's entitlement. Such requirements are unilaterally imposed and controlled by Canada.

15. On October 20, 2015, Mr. Jost was advised that his Transfer Value had again decreased from $726,904 to $703,180. Mr. Jost was not advised why the value decreased. Similarly, on October 20, 2015, the defendant for the first time provided Mr. Jost with an "option form" to select what form of pension entitlement he wished to select. Prior to October 20, 2015 Mr. Jost had already received two pension estimates from Canada and advised of his election to receive the Transfer Value.

16. The Transfer Value payment to Mr. Jost was not made until January 20, 2016, approximately 9.5 months from the date of his notice of discharge or 6.5 months from his discharge. The payment to Mr. Jost was made 29 weeks after his discharge and not within the 8-12 weeks promised earlier. Mr. Jost was never compensated for the late payment or the reduction in the value of his Transfer Value over the course of the unreasonable delay. Mr. Jost incurred debts, late payment penalties and suffered a marked loss in the daily enjoyment of his life as a result of the financial ruin Canada's delay directly caused.

E. THE PENSION PLANS

17. The CAF have two pension plans: the Regular Force Pension Plan (**"Regular Plan"**) and the Reserve Force Pension Plan (**"Reserve Plan"**), both of which are defined benefit plans (Collectively, the **"Plans"**). According to 2014 data, the

Regular Plan has 71,599 active contributors and 86,007 retired members. The Reserve Plan has 19,855 active contributors and 596 retired members.

18. The Reserve Plan was first introduced in 2007. The Regular Plan predates 2007. Both Plans are presently governed by the *Canadian Forces Superannuation Act*, *Canadian Forces Superannuation Regulations* and the *Reserve Force Pension Plan Regulations*. The Plans are funded from employee and employer contributions. The Defendant is responsible for providing program management and day-to-day administration of the Plans.

19. Class Members are provided common information regarding their pension entitlements. The pension promise made to Class Members is part of their terms of service. The Orientation Information Kit, which is published and provided to the Class Members states that "…the plan is designed to provide qualified members with a retirement income payable upon release from the CAF."

Immediate Pension Entitlements

20. The Plans provide for 4 general types of pension entitlements upon release:

(a) **Immediate Annuity**

A member is entitled to an Immediate Annuity pursuant to the following conditions:

(a) they have completed not less than 9,131 days of Canadian Forces service;

(b) they have reached 60 years of age;

> **(c)** they have reached 55 years of age and have to their credit not less than 30 years of pensionable service;
>
> **(d)** they are disabled by reason of suffering from a physical or mental impairment that
>
> > **(i)** prevents the member from engaging in any employment for which the member is reasonably suited by virtue of education, training or experience, and
> >
> > **(ii)** can reasonably be expected to last for the remainder of the member's lifetime; or
>
> **(e)** they cease, otherwise than voluntarily, to be a member because of a reduction in the maximum number of officers or non-commissioned members authorized by the Governor in Council under subsection 15(4) of the National Defence Act, and
>
> > **(i)** they have reached 55 years of age and have to their credit not less than 10 years of pensionable service, or
> >
> > **(ii)** they have to their credit not less than 20 years of pensionable service.

(b) **Deferred Annuity**

A member who has 2 years of pensionable service, but is not yet entitled to an Immediate Annuity, may elect to receive a Deferred Annuity upon their discharge, which commences generally once the conditions for an Immediate Annuity are met.

(c) **Transfer Value**

If a member is entitled to select a Deferred Annuity, they may elect instead to take a lump sum commuted value payment at the time of discharge in lieu of the future annuity entitlement.

(d) **Annual Allowance**

If a member is entitled to select a Deferred Annuity, but is under 60, they may elect instead to take an annual allowance which becomes payable when they reach the age of 50 at an amount that is less than the Deferred Annuity.

21. In all circumstances, by virtue of the duty of care, fiduciary duties or contractual obligations owed to the Class Members, the Immediate Pension

Entitlements are payable to the Class Members immediately following their release from the CAF.

22. An Immediate Annuity is defined by the *Canadian Forces Superannuation Act* as "an annuity that becomes payable to the contributor immediately on his becoming entitled thereto"

23. The commencement date of an Immediate Annuity according to the *Reserve Force Pension Plan Regulations* "is the day following the last day on which the member is a participant". A member ceases to be a participant once they are released from the Reserve Force. The commencement date for an Immediate Annuity is the date a Class Member is released from the CAF. Similarly, the commencement date for an Annual Allowance is the date on which the pensioner turns 50, or immediately if the pensioner is 50 years of age or older at the time of discharge.

Systemic Delays

24. Since the introduction of the Reserve Plan, effective March 1, 2007, the Plans have faced unreasonable and excessive delays in processing Immediate Pension Entitlements.

25. In 2011, the Auditor General released its report on the findings from its audit on the Reserve Plan, encompassing a review of financial statements from 2007 to 2010. The Auditor General concluded that the Reserve Plan was introduced without adequate planning and that the system faced significant backlogs, specifically:

(a) the Reserve Plan was introduced without adequate planning;

(b) no senior official was made responsible for the introduction of the Reserve Plan;

(c) senior management did not develop or use a master implementation plan;

(d) lack of an overall plan to coordinate the development of policy and regulations with the start of the delivery of the Reserve Plan contributed to the subsequent weaknesses in its implementation;

(e) management identified significant risks that were not dealt with appropriately, including:

  (i) reservists not receiving useful information about the pension plan provisions and, as a result, not choosing the financial option best suited to their circumstances;

  (ii) workloads increasing substantially, particularly to process pension buyback requests, when staff were still learning new business rules and system tools;

  (iii) a lack of adequate pay and service records for reservists prior to 1999; and

  (iv) complex regulations and business rules, making the pension plan difficult to manage and communicate to reservists.

(f) the Department did not take measures to sufficiently mitigate these risks until after the plan came into force in March 2007, which adversely affected the delivery of pension services to reservists;

(g) Under the legislation and regulations, National Defence was required to put in place the means necessary to operate the Reserve Plan, including resources and information systems and control procedures. These procedures needed to be in place at the time the plan came into effect, to determine member obligations and entitlements according to the authorities;

(h) the Department did not provide sufficient lead time before the Reserve Plan came into force for hiring and training staff or for testing service delivery readiness for different scenarios that could be expected; and

(i) management underestimated service demands and administrative costs.

26. The Department of National Defence acknowledged the Auditor General's findings and agreed with the audit recommendations.

27. At the end of fiscal year 2010-2011, only 757 of 11,090 Reserve Force service elections had been processed and it was estimated that the backlog would be fully addressed in fiscal year 2013-2014. By February 2012, only 1,321 of 12,201 Reserve Force service elections had been processed and the estimated completion date was December 2017.

28. The Veterans Ombudsman's Office and the National Defence and Canadian Forces Ombudsman have provided critical commentary in their annual reports. On April 1, 2016, the National Defence and Canadian Forces Ombudsman released a statement commenting on the pension delays. He noted his office had received 1,300 complaints since 2007. He commented that the average payment timeline for a retiring reserve force member was between 4 to 36 weeks, and 3 to 14 for regular force members. The Defence Minister Harjit Sajjan responded by calling the backlog "absolutely unacceptable".

29. On July 4, 2016, Public Services and Procurement Canada took over responsibility for processing military pensions. In February 2017, it was reported that the backlog of military pension payment files would not be addressed until the end of 2017. The backlog was estimated to be 5,264.

30. The Department of National Defence and Canadian Forces Ombudsman made recommendations that no member of the CAF be released until all of their benefits are arranged. This recommendation was ignored.

F. CAUSES OF ACTION

i. Breach of Fiduciary Duty

31. At all material times Canada, formerly through the Department of National Defence and now Public Services and Procurement Canada, acted as the administrator of the Plans. The timely and correct processing, calculation and payment of Immediate Pension Entitlements is crucial to the pecuniary and non-pecuniary well-being of Class Members.

32. Canada has discretion and power over the Class Members' financial and practical interests in administering and paying Immediate Pension Entitlements under the Plans. Canada can unilaterally exercise such discretion over the interests of the Class Members by virtue of their position as administrator of the Plans.

33. Canada simultaneously has discretion and power over the Class Members' terms of service and terms of discharge and release from the CAF.

34. The Class Members were entirely reliant on the skill and expertise of Canada in the implementation of the Plans and payment of Immediate Pension Entitlements. The Class Members were in a vulnerable position relative to Canada by virtue of the complete control held by Canada in the administration of the Plans. The vulnerability

of the Class Members was amplified as a result of their position as released veterans who may be suffering from long term disabilities.

35. The Plans are solely for the benefit of the Class Members and Class Members are entitled to be paid their Immediate Pension Entitlements at the time of discharge.

36. Canada breached its fiduciary duties to the Plaintiff and the Class in the administration of the Plans. The particulars of the breach include:

(a) failing to pay Class Members their Immediate Pension Entitlements at the time the Class Members were entitled to receive such payments;

(b) failing to appropriately calculate Immediate Pension Entitlement payments to compensate for delays in payment;

(c) failing to provide Class Members accurate and timely financial and administrative information regarding their quantum of entitlement, options and timing of payment for the Immediate Pension Entitlements;

(d) failing to take appropriate steps for the prevention of delays in processing and paying of Immediate Pension Entitlements which the Class Members were entitled to upon release from the CAF;

(e) failing to take a proper and good faith interest in the administration of the Plans;

(f) discharging members from the CAF with the knowledge that as a result of delays known to Canada the discharged member would have no pension income and no way to support their daily living needs after discharge;

(g) discharging members from CAF whom were known to be suffering from a disability and for whom the only source of income would be the Immediate Pension Entitlements; and

(h) failing to safeguard the physical and psychological needs of members whom were known to be medically unable to work.

37. Canada failed to ensure the best interests of the Class Members were being protected. In failing to rectify known delays and calculating deficient amounts owed to Class Members, Canada sought to maximize its own interests at the expense of the Class.

38. Canada has an ongoing financial obligation to fund and administer the Plans. Canada favoured its interests over the interests of the Class Members by paying the Class Members late and less than the Class Members were entitled to. Canada favoured its interests over the interests of the Class Members by under-resourcing the administration of the Plans.

ii. Negligence

39. At all material times Canada, formerly through the Department of National Defence and now Public Services and Procurement Canada, acted as the administrator of Plans. At all material times, Canada owed duties to the Plaintiff and to the Class Members which include, but are not limited to, a duty to give proper consideration to, and to take reasonable care of, the Class members' financial, physical and mental well-being.

40. At all material times, the actions of Canada as the administrator of the Plans had a direct impact on the Class members. The legislation governing the Plans grounds the duty of care owed by Canada to the Class. The harm suffered by the Class was a reasonably foreseeable consequence of Canada's acts and omissions.

41. The Defendant is responsible for the proper administrations of the Plans and ensuring the timely and accurate payment of Immediate Pension Entitlements to the Class Members. The Class Members are entirely dependent on Canada. In such circumstances, the risk of harm of the nature contemplated in this action is reasonably foreseeable.

42. There was a direct and proximate relationship and specific interaction between the Class members and Canada, including but not limited to:

(a) the Class Members providing services to Canada in exchange for earning pension entitlements;

(b) communications between Canada and the Class Members regarding pension obligations and entitlements;

(c) Canada holding and investing pension funds on behalf of the Class; and

(d) the payment of pensions from Canada to the Class Members.

43. Canada must have in place systems and procedures to determine Class Member obligations, entitlements and to ensure timely, complete and accurate pension and benefit payments.

44. The systems Canada put in place to administer the Plans were below the standard that would reasonably be required of a pension administrator, specifically:

(a) members were not advised in a timely manner of how or when they could make an election as to the form of Immediate Pension Entitlement and the defendant did not provide members with the option to make an election in a timely manner;

(b) Canada did not advise members that their elections would not be treated at final;

(c) the pension processing system does not incorporate new technology applications, such as web-enabling for self-service;

(d) the system is an old legacy pay system that does not allow customization or quick changes;

(e) Class Member files were located in a variety of locations, often only in paper format requiring extensive manual processing of Immediate Pension Entitlements;

(f) the processing of pensions and review of requests and files was chronically understaffed;

(g) those responsible for delivering pension services do not have access to timely pay and pension management reports because of the limitations of the legacy system technology; and

(h) pension processing suffered from an enormous amount of transaction errors, including data entry errors.

45. Canada negligently administered the pension plans by:

(a) failing to pay Class Members their Immediate Pension Entitlements at the time the Class Members were entitled to receive such payments;

(b) failing to appropriately calculate Immediate Pension Entitlement payments to compensate for delays in payment;

(c) failing to provide Class Members accurate and timely financial and administrative information regarding their quantum of entitlement, options and timing of payment for the Immediate Pension Entitlements;

(d) failing to take appropriate steps for the prevention of delays in processing and paying of Immediate Pension Entitlements which the Class Members were entitled to upon release from the CAF;

(e) failing to hire staff with sufficient training and in sufficient numbers to process payments in a timely manner;

(f) failing to keep employment records in an organized and accessible manner to permit timely processing of pensions;

(g) failing to take a proper and good faith interest in the administration of the Plans;

(h) discharging members from the CAF with the knowledge that as a result of delays known to Canada the discharged member would have no pension income and no way to support their daily living needs after discharge;

(i) discharging members from CAF whom were known to be suffering from a disability and for whom the only source of income would be the Immediate Pension Entitlements; and

(j) failing to safeguard the physical and psychological needs of members whom were known to be medically unable to work.

iii. Breach of Contract

46. The Class Members served the CAF for years. The Class Members served under the mutual understanding with Canada that they were earning a pension which would be payable upon their discharge. Through service in the CAF, the Class Members earned pension entitlements which crystalized upon their discharge to civilian life. Canada made common representations to the Class by way of paper brochures, orientation kits and web postings that the Immediate Pension Entitlements were payable upon discharge. Class Members continued to serve the CAF under terms of service because of the pension promise made to them by Canada. Canada continued to enjoy and use the services rendered by the Class Members.

47. By unreasonably delaying the payment of Immediate Pension Entitlements, Canada has not honoured its obligations to Class Members which were created through the years of service given by the Class to Canada.

48. Canada breached its contractual duties to the plaintiff and the Class. The particulars of the breach include:

(a) failing to pay Class Members their Immediate Pension Entitlements at the time those entitlement were payable;

(b) failing to appropriately calculate Immediate Pension Entitlement payments to correctly compensate for delays in payment;

(c) failing to provide Class Members accurate and timely financial and administrative information regarding their quantum of entitlement, options and timing of payment for the Immediate Pension Entitlements;

(d) discharging members from the CAF with the knowledge that as a result of delays known to Canada the discharged member would not have access to their earned pension income; and

(e) discharging members from CAF whom were known to be suffering from a disability and for whom the only source of income would be the Immediate Pension Entitlements.

G. DAMAGES

49. The Class Members have suffered the following damages:

(a) the payments of the Immediate Pension Entitlements do not properly or adequately compensate for the value of the unreasonable delay in payment, including but not limited to:

(i) interest from the date of electing an option to the date of payment of the Immediate Pension Entitlement;

(b) the value of the Immediate Pension Entitlements has decreased over the period of delay from the date of entitlement to the date of payment, including but not limited to:

(i) a decrease in the commuted value of Transfer Values between the date of discharge to the date of payment; and

(ii) a decrease in the value of Immediate Annuities, Deferred Annuities and Annual Allowances between the date of discharge to the date of payment.

(c) the Class Members were discharged prematurely and gave up active employment income on the representations made by Canada that Immediate Pension Entitlements would be paid in a prompt and timely manner after discharge;

(d) the Class Members were required to take on unnecessary debts, loans, late payment penalties and interest payments; and

(e) pain, suffering and the loss of enjoyment of life, including but not limited to, the inability to secure the necessities of life such as shelter, food and medication which the pension income was intended to secure.

H. STATUTES

50. The Plaintiffs plead and rely upon the following statutes and regulations:

(a) *Crown Liability and Proceedings Act*, RSC 1985, c. C-50;

(b) *Federal Courts Act*, RSC 1985, c. F-7;

(c) *Federal Courts Rules*, SOR 98/106;

(d) *Canadian Forces Superannuation Act*, R.S.C., 1985, c. C-17;

(e) *Canadian Forces Superannuation Regulations*, C.R.C., c. 396;

(f) *Reserve Force Pension Plan Regulations*, SOR/2007-32;

(g) *Financial Administration Act*, R.S.C., 1985, c. F-11;

(h) *Pension Benefits Standards Regulations*, 1985, SOR/87-19; and

(i) *Pension Benefits Standards Act*, 1985, RSC 1985, c 32.

51. The Plaintiffs propose that this action be tried in the City of Toronto.

June 30, 2017

136

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Lawyers for the Plaintiff

137

Court File No.

FEDERAL COURT

BETWEEN:

DOUGLAS JOST

Plaintiff

- and -

THE ATTORNEY GENERAL OF CANADA

Defendant

PROPOSED CLASS PROCEEDING

SERVICE OF A TRUE COPY ADMITTED ON
JUL 05 2017
ON BEHALF OF THE
DEPUTY ATTORNEY GENERAL OF CANADA
per: Department of Justice

STATEMENT OF CLAIM

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138

SCHEDULE "H" - FRESH AS AMENDED STATEMENT OF CLAIM

Court File No.: T-972-17

FEDERAL COURT

PROPOSED CLASS PROCEEDING

BETWEEN:

DOUGLAS JOST

Plaintiff

- and -

THE ATTORNEY GENERAL OF CANADA

Defendant

FRESH AS AMENDED STATEMENT OF CLAIM TO THE DEFENDANT

A LEGAL PROCEEDING HAS BEEN COMMENCED AGAINST YOU by the Plaintiffs. The Claim made against you is set out in the following pages.

IF YOU WISH TO DEFEND THIS PROCEEDING, you or a solicitor acting for you are required to prepare a Statement of Defence in Form 171B prescribed by the Federal Court Rules serve it on the Plaintiffs' solicitor or, where the Plaintiffs do not have a solicitor, serve it on the Plaintiffs, and file it, with proof of service, at a local office of this Court, WITHIN 30 DAYS after this Statement of Claim to the Defendant is served on you, if you are served in Canada.

If you are served in the United States of America, the period for serving and filing your Statement of Defence is forty days. If you are served outside Canada and the United States of America, the period for serving and filing your statement of defence is sixty days.

Copies of the Federal Court Rules information concerning the local offices of the Court and other necessary information may be obtained on request to the Administrator of this Court in Montreal (telephone 514-283-4820) or at any local office.

IF YOU FAIL TO DEFEND THIS PROCEEDING, judgment may be given against you in your absence and without further notice to you.

139

Date April ___, 2021

Issued by ANIL KAMAL Registry Officer

Address of Local Office
200-180 Queen Street West
Toronto, Ontario
M5V 3L6

TO:
Her Majesty the Queen
Office of the Deputy Attorney General of Canada
284 Wellington Street
Ottawa, Ontario
K1A 0H8

A. CLAIM

1. The Plaintiff Douglas Jost claims on his own behalf and on behalf of class members (as defined below):

(a) an order certifying this action as a class proceeding and appointing Douglas Jost as representative plaintiff under the *Federal Courts Rules*, SOR/98-106;

(b) a declaration that the Defendant, Her Majesty the Queen as represented by the Attorney General of Canada, breached its contractual obligations and its duty of care to the Plaintiff and the class members;

(c) general pecuniary and non-pecuniary damages for the Defendant's breaches of its contractual obligations and its duty of care to the class members in the amount of $100 million or such other sum as this Honourable Court may find appropriate;

(d) pre-judgment and post-judgment interest pursuant to the *Federal Courts Act*, R.S.C., 1985, c. F-7;

(e) the costs of notice and of administering the plan of distribution of the recovery in this action, plus applicable taxes, pursuant to Rule 334.38 of the *Federal Courts Rules,* SOR/98-106; and

(f) such further and other Relief as to this Honourable Court may deem just.

B. OVERVIEW

2. Members of the Canadian Armed Forces (**"CAF"**) earn pensions in return for their service in the CAF. The CAF maintains a pension plan for the Reserve Force and a pension plan for the Regular Force. When CAF members return to civilian life and are discharged from the CAF they take their pension entitlement with them. In some instances, the pension entitlement is payable immediately to the CAF member upon their discharge by way of an Immediate Annuity, Transfer Value, Annual Allowance

or Bridge Benefit (the **"Immediate Pension Entitlements"**). An Immediate Annuity may be payable in circumstances wherein the member is disabled.

3. Members rely on the timely payment of their Immediate Pension Entitlements to secure the basic daily necessities of life, including housing, medication, food and other necessities.

4. The members rely on Canada to calculate and pay the Immediate Pension Entitlements in a timely manner and in a manner which does not erode or jeopardize the pension value. The Immediate Pension Entitlements are essential for the transition from CAF service to civilian life and to maintain the basic livelihood veterans served their country to secure.

5. Since at least March 1, 2007, Canada has engaged in chronic, excessive and unreasonable delay in the payment of Immediate Pension Entitlements to discharged members of the CAF. Through mismanagement, Canada has forced discharged members of the CAF to wait weeks, months and in some instances years, before receiving their Immediate Pension Entitlements.

6. Canada's unreasonable delay has resulted in significant hardship to discharged members. Canada has not properly compensated discharged members for the unreasonable delay in processing, calculating and ultimately paying Immediate Pension Entitlements. As a result of Canada's delay, discharged members of the CAF

have lost value in their Immediate Pension Entitlements, gone without medication, lost shelter, were deprived of the basic necessities of life and endured pain and suffering.

7. In short, Canada's delay in paying Immediate Pension Entitlements has driven discharged members of the CAF to personal and financial crisis. Discharged members are humiliated and are not permitted to make the transition to civilian life in dignity.

8. Canada's unreasonable delay constitutes a breach of Canada's contractual obligations and duty of care owed to members of the Reserve Force and Regular Force pension plans. Canada has known about the problem of mismanagement and delay of the Reserve Force and Regular Force pension plans for years. Canada has not taken appropriate steps to rectify its conduct and ignored explicit recommendations aimed at rectifying the problem of delays.

C. THE CLASS

9. The Plaintiff wishes to institute a class action, on his own behalf and on behalf of the members forming part of the following class:

> All individuals who:
>
> (a) served in the Canadian Armed Forces – Reserve Force;
>
> (b) released from the Canadian Armed Forces between March 1, 2007 and October 31, 2017;
>
> (c) were entitled to receive an Immediate Annuity, Transfer Value, Annual Allowance and/or Bridge Benefit under the Regular Force Pension Plan or the Reserve Force Pension Plan; and

(d) did not receive payment of the Immediate Annuity, Transfer Value, Annual Allowance and/or Bridge Benefit for more than 60 days from the date of release.

("**Class Members**" or the "**Class**")

D. THE PLAINTIFF

10. Douglas Jost was discharged from the CAF on June 30, 2015, with his release effective July 1, 2015. Mr. Jost, like all members of the CAF, was required to give 3 months notice of his impending discharge. Mr. Jost last served as a full-time Naval Reservist at the rank of Lieutenant. Mr. Jost was 48 at the time of his discharge with two or more years of pensionable service and a purported total of 8,969 days of qualifying service. On April 9, 2015, approximately two months prior to his release, Mr. Jost was offered an option of selecting either:

(a) an Annual Allowance – payable at age 50, of $2,760 per month; or

(b) a Deferred Annuity – payable at age 60, of $3,680 per month; or

(c) a Transfer Value – with a total value of approximately $859,980.

11. Mr. Jost opted for the Transfer Value option and was advised he would receive payment in 8-12 weeks.

12. Mr. Jost was then advised on August 1, 2015, approximately 1 month after his release, that his Transfer Value was in fact $726,904.

13. Mr. Jost did not receive his Transfer Value payment within 8-12 weeks. Mr. Jost made his decision to be released and elected a Transfer Value on the understanding

and representation he would receive his Transfer Value payment within 8-12 weeks, at the amount represented to him. Mr. Jost made financial plans on this representation and promise.

14. By October 16, 2015, 6.5 months from the notification of his intended discharge, or 3.5 months from his formal discharge, the internal "audited release message" was first completed by Canada. The audited release message was only the first step to permitting the Reserve Forces Benefit Section to process Mr. Jost's entitlement. Such requirements are unilaterally imposed and controlled by Canada.

15. On October 20, 2015, Mr. Jost was advised that his Transfer Value had again decreased from $726,904 to $703,180. Mr. Jost was not advised why the value decreased. Similarly, on October 20, 2015, the defendant for the first time provided Mr. Jost with an "option form" to select what form of pension entitlement he wished to select. Prior to October 20, 2015 Mr. Jost had already received two pension estimates from Canada and advised of his election to receive the Transfer Value.

16. The Transfer Value payment to Mr. Jost was not made until January 20, 2016, approximately 9.5 months from the date of his notice of discharge or 6.5 months from his discharge. The payment to Mr. Jost was made 29 weeks after his discharge and not within the 8-12 weeks promised earlier. Mr. Jost was never compensated for the late payment or the reduction in the value of his Transfer Value over the course of the unreasonable delay. Mr. Jost incurred debts, late payment penalties and suffered a

marked loss in the daily enjoyment of his life as a result of the financial ruin Canada's delay directly caused.

E. THE PENSION PLANS

17. The CAF have two pension plans: the Regular Force Pension Plan (**"Regular Plan"**) and the Reserve Force Pension Plan (**"Reserve Plan"**), both of which are defined benefit plans (Collectively, the **"Plans"**). According to 2014 data, the Regular Plan has 71,599 active contributors and 86,007 retired members. The Reserve Plan has 19,855 active contributors and 596 retired members.

18. The Reserve Plan was first introduced in 2007. The Regular Plan predates 2007. Both Plans are presently governed by the *Canadian Forces Superannuation Act*, *Canadian Forces Superannuation Regulations* and the *Reserve Force Pension Plan Regulations*. The Plans are funded from employee and employer contributions. The Defendant is responsible for providing program management and day-to-day administration of the Plans.

19. Class Members are provided common information regarding their pension entitlements. The pension promise made to Class Members is part of their terms of service. The Orientation Information Kit, which is published and provided to the Class Members states that "…the plan is designed to provide qualified members with a retirement income payable upon release from the CAF."

Immediate Pension Entitlements

20. The Plans provide for 4 general types of pension entitlements upon release:

(a) **Immediate Annuity**

A member is entitled to an Immediate Annuity pursuant to the following conditions:

> **(a)** they have completed not less than 9,131 days of Canadian Forces service;
>
> **(b)** they have reached 60 years of age;
>
> **(c)** they have reached 55 years of age and have to their credit not less than 30 years of pensionable service;
>
> **(d)** they are disabled by reason of suffering from a physical or mental impairment that
>
> > **(i)** prevents the member from engaging in any employment for which the member is reasonably suited by virtue of education, training or experience, and
> >
> > **(ii)** can reasonably be expected to last for the remainder of the member's lifetime; or
>
> **(e)** they cease, otherwise than voluntarily, to be a member because of a reduction in the maximum number of officers or non-commissioned members authorized by the Governor in Council under subsection 15(4) of the National Defence Act, and
>
> > **(i)** they have reached 55 years of age and have to their credit not less than 10 years of pensionable service, or
> >
> > **(ii)** they have to their credit not less than 20 years of pensionable service.

(b) **Deferred Annuity**

A member who has 2 years of pensionable service, but is not yet entitled to an Immediate Annuity, may elect to receive a Deferred Annuity upon their discharge, which commences generally once the conditions for an Immediate Annuity are met.

(c) **Transfer Value**

If a member is entitled to select a Deferred Annuity, they may elect instead to take a lump sum commuted value payment at the time of discharge in lieu of the future annuity entitlement.

(d) **Annual Allowance**

If a member is entitled to select a Deferred Annuity, but is under 60, they may elect instead to take an annual allowance which becomes payable when they reach the age of 50 at an amount that is less than the Deferred Annuity.

21. In all circumstances, by virtue of the duty of care or contractual obligations owed to the Class Members, the Immediate Pension Entitlements are payable to the Class Members immediately following their release from the CAF.

22. An Immediate Annuity is defined by the *Canadian Forces Superannuation Act* as "an annuity that becomes payable to the contributor immediately on his becoming entitled thereto"

23. The commencement date of an Immediate Annuity according to the *Reserve Force Pension Plan Regulations* "is the day following the last day on which the member is a participant". A member ceases to be a participant once they are released from the Reserve Force. The commencement date for an Immediate Annuity is the date a Class Member is released from the CAF. Similarly, the commencement date for an Annual Allowance is the date on which the pensioner turns 50, or immediately if the pensioner is 50 years of age or older at the time of discharge.

Systemic Delays

24. Since the introduction of the Reserve Plan, effective March 1, 2007, the Plans have faced unreasonable and excessive delays in processing Immediate Pension Entitlements.

25. In 2011, the Auditor General released its report on the findings from its audit on the Reserve Plan, encompassing a review of financial statements from 2007 to 2010. The Auditor General concluded that the Reserve Plan was introduced without adequate planning and that the system faced significant backlogs, specifically:

(a) the Reserve Plan was introduced without adequate planning;

(b) no senior official was made responsible for the introduction of the Reserve Plan;

(c) senior management did not develop or use a master implementation plan;

(d) lack of an overall plan to coordinate the development of policy and regulations with the start of the delivery of the Reserve Plan contributed to the subsequent weaknesses in its implementation;

(e) management identified significant risks that were not dealt with appropriately, including:

(i) reservists not receiving useful information about the pension plan provisions and, as a result, not choosing the financial option best suited to their circumstances;

(ii) workloads increasing substantially, particularly to process pension buyback requests, when staff were still learning new business rules and system tools;

(iii) a lack of adequate pay and service records for reservists prior to 1999; and

(iv) complex regulations and business rules, making the pension plan difficult to manage and communicate to reservists.

(f) the Department did not take measures to sufficiently mitigate these risks until after the plan came into force in March 2007, which adversely affected the delivery of pension services to reservists;

(g) Under the legislation and regulations, National Defence was required to put in place the means necessary to operate the Reserve Plan, including resources and information systems and control procedures. These procedures needed to be in place at the time the plan came into effect, to determine member obligations and entitlements according to the authorities;

(h) the Department did not provide sufficient lead time before the Reserve Plan came into force for hiring and training staff or for testing service delivery readiness for different scenarios that could be expected; and

(i) management underestimated service demands and administrative costs.

26. The Department of National Defence acknowledged the Auditor General's findings and agreed with the audit recommendations.

27. At the end of fiscal year 2010-2011, only 757 of 11,090 Reserve Force service elections had been processed and it was estimated that the backlog would be fully addressed in fiscal year 2013-2014. By February 2012, only 1,321 of 12,201 Reserve Force service elections had been processed and the estimated completion date was December 2017.

28. The Veterans Ombudsman's Office and the National Defence and Canadian Forces Ombudsman have provided critical commentary in their annual reports. On April 1, 2016, the National Defence and Canadian Forces Ombudsman released a statement commenting on the pension delays. He noted his office had received 1,300 complaints since 2007. He commented that the average payment timeline for a retiring

reserve force member was between 4 to 36 weeks, and 3 to 14 for regular force members. The Defence Minister Harjit Sajjan responded by calling the backlog "absolutely unacceptable".

29. On July 4, 2016, Public Services and Procurement Canada took over responsibility for processing military pensions. In February 2017, it was reported that the backlog of military pension payment files would not be addressed until the end of 2017. The backlog was estimated to be 5,264.

30. The Department of National Defence and Canadian Forces Ombudsman made recommendations that no member of the CAF be released until all of their benefits are arranged. This recommendation was ignored.

F. CAUSES OF ACTION

i. Negligence

31. At all material times Canada, formerly through the Department of National Defence and now Public Services and Procurement Canada, acted as the administrator of Plans. At all material times, Canada owed duties to the Plaintiff and to the Class Members which include, but are not limited to, a duty to give proper consideration to, and to take reasonable care of, the Class members' financial, physical and mental well-being.

32. At all material times, the actions of Canada as the administrator of the Plans had a direct impact on the Class members. The legislation governing the Plans grounds the duty of care owed by Canada to the Class. The harm suffered by the Class was a reasonably foreseeable consequence of Canada's acts and omissions.

33. The Defendant is responsible for the proper administrations of the Plans and ensuring the timely and accurate payment of Immediate Pension Entitlements to the Class Members. The Class Members are entirely dependent on Canada. In such circumstances, the risk of harm of the nature contemplated in this action is reasonably foreseeable.

34. There was a direct and proximate relationship and specific interaction between the Class members and Canada, including but not limited to:

(a) the Class Members providing services to Canada in exchange for earning pension entitlements;

(b) communications between Canada and the Class Members regarding pension obligations and entitlements;

(c) Canada holding and investing pension funds on behalf of the Class; and

(d) the payment of pensions from Canada to the Class Members.

35. Canada must have in place systems and procedures to determine Class Member obligations, entitlements and to ensure timely, complete and accurate pension and benefit payments.

36. The systems Canada put in place to administer the Plans were below the standard that would reasonably be required of a pension administrator, specifically:

(a) members were not advised in a timely manner of how or when they could make an election as to the form of Immediate Pension Entitlement and the defendant did not provide members with the option to make an election in a timely manner;

(b) Canada did not advise members that their elections would not be treated at final;

(c) the pension processing system does not incorporate new technology applications, such as web-enabling for self-service;

(d) the system is an old legacy pay system that does not allow customization or quick changes;

(e) Class Member files were located in a variety of locations, often only in paper format requiring extensive manual processing of Immediate Pension Entitlements;

(f) the processing of pensions and review of requests and files was chronically understaffed;

(g) those responsible for delivering pension services do not have access to timely pay and pension management reports because of the limitations of the legacy system technology; and

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38. The Class Members served the CAF for years. The Class Members served under the mutual understanding with Canada that they were earning a pension which would be payable upon their discharge. Through service in the CAF, the Class Members earned pension entitlements which crystalized upon their discharge to civilian life. Canada made common representations to the Class by way of paper brochures, orientation kits and web postings that the Immediate Pension Entitlements were payable upon discharge. Class Members continued to serve the CAF under terms of service because of the pension promise made to them by Canada. Canada continued to enjoy and use the services rendered by the Class Members.

39. By unreasonably delaying the payment of Immediate Pension Entitlements, Canada has not honoured its obligations to Class Members which were created through the years of service given by the Class to Canada.

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G. DAMAGES

41. The Class Members have suffered the following damages:

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(h) *Pension Benefits Standards Regulations*, 1985, SOR/87-19; and

(i) *Pension Benefits Standards Act*, 1985, RSC 1985, c 32.

43. The Plaintiffs propose that this action be tried in the City of Toronto.

April 14, 2021

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FEDERAL COURT

SOLICITORS OF RECORD

DOCKET:	T-972-17
STYLE OF CAUSE:	DOUGLAS JOST v THE ATTORNEY GENERAL OF CANADA
PLACE OF HEARING:	TORONTO, ONTARIO
DATE OF HEARING:	JUNE 18, 2025
ORDER AND REASONS:	MANSON J.
DATED:	JULY 4, 2025

APPEARANCES:

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Laura Tausky Ani Mamikon Uyên Tran	FOR THE DEFENDANT

SOLICITORS OF RECORD:

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Attorney General of Canada Toronto, Ontario	FOR THE DEFENDANT