

**CLASS ACTION REGARDING ANNUAL ADJUSTMENT OF BENEFITS ADMINISTERED
BY VETERANS AFFAIRS CANADA**

Manuge et al. v. Her Majesty the Queen Court No. T-119-19

The Federal Court has certified a class proceeding involving alleged underpayments of certain benefits administered by Veterans Affairs Canada (“VAC”) and payable to members or former members of the Canadian Armed Forces (“CAF”) or Royal Canadian Mounted Police (“RCMP”) and their spouses, common-law partners, survivors, and other persons. If you received, at any time between 2002 and the present, any of the awards and benefits listed below, you may be a member of the Class. Eligible estates of persons who received, at any time between 2002 and present, any of the awards and benefits listed below may also be class members. If the class proceeding succeeds at trial, or is settled, class members may be entitled to a payment.

WHAT IS THE CLASS ACTION ABOUT?

VAC administers certain benefits, which must be annually adjusted.

The Plaintiffs and the Class claim the Defendant miscalculated annual adjustment rates from 2002 to the present, resulting in underpayments to Class members. The class proceeding seeks damages for underpayments that occurred because of the calculation errors.

WHO ARE THE CLASS MEMBERS?

The Federal Court has defined the Class as:

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

- *Pension Act*: pension for disability; pension for death; attendance allowance; allowance for wear and tear of clothing or for specially made apparel; and exceptional incapacity allowance;
- *Veterans Well-being Act*: disability award; and clothing allowance;
- *Veterans Well-being Regulations*: remuneration of an escort;
- *Veterans Health Care Regulations*: remuneration of an escort, treatment allowance;
- *Veterans Review and Appeal Board Act*: compassionate award;

- *Civilian War-related Benefits Act*: war pensions and allowances for salt water fishers, overseas headquarters staff, air raid precautions workers, and injury for remedial treatment of various persons and voluntary aid detachment (World War II);
- *Children of Deceased Veterans Education Assistance Act*: monthly allowance for education; and
- *Flying Accidents Compensation Regulations*: flying accidents compensation.

The CAF and RCMP veterans who commenced the class proceeding and who act as representative plaintiffs on behalf of the Class are Dennis Manuge, Raymond Toth, Betty Brousse, Brenton MacDonald, Jean-François Pelletier, and David White.

WHAT DO I NEED TO DO TO TAKE PART?

All Class Members have the right to participate in the class proceeding. You are automatically included in the proceeding and bound by the results *unless* you opt-out. If you do *not* opt-out, you will be eligible to receive a payment from a settlement or judgment in favour of the class. You do not need to do anything if you wish to participate. *If you wish to opt-out*, you must sign and deliver an Opt-Out Coupon available from any of the lawyers listed below or posted on the case website. If you wish to opt-out, you must send a signed Opt-Out Coupon to any of the lawyers listed below by no later than October 28, 2021. If you opt-out, you will not be eligible to receive any payment from a settlement or judgment in favour of the class.

WHO ARE THE LAWYERS FOR THE CLASS?

The lawyers for the class (“Class Counsel”) are:

Gowling WLG (Canada) LLP (Toronto); Michel Drapeau Law Office (Ottawa); Murphy Battista LLP (Kelowna); Koskie Minsky LLP (Toronto); McInnes Cooper (Halifax).

You can obtain more information about the class proceeding at the website created by Class Counsel:

- <http://www.vetspensionerror.ca/>

DO I NEED TO PAY ANYTHING?

You do not need to pay any legal fees. If the case is unsuccessful, there will be no legal fees. If the case succeeds, whether at trial or by settlement, counsel will be paid at their regular hourly rates for any amount recovered up to \$165 million. If the amount recovered exceeds \$165 million, Class Counsel may receive a scaled fee of up to 30% of any amounts recovered above \$165 million. The Federal Court must approve Class Counsel’s fees and any settlement of the class proceeding.