

NOTICE OF CLASS ACTION CERTIFICATION AND HEARING FOR SETTLEMENT APPROVAL

Regarding class action for recovery of Children's Special Allowances

If you were a provincially funded child in the care of a Child and Family Services Agency in Manitoba between 2005 and 2019, your legal rights may be affected. Please read this Notice carefully.

What is this Notice About?

This Notice is being provided in relation to a class proceeding commenced against the Government of Manitoba ("**Manitoba**") in respect of Manitoba's actions and policies relating to the administration of Children's Special Allowance Benefits ("**CSA Benefits**") from children in the care of Métis Child, Family and Community Services Agency Inc. and Michif Child & Family Services Inc. (the "**Métis Agencies**") between January 1, 2005 and March 31, 2019 (the "**Lafontaine Class Action**"). There are separate but related class proceedings dealing with Manitoba's actions and policies relating to the administration of CSA Benefits paid for children in the care of Child and Family Services Agencies in Manitoba other than the Métis Agencies over that same period of time (the "**Flette/Lavallee Class Actions**").

This Notice was approved by the Court of King's Bench of Manitoba (the "**Court**") to provide Class Members with notice that:

- 1) On December 13, 2023, the Court certified the Lafontaine Class Action as a class proceeding and certified the class as all Indigenous and non-Indigenous persons who were in the care of the Métis Agencies at any time between January 1, 2005, and March 31, 2019 (the "**Class Period**"), and for whom the Métis Agencies received CSA Benefits pursuant to the *Children's Special Allowances Act* ("**CSA Act**") that were directly or indirectly taken by Manitoba, including through claw backs of provincial funding (the "**Class**").
- 2) The Plaintiffs in the Lafontaine Class Action have reached a settlement with the Government of Manitoba in the amount of **eighty-four-million eight-hundred-thousand (\$84,800,000)** to be paid to class members with a portion of those funds to be used to pay legal fees, the costs of administering the settlement and for programs and services to be delivered in connection with the distribution of settlement funds (the "**Settlement**"). The Court will need to approve the Settlement. The Settlement Approval Hearing is scheduled for **September 5-6, 2024**.

GET MORE INFORMATION:

Call Toll Free: 1-877-835-4546 or visit <http://metisclassaction.ca>

Why are you receiving this Notice?

You are receiving this Notice because you may be a member of the Class and may be affected by the Settlement. If you do not agree to the Settlement, you will need to “object” in accordance with the process set out in this Notice. If you do not want to be a member of the Class and do not want to be bound by the Settlement, you will need to “opt-out” in accordance with the process set out in this Notice.

Certification

- Certification is a preliminary step in a class action, where the court assesses various criteria before determining whether the proposed representative plaintiffs can advance the claims of all class members through a class action.
- On December 13, 2023, the Court certified the Lafontaine Class Action as a class proceeding and certified the Class.
- The Court appointed Rene Lafontaine and Mary Derendorf as the Representative Plaintiffs.
- The Court appointed Lax O’Sullivan Lisus Gottlieb LLP and MN Trachtenberg Law Corporation as Class Counsel.

Opting Out

Members of the Class who do not want to participate in the class action must formally “opt out”. To opt out you must complete and submit the opt-out form, which can be found at **Schedule “A”** or online at <http://metisclassaction.ca>. The opt-out form must be sent by e-mail to info@metisclassaction.ca or by mail to the Métis Child and Family Services Authority (the “**Authority**”) at:

Métis Child and Family Services Authority

Administrator, Lafontaine Class Action re: Children’s Special Allowance
c/o Epiq Class Action Services Canada Inc.
P.O. Box 507 STN B
Ottawa ON K1P 5P6

No Class Member will be permitted to opt out of the class action unless the completed opt-out form is received by the Authority by **5:00 p.m. CST on August 26, 2024.**

A member of the Class who opts out will not be entitled to participate in the Lafontaine Class Action, will not be bound by the Settlement once approved by the Court, and will not be eligible for any recovery in the Lafontaine Class Action. A Class member who opts

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out may be eligible to pursue a claim in a separate proceeding. If you wish to pursue your own claim in a separate proceeding, you should consult with a lawyer immediately.

Settlement

- On March 19, 2024, the Plaintiffs reached an agreement in principle with Manitoba to settle the Lafontaine Class Action for a payment of \$84,800,000 (the “**Agreement in Principle**”). A portion of the Settlement funds will pay for legal fees, settlement administration fees and programs and services to be delivered in connection with the distribution of settlement funds.
- On June 19, 2024, the Plaintiffs and Manitoba entered into a definitive settlement agreement. Under the settlement agreement, the Métis Child and Family Services Authority (the “**Authority**”), with the assistance of Epiq Class Action Services Inc. (“**Epiq**”) is appointed to manage the distribution of the Settlement funds. The Authority will determine each Class member’s eligibility and entitlement to payment from the Settlement funds (the “**Settlement Benefits**”).
- Settlement Benefits will be calculated based on the length of time the Class Member was in care of the Métis Agencies and the amount of CSA Benefits that were applied for, received and remitted to Manitoba and/or clawed back.
- Any amount paid to a Class member from the Settlement Benefits will not be deemed to be a form of income replacement or compensation for loss income, and will not affect eligibility for, the amount, nature and/or duration of social assistance programs administered by or on behalf of Manitoba.
- As part of the approval of the Settlement, Class Counsel will be requesting Court approval that a portion of Settlement funds be used to pay the legal fees, disbursements and applicable taxes relating to the prosecution and settlement of the Lafontaine Class Action. Class Counsel in the Lafontaine Action are not being paid on a contingency basis and are not seeking to be paid a percentage of the overall settlement amount. Instead, Class Counsel fees reflect the actual billable time paid by the Plaintiffs.

Your Legal Rights and Options at this Stage

Do Nothing	<p>If you support or are indifferent to the proposed Settlement, you do not have to do anything right now.</p> <p>When the administration process begins, you will be able to identify yourself to the Authority and receive compensation.</p>
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Authorized by the Court of King's Bench of Manitoba

Object to the Proposed Settlement	If you disagree with the proposed Settlement offering compensation to Class Members, you can voice your objection to the Court by completing and submitting the Objection Form attached as Schedule "B" <u>no later than August 26, 2024.</u>
Object to the Proposed Fees	If you disagree with the legal fees allocated to Class Counsel, you can voice your objection to the Court by completing and submitting the Objection Form attached as Schedule "B" <u>no later than August 26, 2024.</u>
Opt-Out of the Class Proceeding	If you do not want to participate in the class action, you must formally "opt out" by completing and submitting the opt-out form attached as Schedule "A" <u>no later than August 26, 2024.</u>

Important Information**Basic Information****(1) Why is there a Notice?**

The Court has approved this Notice to let Class Members know about the certification of the Lafontaine Class Action and the Settlement Approval Hearing, and to explain their rights as a Class member.

(2) What is this lawsuit about?

From January 1, 2005 to March 31, 2019, Manitoba took Children's Special Allowances (CSA) Benefits from Child and Family Service Agencies in Manitoba, the legal guardians of children in care (the "CSA Policy").

The CSA Benefit is the equivalent to the Canada Child Benefit received by parents of children who are not in care, and should have been used exclusively for the benefit of the child for whom it was owed to under the Federal *Children's Special Allowances Act*. In total, Manitoba wrongfully took more than \$45,000,000 from the Class during this time.

In 2020, Manitoba passed legislation which deemed lawsuits regarding its CSA Policy to be dismissed, and retroactively legitimized its CSA Policy during the claim period.

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In 2022, the Court found Manitoba's actions to be unconstitutional and discriminatory. Afterwards, three class actions were certified to pursue recovery of the money taken by Manitoba, including the Lafontaine class action.

(3) Am I a member of the Class, or a Guardian of a Class member?

If you were a child in the care of either of the Métis Agencies at any time between January 1, 2005, and March 31, 2019, you are likely a member of the Class and likely entitled to compensation.

If you are a parent or guardian to a minor child who may be a part of the Class, you are responsible for making decisions on behalf of the Class member with respect to the class action, including opting out or making an objection.

Two other, related class actions have also been certified, with **different** class definitions:

- The Flette Class: All Indigenous persons, and the estates of those persons, who were in the care of Child and Family Services Agencies in Manitoba (the "**CFS Agencies**"), other than the Métis Agencies, at any time between 2005 to 2019, and for whom the CFS Agencies received CSA Benefits that were directly or indirectly taken by Manitoba, including through claw backs of provincial funding; and
- The Lavallee Class: All non-Indigenous persons, and the estates of those persons, who were in the care of CFS Agencies, other than the Métis Agencies, at any time between 2005 to 2019, and for whom the CFS Agencies received CSA Benefits that were directly or indirectly taken by Manitoba, including through claw backs of provincial funding.

It is possible a person may be a member of more than one class and entitled to compensation from more than one class action. For example, if a person was in the care of one of the Métis Agencies for a certain period of time, and in the care of a different child and family service agency for another period of time, and both periods of time were between 2005 and 2019, that person is likely a member of more than one class and is likely entitled to compensation from more than one class action.

If you believe you may be a member of more than one class action, please inquire with the Authority who can assist you.

(4) What is the status of the lawsuit?

The Lafontaine Class Action was certified as a class action on December 13, 2023. Now, the parties have agreed to settle the case and Manitoba has agreed to provide compensation to the Class members.

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The Court must approve the proposed Settlement before it is effective. At a Court hearing on September 5-6, 2024, the parties will be asking the Court to approve the Settlement. Once the Settlement is approved, the Authority will initiate the process for distributing the Settlement funds to Class members.

Settlement Proposal

(1) What does the Settlement offer?

The proposed Settlement offers total compensation to the Class in the Lafontaine of \$84,800,000 plus approximately \$7,000,000 in CSA funds retained by the Métis Agencies. From that amount, approximately \$7.5 million will be used for (1) legal fees, (2) administration of the Settlement, and (3) programs to support Class members.

Each Class member will receive a payment in proportion to the amount of time spent in care between January 1, 2005 and March 31, 2019 and the amount of CSA Benefits that were applied for, received and remitted to Manitoba and/or clawed back.

If there are any undistributed amounts, the Authority will distribute the remaining amounts held on behalf of the Undistributed Class Members to the Métis Agencies as a *cy près* distribution. The Métis Agencies will exclusively apply the *cy près* distribution toward the care, maintenance, education, training or advancement of individuals in their care or programming and services for the care, maintenance, education, training or advancement of individuals formerly in the care of the Métis Agencies.

The Lawyers Representing the Class

(1) Do I have a lawyer?

Yes. The Court has appointed Lax O'Sullivan Lisus Gottlieb LLP and MN Trachtenberg Law Corporation to represent you and all other Class Members as "Class Counsel". You will not be charged for contacting these lawyers with questions:

Email: metisclassaction@lolq.ca

Phone: 1-416-645-5079

(2) How will the lawyers be paid?

At the hearing on September 5-6, 2024, Class Counsel will seek Court approval that a portion of the Settlement funds be used to pay the legal fees, disbursements and applicable taxes relating to the prosecution and settlement of the Lafontaine Class Action, which are currently estimated to be \$1,500,000. This amount may increase depending on the legal fees, disbursements and

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applicable taxes relating to the administration of this Settlement. The precise amount will be provided in advance of the Settlement Approval Hearing. Class Counsel fees will be subject to court review and approval.

If Class Members object to the proposed Settlement or legal fees, they are responsible for paying the legal fees of any lawyer or other professional or person who they retain to assist in advancing any such objections.

Learning More

The Court office will not be able to answer questions about matters in this Notice. If you have any questions regarding the proposed Settlement or making a Claim, information is available by accessing the following website <http://metisclassaction.ca>, contacting Class Counsel, contacting the Authority, or contacting Epiq at the following:

Métis Child and Family Services Authority

Email: csaclassaction@metisauthority.com

Epiq Class Action Services Inc.

Email: info@metisclassaction.ca

Phone: 1-877-835-4546

You may also be a member of the Flette or Lavallee Class Actions. For more information on the Flette or Lavallee Class Actions, you can contact the claims administrator or the following law firms:

Flette Lavallee Class Action Claims Administrator

Exchange Solutions Inc.

Email: info@csasettlement.com

Phone: 1-204-947-7101 or Toll Free 1-844-947-7101

(a) The Flette Class:

DD West LLP

Email: CSA@ddwestllp.com

(b) The Lavallee Class:

Cochrane Saxberg LLP

Email: CSA@cochrancesaxberg.com

OR

DD West LLP

Email: CSA@ddwestllp.com

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Important Dates

**Deadline to Provide an Objection to Oppose the Proposed Settlement and/or Fees:
August 26, 2024**

Deadline to Opt-Out of Class Proceeding: August 26, 2024

Settlement Approval Hearing: September 5-6, 2024

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Call Toll Free: 1-877-835-4546 or visit <http://metisclassaction.ca>

SCHEDULE "A"

OPT-OUT FORM

****ONLY SUBMIT THIS FORM IF YOU WISH TO OPT-OUT OF THE CLASS PROCEEDING****

SEND YOUR OPT-OUT FORM TO: info@metisclassaction.ca OR

Métis Child and Family Services Authority

Administrator, Lafontaine Class Action re: Children's Special Allowance

c/o Epiq Class Action Services Canada Inc.

P.O. Box 507 STN B

Ottawa ON K1P 5P6

YOUR OPT-OUT MUST BE RECEIVED BY: **AUGUST 26 2024, 5:00 P.M. CENTRAL TIME**

First Name		Last Name	
Mailing Address			
City	Province	Postal Code	
Telephone Number		Email Address	

If you are acting on behalf of a Class Member, please provide your authority to act:

I confirm that I wish to opt-out of the Lafontaine Class Action.

By opting-out, I understand that:

- I will not be entitled to participate in the Class Action;
- I will not be bound by any judgment in the Class Action; and
- I will not be eligible for any recovery in the Class Action.

Signature of Class Member (or Representative)

Date (dd/mm/yy)

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SCHEDULE “B”

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OBJECTION FORM

****ONLY SUBMIT THIS FORM IF YOU WISH TO OBJECT TO THE PROPOSED SETTLEMENT AND/OR LEGAL FEES OF CLASS COUNSEL****

SEND YOUR OBJECTION FORM TO: info@metisclassaction.ca OR

Métis Child and Family Services Authority

Administrator, Lafontaine Class Action re: Children's Special Allowance
c/o Epiq Class Action Services Canada Inc.
P.O. Box 507 STN B
Ottawa ON K1P 5P6

YOUR OBJECTION MUST BE RECEIVED BY: **AUGUST 26, 2024, 5:00 P.M. CENTRAL TIME**

Objector's Contact Information:

First Name		Last Name	
Mailing Address			
City	Province	Postal Code	
Telephone Number		Email Address:	

Brief Statement of the Nature and Reasons for Objection:

I am objecting to the Proposed Settlement or legal fees for the following reasons:

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Authorized by the Court of King's Bench of Manitoba**Intention to Appear at the Settlement Approval Hearing:**

- I do not intend to appear at the Settlement Approval Hearing on September 5-6, 2024, and I understand that my objection will be filed with the Court prior to the hearing.
- I intend to appear, in person or by counsel, and to make submissions at the Settlement Approval Hearing on September 5-6, 2024.

You do not need a lawyer to object to the proposed Settlement or to make an oral submission at the Settlement Approval Hearing; however, if you will be participating through a lawyer, please provide the following information for your lawyer:

Lawyer's First and Last Name		Lawyer's Law Firm	
Lawyer's Mailing Address			
City	Province	Postal Code	
Lawyer's Telephone Number		Lawyer's Email Address:	

Attestation:

- I attest that I am a Class Member, or legal guardian of a Class Member, of one of the three Class Actions.
- The information in this Objection Form is true and correct to the best of my knowledge.

Signed on _____, 2024, in _____, _____.

Date City Province

Printed Name

Signature

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Call Toll Free: 1-877-835-4546 or visit <http://metisclassaction.ca>