

## Ex Gratia Payment – January 2008

Progress is continuing toward the distribution of the ex gratia funds. While we had been expecting to wait significantly longer to receive the information required from Revenue Canada, we are now very close to having all that information in hand.

In late January, the unions also met with Beothuk Data Systems, the consultants who are developing a database to assist in the final payment, to review the model they are developing for distribution of funds. They are experiencing difficulty in verifying some of the data received from claimants. At the time of our meeting, Beothuk still had to verify information for about 20% of the claims received and they have assured us that they are working diligently to complete this process.

In the meantime, the unions have been developing an appeals process and model for payment, which will have to be approved by the courts. We are planning to make the application for court approval on the distribution plan *before* Beothuk completes their portion of the work. That said, we have no control over the length of time it will take for the courts to approve this plan and give us the green light to proceed.

Once we have a firmer indication of Beothuk's timeline to finalize the remaining data and the length of time it will take for the courts to make a decision we will be able to give members a target date for distribution of the money.

Meanwhile, the funds remain invested as a no risk investment with a financial institution at a guaranteed rate of return. The funds are growing daily and all interest accruing will cover fees for the administrative costs necessary to conclude the work. Any remaining interest received will form part of the fund and, in turn, part of the payout to members. As of January 28, 2008 we have earned over \$1.6 million dollars in interest.

Your continued patience in this matter is appreciated. Our goal is to finalize payment as quickly as possible while ensuring all claims are processed in an accurate and justifiable manner, acceptable to the Supreme Court of Newfoundland and Labrador and to our members.