

## **Ex Gratia Payment Update March 2007**

Progress continues to be made towards a final Ex Gratia payment. Jointly with the other unions, we have retained Beothuk Data Systems to develop a computerized database that will assist the Unions in developing a formula for final payment.

All unions will provide Beothuk with the information collected to date and from there, Beothuk will create a database and identify any gaps in the data. In reviewing a sample of the questionnaires/forms that were returned to the Unions, Beothuk Data Systems have identified some areas of concern that will need to be addressed before final payout. For example, a form might indicate that an employee worked in multiple classifications, but provide no indications of the approximate time worked in each classification.

Where further information is required, Beothuk will be in contact with members directly by telephone. We encourage members to cooperate if contacted, as the information requested will be needed to complete the process.

In the interim, we are continuing to follow up with Canada Revenue Agency on the issue of federal tax being deducted from the Ex Gratia payments. Once a final decision is received from Canada Revenue Agency you will be advised accordingly. Upon completion of the final payout formula, the matter will be filed with the Courts for approval. Upon approval by the Courts, members will receive their settlement from the Ex Gratia Fund.

In the meantime, the funds remain invested as a no risk investment with a financial institution at a guaranteed rate of return. The interest accruing will cover fees for Beothuk and other administrative costs necessary to conclude the work. Any remaining interest received will form part of fund and in turn part of the payout to members.

We thank you for your patience in this matter. We know the process is lengthy and legalistic. We are committed to ensuring the fastest possible payout, however we have to ensure any decisions made are correct and are approved by the Courts.