

**This Notice is for all persons who were receiving pension payments under the  
Bell Canada Pension Plan (“the Plan”) as of January 1, 2017  
 (“the Pensioners”)**

An Action was commenced in 2018 regarding the Plan indexation increase used in the 2017 year. That action was certified by the Ontario Court as a class action in 2019, and the Court of Appeal has now granted Judgment in favour of the Pensioners. **This notice provides a description of the Action, and of certain motions to be brought to the Ontario Court to direct payments to the Pensioners, and as to related matters, to be heard virtually on July 9, 2021. Details for a Zoom link for the motions will be available at the website for this Action, prior to that date.**

**What is this case about and what is the current status?**

The Bell Pension Plan contains a cost-of-living adjustment which provides for indexation of retirement benefits in accordance with the Pension Index under the Plan. In 2017, Bell Canada applied an indexation increase of 1%.

A legal Action was commenced by the representative plaintiff, Leslie Austin, on behalf of the class, which asserted that the indexation increase which should have been applied in 2017 was 2%, not 1%.

In 2019, the Plaintiff brought a motion to certify the Action as a class action, and for summary judgment (to decide the case). The Ontario Court certified the case as a class proceeding, however, it dismissed the Action.

The Plaintiff appealed the Court's dismissal ruling and was successful. In 2020, the Ontario Court of Appeal granted Judgment to the Class and decided that the rate of indexation for 2017 should have been 2%, instead of 1%. Therefore, the pensioners are entitled to a retroactive payment from January 1, 2017 to date. In addition, pension amounts in the future are to be adjusted accordingly.

Since the release of the Court of Appeal Judgment, the parties have developed a plan to make those payments, subject to court approval. Two motions will be brought to the Court (“**the Motions**”).

**The Motion to approve a payment plan**

Class Counsel are bringing a Motion for the Court to approve a plan for Class members to receive the following payments, less applicable deductions as approved by the Court:

A retroactive one-time payment made to each Class member including:

- compensation for the difference between the value of the 1% indexation increase paid as of January 1, 2017, and the value of a 2% indexation increase from January 1, 2017 to the Payment Date which will follow the motion;
- pre-judgment interest at 1.3% per annum (which is the rate set by legislation) to February 21, 2020 (the date of the Court of Appeal Judgment); and

- post-judgment interest calculated from February 21, 2020 at 3% per annum (which is the rate set by legislation) to the Payment Date.

The total amount of the retroactive one-time payments to all Class members is estimated by an actuary to be approximately \$34.4 million on the date of the Motion, before applicable deductions. These payments will be updated to the Payment Date and paid within 30 days.

In addition, all future pension benefit payments to Pensioners from the Plan after the Payment Date will reflect an indexation increase of 2% for the 2017 year rather than 1%.

### **The Motion to approve deductions to the payments**

As part of their Motion, Class Counsel will ask the Court to approve three sets of deductions to the payments to be made to Class Members:

1. **Legal Fees:** Class Counsel have worked over the last 3.5 years to advance this case on behalf of the class, without any payment to date. Class counsel took this case on contingency, meaning that they would only be paid if the action was successful. The contingency fee agreement which the representative plaintiff signed, provides for Class Counsel to receive between 30%-33% of total recovery.

Class counsel are bringing a Motion to seek the court's approval of a legal fee of \$10 million, plus disbursements and taxes. This includes costs payable by the defendants from the Plan of \$472,000 (including taxes) which reduces the amount payable by the Class to Class Counsel.

2. **Levy to the Class Proceedings Fund:** So that this action could proceed, the Class Proceedings Fund provided an indemnity to the representative Plaintiff (for the potential adverse costs that he would risk on behalf of the class) and funded some disbursements. Therefore, pursuant to Regulation 771/92 of the *Law Society Act*, the Class Proceedings Fund must be paid a levy of 10% of the net proceeds of the retroactive payments, as well as repayment of the disbursements it funded. The levy is fixed according to statute, and was non-negotiable.
3. **An Honourarium:** Class Counsel are seeking approval of an honourarium of \$15,000 for the representative plaintiff for the time he invested in this case.

### **What payment will each Class Member receive?**

Each Class Member will receive a retroactive one-time payment, which will be a portion of the net amount of the indexation increase payable from the Plan, after the Court hears the Motions and decides what deductions should be made. For example, the total amount payable from the Plan is approximately \$34.4 million, and if the Legal Fees, Levy to the Class Proceedings Fund, and Plaintiff Honourarium requested by the Plaintiff are all approved in full by the Court, the net amount distributed to the over 30,000 Pensioners in the Class will be approximately \$21.1 million.

The amount of the individual payments from the net amount distributed to the Class Members will vary. It will be determined by the years of service and working income of each Pensioner.

In addition, the future pension benefits payments to the Pensioners after the Payment Date will be increased to reflect the indexation increase of 2% for the 2017 year rather than 1%.

### **Can I opt-out of the Class Action?**

Ordinarily, members of class actions would have a right to choose to "opt out" of a class proceeding whereby he/she has the opportunity to sue the Defendants separately. However, if a class member does so, they cannot receive any benefit from the class action, which does not apply in this Action, as all Pensioners will receive the indexation benefit payment from the Plan, as a result of the Judgment.

In this instance, the plaintiff is bringing a Motion for an Order that no Class member may opt out of this Action. Class Counsel will submit that, because each Class member will receive their full Plan entitlement for 2017 and thereafter, there is no reason to opt out.

In the alternative, if an opt out right is provided, the plaintiff is seeking an order that such persons must still contribute (by way of a deduction) their personal share of the Legal Fees, the Levy to the Class Proceedings Fund and the Plaintiff's Honourarium as may be approved by the Court, such that all Class Members are treated equally in this respect, and contribute equally to the costs of the Action.

The Motion for Court approval of the payment plan, and for approval of the deductions from the payments to Class Members for Legal Fees, and for the Levy to the Class Proceedings Fund, and for the Plaintiff's Honourarium, and the Motion to determine whether there is an opt-out right for Class Members, will be heard on July 9, 2021.

### **What are my Options?**

<b>1. Do nothing</b>	You do not need to take any steps, or "sign up" for the Action in order to receive your payment. If the payment plan is approved by the Court, you will receive your payment.
<b>2. Object to the terms</b>	If you wish to object to any of the relief sought in the Motions, you must complete an <b>Objection Form</b> . The Form can be found at <a href="https://kmlaw.ca/cases/bell-canada-indexation-pension-plan-class-action/">https://kmlaw.ca/cases/bell-canada-indexation-pension-plan-class-action/</a> . You must ensure that your Form is received by mail or email no later than <b>June 21, 2021</b> .

**How do I get more information about the Motions?**

Please go to <https://kmlaw.ca/cases/bell-canada-indexation-pension-plan-class-action/>.  
The Motion materials and the Zoom link information will be posted at this site 14 days prior to the Motion date.

If you have questions, you may reach Class Counsel by telephone, toll free, at 1-866-777-6307, or by email at [bellcanadaclassaction@kmlaw.ca](mailto:bellcanadaclassaction@kmlaw.ca).

Please do not call or write Bell Canada, or the Court.



	<b>Check the applicable box below, so that we may provide the court details to those who wish to attend the virtual hearing on July 9, 2021:</b>
<input type="checkbox"/>	I do not intend to appear at the hearing, and I understand that my objection will be filed with the court prior to the hearing of the motions
<input type="checkbox"/>	I intend to attend the hearing, in person, or by counsel
<input type="checkbox"/>	I intend to appear, in person or by counsel, and wish to seek permission from the court to make oral submissions at the hearing

**MY ADDRESS FOR SERVICE IS:**

**MY LAWYER'S ADDRESS FOR SERVICE IS (if applicable, but you do not need a lawyer):**

Name:

Name:

Address:

Address:

Tel.:

Tel.:

Fax:

Fax:

Email:

Email:

Date:

Date:

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