

MEMORANDUM

TO: SISIP Class Members

FROM: SISIP Class Action Team

DATE: January 11, 2013

File No.: PF-101

RE: Examples of settlement and fees on a hypothetical member

The following are illustrative examples of the recovery made on behalf of members and the related fees associated with the recovery. The calculations assume that cost of living adjustments (COLA) each year are 2% per year and that legal fees, disbursements and HST is equal to 17.83% of the lump-sum amount payable. (HST will vary depending on the member's province of residence.)

All amounts shown are before any income tax payable or amounts that must initially be withheld for potential income taxes under law. Any tax payable or available deductions will vary for each individual.

Member 1

Disabled since January 1999 at the age of 30 with an initial Pension Act reduction of \$1,500 per month. Lump sum based on retroactive payments up to September 30, 2012. Future amounts based on additional estimated payments from October 1, 2012 to age 65 as a result of settlement. Total amount of potential pre-tax recovery: \$925,976

	Amount Recovered prior to fees	Legal fees, disbursements, HST	Pre-tax amount payable to Member
Lump-sum payable as a result of settlement			
Amount returned:	281,710		
Tax Gross Up:	9,212		
Interest to Feb 1, 2013	82,067		
Total lump-sum (pre-tax)	372,989	66,504	306,485
Potential additional amounts payable in the future as a result of settlement			
Scholarship fund:	1,300		
Increase in future SISIP LTD amount	618,191		
Total potential additional future payments (pre-tax)	619,491	None	619,491
Total lump sum and potential future payments (pre-tax)			925,976

Member 2

Disabled for 2 years in 2001-2002 with an initial Pension Act reduction of \$500 per month. Total amount of potential pre-tax recovery: \$16,458

	Amount Recovered prior to fees	Legal fees, disbursements, HST	Pre-tax amount payable to Member
Lump-sum payable as a result of settlement			
Amount returned:	12,120		
Tax Gross Up:	396		
Interest to Feb 1, 2013	5,931		
Total lump-sum (pre-tax)	18,447	3,289	15,158
Potential additional amounts payable in the future as a result of settlement			
Scholarship fund:	1,300		
Increase in future SISIP LTD amount	0		
Total potential additional future payments (pre-tax)	1,300	None	1,300
Total lump sum and potential future payments (pre-tax)			16,458