



# Overview of Claims Process for Compensation:

## Financial Preparation and Financial Planning and Choices

First Nations Child and Family Services, Jordan's Principle, and Trout Class Settlement Agreement

**AFN - Claims Process Regional Engagement Sessions**

February – March 2024





# Goals for Compensation Options

- Expert-advised procedure to help claimants prepare, choose and plan best use of compensation for them
- Give claimants information, time and assistance to make their own plan
- Give claimants clear financial options to help them make best choices for their lives.



# Preparation, Planning and Choice

- **Preparation: Claims navigators** will be regional leads for providing awareness of financial literacy supports
- **Choice: Deloitte's** will offer financial planning materials before distributing compensation payments
  - **Claimant** can choose all cash
  - **Claimant** can select between financial options including structured settlements and other investments
  - **Claimant** can decide what plan suits their needs



# Financial Planning Options

- Claimants will be able to direct some or all compensation to an “investment vehicle”
  - **Administrator** will prepare the way through materials explaining financial options
  - **Assistance** to help claimants understand financial options
  - Financial options will be determined by **Settlement Implementation Committee**

**ALL SUBJECT TO EXPERT ADVICE, AVAILABLE PRODUCTS AND DECISION BY SETTLEMENT IMPLEMENTATION COMMITTEE**



## Choice – Status and Options

- **Choice:** Administrator (Deloitte's) will offer financial planning materials before distributing compensation payments
  - **Claimant** can elect to receive lump sum
  - **Claimant** can choose financial planning options
  - **Claimant** can decide what option suits their needs
- **Financial Options** are under development
  - Working with potential financial providers to develop final products to be made available to claimants
  - Not required until compensation commences
  - No final decisions have been made, or products selected



# Financial Options in Development

- **Potential Option #1 – Structured Settlement**
  - First time for compensation payments: some or all compensation may go to guaranteed vehicle
  - Receives monthly payments over 5-10 years
  - Low fee negotiated for all Claimants
- **Potential Option #2 – Investment Vehicle**
  - Some or all compensation may go to investment fund account
  - Financial provider opens investment account for Claimant
  - Claimant, with aid of financial provider, sets investment risk based upon a set scale of options (1 to 10)
  - Claimant may choose to withdraw funds on as-needed basis
  - Low % investment fees to be paid by Claimant



**Questions?**