



# Final Settlement Agreement (FSA) on Compensation: Executive Summary

August 2023



Class	Eligibility	Base Compensation	Multiplication and/or Enhancement Factors	Budget
<b>Removed Child Class</b>	First Nations individuals who, as a child, were removed from their home on-reserve or in the Yukon and placed in care between April 1, 1991 and March 31, 2022.	\$40,000	Potential enhancements for additional harms, including age at first removal, time in care, age at exiting care, removal to receive an essential service, removal from a northern or remote community, number of spells in care.	\$7.25 billion
<b>Removed Child Family Class</b>	Caregiving parents or grandparents of Removed Child Class members at the time of their removal.	\$40,000	Base compensation may be multiplied based on the number of children removed.	\$5.75 billion, plus \$997 million for multiplication
<b>Essential Services Class</b>	First Nations individuals who, as a child, experienced a delay, denial or service gap in receiving an essential service for a confirmed need from Canada between December 12, 2007 and November 2, 2017.	Up to \$40,000	Not eligible for enhancement payments or multiplication.	\$3.0 billion (shared between both Essential Services and Jordan's Principle Classes)
<b>Jordan's Principle Class</b>	Essential Services Class members who experienced the highest level of impact in relation to the delay, denial or service gap.	\$40,000	Potential enhancements, to be determined with experts in First Nations child development, health and wellness.	
<b>Trout Child Class</b>	First Nations individuals who, as a child, experienced a delay, denial or service gap in receiving an essential service for a confirmed need from Canada between April 1, 1991 and December 11, 2007.	\$20,000	Potential enhancements for highest level of impact.	\$2.0 billion
<b>Jordan's Principle Family Class</b>	Caregiving parents or grandparents of Jordan's Principle Class members at the time of the delay, denial or service gap and who experienced the highest level of impact.	\$40,000	Not eligible for enhancement payments or multiplication.	\$2.0 billion (shared between Jordan's Principle and Trout Family Classes)
<b>Trout Family Class</b>	Caregiving parents or grandparents of Trout Child Class members at the time of the delay, denial or service gap and who experienced the highest level of impact.	TBD by Settlement Implementation Committee	Not eligible for enhancement payments or multiplication.	
<b>Kith Child Class</b>	First Nations individuals who, as a child, were removed from their home on-reserve and placed with a kith caregiver off-reserve between April 1, 1991 and March 31, 2022.	\$40,000	Not eligible for enhancement payments or multiplication.	\$600 million
<b>Kith Family Class</b>	Caregiving parents or grandparents of Kith Child Class members at the time of their removal, between January 1, 2006 and March 31, 2022.	\$40,000	Base compensation may be multiplied based on number of approved claims received.	\$702 million



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**Preamble and Opening Articles (Articles 1-5):** These articles set the context for the FSA, acknowledge the representative plaintiffs, and set out the definitions for all key terms and guidance for interpreting the FSA, including identifying legal requirements, the duties and role of the Administrator, establishing the Trust Fund and principles to guide the claims process. These sections also acknowledge the class size estimates and limitations, and set out the intentions to protect the best interests of the class and ensure the process is trauma-informed and culturally sensitive.

**Compensation Classes (Articles 6 and 7):** These articles set out the groups of individuals who are eligible for compensation.

**Article 6** also states that interest on compensation will be paid to certain classes (Removed Child Class members placed off-reserve between January 1, 2006 and March 31, 2022, Kith Child Class members, and Jordan's Principle Class members) out of the Interest Reserve Fund, which will have a starting balance of \$1 billion. Other claimants may also receive interest on the compensation owed to them, as determined by the Settlement Implementation Committee.

**Cy-près Fund (Article 8):** Designed based on recommendations from the Assembly of Seven Generations (A7G) Children Back, Land Back report (2021), the Cy-près fund has a starting budget of \$50 million to provide culturally sensitive, trauma-informed supports to Class members, including establishing a foundation to offer grants for culture, community and healing-based supports, and establishing a national First Nations Youth In/From Care Network. Additionally, the FSA establishes a Jordan's Principle Cy-près fund, with a starting budget of \$90 million, to facilitate access to supports for dignity and wellbeing of high needs Jordan's Principle recipients beyond the age of majority.

**Supports for Class Members (Article 9):** The Parties are developing a framework for culturally-sensitive, trauma-informed supports for class members in the claims process, including health, mental wellness, navigation supports, financial literacy and life skills. In addition, Canada has also committed to funding enhancements to the Hope for Wellness Help Line.

**Oversight and Implementation (Article 12):** The Settlement Implementation Committee will be established to provide oversight and guide the implementation of the FSA, comprised of 5 members responsible for monitoring the Administrator and the claims process, and reporting on the implementation of the FSA to the Federal Court of Canada.

**Estates & Persons Under Disability (Article 14):** Compensation for eligible deceased child class members will be paid to their estate. Compensation for some deceased family class members (Removed Child Family Class members of children placed off-reserve between January 1, 2006 and March 31, 2022, Kith Family Class and Jordan's Principle Family Class) will be paid directly to the living child/children. Other deceased family class members are not eligible for compensation unless a claim was submitted prior to their death. Individuals who are eligible to receive compensation who are under disability will be paid to the personal representative of the claimant.

**Other Provisions (Articles 10, 15, 17, 18, 23 and 24):**

- **Taxation and Benefits:** Canada must make best efforts to ensure that compensation does not negatively impact entitlement to federal social assistance or tax benefits, and will urge provinces and territories to do the same.
- **Release:** Class members cannot sue Canada for harms related to their claim for compensation, but retain rights to make claims against third parties (e.g., foster parents, group homes).
- **Trustee and Trust:** The Federal Court of Canada will appoint the Trustee to hold the settlement funds and provide regular reporting.
- **Legal Fees:** Class Counsel fees are to be paid by Canada, separately from the settlement funds.
- **Dispute Resolution:** Parties can seek mediation for disputes that arise under the FSA.
- **Public Apology:** Canada will propose that the Prime Minister makes a public apology for the discrimination.