

## **TD Mutual Funds Class Action Regarding Trailing Commissions Paid to Discount Brokers**

### **Notice of Approved Settlement and Commencement of Claim-Filing Process**

**Read this notice carefully as it may affect your legal rights**

THIS NOTICE IS TO:

All persons, wherever they may reside or be domiciled, who held or hold, at any time on or prior to September 11, 2024, units of a TD Mutual Fund through a discount broker, except for the Excluded Persons (“**Class**” and “**Class Members**”).

In the above class definition:

“**TD Mutual Funds**” means all mutual fund trusts (including, without limitation, all series of units thereof) of which TD Asset Management Inc. (“**Defendant**”) is trustee or was trustee at any time on or prior to September 11, 2024 (but only in respect of the period during which the Defendant is trustee or was trustee, as applicable), including, for greater certainty, (i) those mutual funds that have been terminated, (ii) those mutual funds that have been merged into other mutual funds, and (iii) those mutual funds that have undergone name changes.

“**Excluded Persons**” means the Defendant; the past and present parents, subsidiaries, affiliates, officers, directors, senior employees, legal representatives, heirs, predecessors, successors and assigns of the Defendant; the past and present members of the independent review committee of each TD Mutual Fund; and any person who previously opted out of the class action.

Examples of discount brokers are BMO InvestorLine, CIBC Investor’s Edge, National Bank Direct Brokerage, RBC Direct Investing, Scotia iTRADE, TD Direct Investing, CI Direct Trading, Qtrade, Desjardins Online Brokerage, HSBC InvestDirect, Laurentian Bank Discount Brokerage, Wealthsimple, Questrade, and Interactive Brokers. They may have had different names in the past.

A settlement (“**Settlement**”) has been reached in the class action against the Defendant (“**Action**”). The Ontario Superior Court of Justice (“**Court**”) has approved the Settlement. This notice contains important details about the Settlement and how to submit a claim for compensation from the Settlement.

### **IMPORTANT DEADLINE TO FILE CLAIM FOR COMPENSATION**

**Claims Bar Deadline** (deadline to file a claim for compensation): December 20, 2025

### **IMPORTANT NOTE ABOUT SEPARATE SETTLEMENT FOR NON-DISCOUNT BROKER HOLDERS OF TD MUTUAL FUNDS**

This settlement is only for the benefit of persons who held units of a TD mutual fund trust through a discount broker. If you held units of a TD mutual fund other than through a discount broker (e.g. through an investment advisor), there is a separate settlement that may impact you. Please visit <https://www.kalloghlianmyers.com/tdsettlement> for more information about that settlement.

### **THE NATURE OF THE CLAIMS ASSERTED**

It is alleged that the Defendant paid trailing commissions, out of the TD Mutual Fund assets, to discount brokers. The TD Mutual Funds are trusts governed by trust instruments. The Defendant is both trustee and manager of the TD Mutual Funds. It is alleged that the Defendant breached its duties as a trustee and fiduciary because the trailing commissions paid to discount brokers are excessive, inflated and/or unearned.

It is further alleged that the Defendant made misrepresentations about the nature of the trailing commission payments.

The Defendant has denied these allegations and continues to deny all allegations.

On behalf of the Class, the Action asserts claims under section 130 of the Ontario *Securities Act* and, if necessary, the equivalent provisions of the securities legislation of the other Canadian provinces and territories. Additionally, the Action advances claims under section 23.1 of the *Trustee Act*, and for breach of trust and fiduciary duty.

## SETTLEMENT APPROVAL, FEE APPROVAL AND OTHER MATTERS

On December 10, 2024, the Court approved the Settlement. The Settlement provides for the payment of C\$70,250,000 ("**Settlement Amount**") in consideration of the full and final settlement of the claims of Class Members.

The Settlement Agreement provides that the claims of Class Members (who did not opt out) asserted or that could have been asserted in the Action will be fully and finally released, and the Action will be dismissed.

The Settlement Agreement is not an admission of liability, wrongdoing or fault on the part of the Defendant, which has denied, and continues to deny, the allegations against it.

The Court awarded Siskinds LLP ("**Class Counsel**") and Bates Barristers P.C. total legal fees in the amount of \$17,920,000, plus disbursements of \$299,627.99, plus applicable taxes on the fees and expenses. As is customary in such cases, Class Counsel conducted the class action on a contingent fee basis. Class Counsel was not paid as the matter proceeded and funded the expenses of conducting the litigation. The approved fees and disbursements will be deducted from the Settlement Amount before it is distributed to Class Members.

A funding agreement between the Plaintiff and Claims Funding International, PLC ("**Funder**") was previously approved by the Court on June 20, 2019. Amounts owing to the Funder will be deducted from the amounts to be distributed to the Class Members before the actual distribution.

The Court also approved the payment of an honorarium to the Plaintiff in the amount of \$10,000. The honorarium will be deducted from the Settlement Amount before it is distributed to Class Members.

Expenses incurred or payable relating to approval, notification, implementation and administration of the Settlement ("**Administration Expenses**") will also be paid from the Settlement Amount before it is distributed to Class Members.

The Settlement Amount includes all legal fees, the Funder's commission, taxes and administrative expenses.

## CLAIMS ADMINISTRATOR

The Court has appointed Ricepoint Administration Inc., doing business as Verita Global, as the claims administrator for the Settlement ("**Administrator**"). The Administrator will, among other things: (i) receive and process claims for compensation from the Settlement; (ii) determine Class Members' eligibility for and entitlement to compensation pursuant to the Distribution Protocol; (iii) communicate with Class Members regarding claims for compensation; and (iv) manage and distribute the Settlement Amount in accordance with the Settlement Agreement and the orders of the Court.

The Administrator can be contacted at:

Telephone: 1-866-644-0550

Email: [info@TrailingCommissionsSettlement.ca](mailto:info@TrailingCommissionsSettlement.ca)

Website: [www.trailingcommissionssettlement.ca/contact-us.aspx](http://www.trailingcommissionssettlement.ca/contact-us.aspx)

Mailing Address:

TDQ

c/o Verita Global, LLC  
P.O. Box 3355  
London, ON N6A 4K3

## **CLASS MEMBERS' ENTITLEMENT TO COMPENSATION**

The Settlement Amount, after deduction of Class Counsel's fees and expenses, amounts payable to the Funder, the approved honorarium for the Plaintiff and Administration Expenses ("**Net Settlement Amount**") will be distributed to Class Members in accordance with the Distribution Protocol approved by the Court.

A Class Member's eligibility for compensation and the amount of compensation they receive is based on the calculation of their "Trailing Commissions Paid", which is the actual or estimated amount of trailing commissions paid by the Defendant to a discount broker in respect of the TD Mutual Funds held by the Class Member. Each Class Member who submits a valid claim and has Trailing Commissions Paid greater than zero (0) will be eligible to receive a proportionate share of the Net Settlement Amount subject to a minimum entitlement threshold of \$25. For more information about the calculation of Trailing Commissions Paid, please review the Guide to the Distribution Protocol and the Distribution Protocol, both of which are available at <https://www.siskinds.com/class-action/mutual-fund-trailing-commissions/>.

To be eligible for compensation, Class Members must submit a claim, including any required supporting documentation, with the Administrator by **no later than December 20, 2025** ("**Claims Bar Deadline**").

There are two ways a claim for compensation can be made:

1. There is a streamlined claims process available for those Class Members for whom the Administrator has been provided with information by the Defendant that allows the Administrator to calculate the Class Member's Trailing Commissions Paid.
2. There is a full claims process for those Class Members for whom the Administrator has not been provided with such information by the Defendant .

### **The Streamlined Claims Process**

Where the Defendant provides the Administrator with information to calculate the Trailing Commissions Paid of a particular Class Member and their contact information, that Class Member will be entitled to rely on that information when making a claim for compensation.

To facilitate this process, the Administrator will send each such Class Member an email or letter with a username and password to log-on to the online claims portal created by the Administrator. The online claims portal can be found at [www.trailingcommissionssettlement.com](http://www.trailingcommissionssettlement.com). The online claims portal will be pre-populated with information on the Trailing Commissions Paid for the Class Member based on the information provided by the Defendant. The Class Member will be able to rely on that pre-populated information to submit a claim for compensation. A Class Member using the streamlined claims process is not required to provide any further supporting documentation for the pre-populated Trailing Commissions Paid.

A Class Member may provide supplemental information using the full claims process described below if they disagree with the pre-populated Trailing Commissions Paid (subject to a monetary threshold set out in the Distribution Protocol) or wish to expand their claim for a period not covered by their pre-populated information.

The emails and letters described above were sent by the Administrator on June 23, 2025. Class Members should check their email and mail for letters sent by the Administrator. If you are uncertain about whether you will receive an email or letter to participate in the streamlined claims process, please contact the Administrator.

## **The Full Claims Process**

All other Class Members can make a claim using the online claims portal created by the Administrator. The online claims portal can be accessed at [www.trailingcommissionssettlement.com](http://www.trailingcommissionssettlement.com). The online claims portal provides step-by-step instructions on how to file a claim. In order to verify claims, the Administrator will require supporting documentation, such as brokerage statements or confirmations evidencing the claimed transactions. Accordingly, Class Members should visit the Administrator's site as soon as possible so that they have time to obtain the required documentation prior to the Claims Bar Deadline.

While use of the online claims portal will be required in most cases, the Administrator will also accept claims filed by mail or courier if a Class Member does not have internet access or they have another good reason for not filing an online claim. To obtain a copy of the Claim Form necessary to submit a claim by mail or courier, Class Members may contact the Administrator to have one sent by email or regular mail. Claim Forms sent by mail or courier should be sent to the Administrator using the contact details above.

If you have questions about how to complete or file a Claim Form, the documentation required to support a claim, or whether you are a Class Member, please contact the Administrator.

## **ADDITIONAL INFORMATION**

This notice has been approved by the Ontario Superior Court of Justice. The Court offices cannot answer any questions about the matters in this notice. The Orders of the Court and other information in both languages are available on the Administrator's website at [www.trailingcommissionssettlement.com](http://www.trailingcommissionssettlement.com).

Questions relating to the Action may be directed to the Administrator using the contact details above or Class Counsel:

Gigi Pao  
Siskinds LLP  
Tel: 226.636.1615  
Email: [gigi.pao@siskinds.com](mailto:gigi.pao@siskinds.com)

Si vous avez besoin d'aide en français, veuillez contacter les avocats du groupe en utilisant les coordonnées ci-dessus et nous dirigerons votre demande vers une personne appropriée.

***The publication of this notice was authorized by the Ontario Superior Court of Justice***