

**BMO MUTUAL FUNDS CLASS ACTION REGARDING TRAILING  
COMMISSIONS PAID TO DISCOUNT BROKERS.**

**NOTICE OF CERTIFICATION OF EXPANDED CLASS AND OPT-OUT DEADLINE FOR NEW CLASS MEMBERS**

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

This notice is to certain investors in the units of BMO Mutual Funds other than certain persons and entities associated with the defendant, further described below.

**THE AMENDED CERTIFICATION ORDER**

By Order dated May 18, 2021, the Ontario Superior Court of Justice (“**Court**”) certified *Gilani v. BMO Investments Inc.*, File No. CV-18-00611748-00CP (“**Class Action**”) as a class proceeding pursuant to the Ontario *Class Proceedings Act, 1992*. The Court appointed Naheed Gilani as the representative plaintiff for the class defined as follows (“**Original Class**” and “**Original Class Members**”):

All persons, wherever they may reside or be domiciled, who held or hold, at any time on or prior to May 18, 2021, units of a BMO Mutual Fund through a Discount Broker, except for the Excluded Persons.

By Order dated June 26, 2024, the Court amended the certification Order dated May 18, 2021 and expanded the Class to a class defined as follows (“**Expanded Class**” and “**Expanded Class Members**”):

All persons, wherever they may reside or be domiciled, who held or hold, at any time on or prior to May 31, 2022, units of a BMO Mutual Fund through a Discount Broker, except for the Excluded Persons.

The Class Action pertains to BMO Mutual Funds organized as trusts. The “BMO Mutual Funds” are defined as:

All mutual fund trusts (including, without limitation, all series of units thereof) of which BMO Investments Inc. (“**Defendant**”) is trustee, was trustee or may be trustee at any time prior to the conclusion of the trial of the common issues in this proceeding (but only in respect of the period during which the Defendant is trustee, was trustee or may be trustee, as applicable), including, for greater certainty, (i) those mutual funds that have been or may be terminated, (ii) those mutual funds that have been or may be merged into other mutual funds, and (iii) those mutual funds that have undergone or may undergo name changes.

Excluded from the Expanded Class are the Defendant, its past and present parents, subsidiaries, affiliates, officers, directors, senior employees, legal representatives, heirs, predecessors, successors and assigns, and the past and present members of the independent review committee of each BMO Mutual Fund.

Certification is a procedural matter that defines the form of the class action. The merits of the claims in the action, and the allegations of fact on which the claims are based, have not been finally determined by the Court. The Defendant disputes the claims asserted against it.

The Class Action will now proceed to trial as a class action. The Court has identified the issues that will be dealt with collectively. The Class Action will proceed in Toronto, Ontario.

**THE NATURE OF THE CLAIMS ASSERTED**

It is alleged that, by paying trailing commissions to Discount Brokers and other acts or omissions, BMO breached legal and/or equitable duties to investors in the BMO Mutual Fund trusts. The BMO Mutual Funds are trusts governed by trust instruments. The Defendant is both trustee and manager of the BMO Mutual Funds. It is alleged that the Defendant breached its trust, fiduciary and contractual duties 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 in the fund facts documents it has prepared and filed with securities regulators to permit the sale of units of the BMO Mutual Funds.

On behalf of the Original Class, the Class 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. On behalf of the Expanded Class (which includes the Original Class), the Class Action advances claims under section 23.1 of the *Trustee Act*, and for breach of trust, breach of fiduciary duty, breach of contract and unjust enrichment.

If you wish to pursue other claims against the Defendant relating to the matters at issue in the Class Action, you should immediately seek independent legal advice.

**DO NOTHING IF YOU WANT TO PARTICIPATE IN THE CLASS ACTION**

Expanded Class Members who want to participate in the Class Action are automatically included and do not have to do anything at this time.

## YOU MUST OPT OUT IF YOU DO NOT WANT TO BE BOUND BY THE CLASS ACTION

**If you are a new Class Member (meaning you are a member of the Expanded Class but you were not a member of the Original Class)**, and you do not want to be bound by the outcome of the Class Action, you must “opt out,” meaning that you must exclude yourself from the Class Action in accordance with the following procedure.

If you do not validly opt out of the Class Action, you will be bound by the terms of any judgment or settlement, whether favourable or not, and will not be allowed to prosecute an independent action.

**If you wish to opt out of the Class Action, you must complete, sign and return the Opt-Out Form provided at Appendix “A” hereto to Verita Global Inc.**

**In order for your opt out to be valid, your complete and signed Opt-Out Form must be postmarked or received by Verita Global Inc. by no later than October 22, 2024.**

If you opt out, you will not be entitled to participate in the Class Action.

If you are a member of the Original Class, your opt-out period expired on May 27, 2022 and there is no further right to opt out of the Class Action. No action is required from you at this time.

### CLASS COUNSEL AND LEGAL FEES

The representative plaintiff and the Expanded Class are represented by Siskinds LLP (“**Class Counsel**”). Class Counsel are conducting the Class Action on a contingent fee basis.

In the event of success, Class Counsel will make a motion to the Court for approval of their fees and disbursements to be paid from the funds recovered in the Class Action.

An Expanded Class Member will not be required to pay any costs in the event that the Class Action is unsuccessful.

Expanded Class Members have the right to seek intervenor status in the Class Action. An Expanded Class Member who intervenes in the Class Action may be required to pay legal costs arising from the Class Action.

### 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 are available on Class Counsel’s website at <https://www.siskinds.com/class-action/mutual-fund-trailing-commissions>.

Questions relating to the Class Action may be directed to Class Counsel:

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If you require assistance in the French language, please contact Class Counsel using the contact details above and we will direct your inquiry to an appropriate person.

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.*