

# **CIBC Mutual Funds and Renaissance Mutual Funds Class Action Regarding Trailing Commissions Paid to Discount Brokers**

## **Notice of Proposed Settlement and Supplemental Opt-Out Deadline**

**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 units of a CIBC Mutual Fund or a Renaissance Mutual Fund through a discount broker, except for the Excluded Persons, from September 18, 2003 to January 25, 2024 (“**Class**” and “**Class Members**”).

In the above class definition:

“**CIBC Mutual Funds**” means all mutual fund trusts (including, without limitation, all series of units thereof) of which CIBC Trust Corporation (“**CIBC Trust**”) is trustee or was trustee at any time from September 18, 2003 to January 25, 2024 (but only in respect of the period during which CIBC Trust 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.

“**Renaissance Mutual Funds**” means all mutual fund trusts (including, without limitation, all series of units thereof) of which CIBC Asset Management Inc. (“**CAM**”) is trustee or was trustee at any time from September 18, 2003 to January 25, 2024 (but only in respect of the period during which CAM 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 Canadian Imperial Bank of Commerce (“**CIBC**”), CIBC Trust (together, “**Defendants**”), and CAM; the past and present parents, subsidiaries, affiliates, officers, directors, senior employees, legal representatives, heirs, predecessors, successors and assigns of each of the Defendants and CAM; the past and present members of the independent review committee of each CIBC Mutual Fund and each Renaissance Mutual Fund; and any person who validly opted out or opts 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 in the Ontario Superior Court of Justice against the Defendants (“**Action**”). This notice contains important details about the Settlement.

### **IMPORTANT DEADLINES**

**Objection Deadline** (to object to the Settlement, Class Counsel’s fee request or the Distribution Protocol): **October 15, 2025.**

**Supplemental Opt-Out Deadline** (for those Class Members who held units of a Renaissance Mutual Fund through a Discount Broker from September 18, 2003 to January 25, 2024 (but only if they did not also hold units of a CIBC Mutual Fund through a Discount Broker during that period), to exclude themselves from the Action and the settlement): **October 27, 2025.**

## IMPORTANT NOTE ABOUT SEPARATE SETTLEMENT FOR NON-DISCOUNT BROKER HOLDERS OF CIBC MUTUAL FUNDS AND RENAISSANCE MUTUAL FUNDS

This settlement is only for the benefit of persons who held units of a CIBC Mutual Fund trust or a Renaissance Mutual Fund trust through a discount broker. If you held units of a CIBC Mutual Fund or a Renaissance Mutual Fund other than through a discount broker (e.g. through an investment advisor), there is a separate settlement for you. Please visit <https://www.siskinds.com/class-action/mutual-fund-trailing-commissions/> for more information about that settlement.

### THE NATURE OF THE CLAIMS ASSERTED

It is alleged that the Defendants paid trailing commissions, out of the management fees paid out of the CIBC Mutual Fund and Renaissance Mutual Fund assets, to discount brokers. The CIBC Mutual Funds and Renaissance Mutual Funds are trusts governed by trust instruments. CIBC Trust is the trustee of the CIBC Mutual Funds. CIBC is the manager of the CIBC Mutual Funds. CAM is the trustee and manager of the Renaissance Mutual Funds. It is alleged that the Defendants breached their duties as trustees and fiduciaries because the trailing commissions paid to discount brokers are excessive, inflated and/or unearned.

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

The Defendants have 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, fiduciary duty and contract.

### THE CERTIFICATION ORDER

By Order dated January 25, 2024, the Ontario Superior Court of Justice ("**Court**") certified the Action as a class proceeding under the Ontario *Class Proceedings Act, 1992*. The Court appointed the plaintiff, Stephen Pozgaj, as the representative plaintiff for the Class ("**Plaintiff**").

By Order dated September 3, 2025, the class definition was amended to the definition noted above.

### THE SETTLEMENT

On August 20, 2025, the Plaintiff and the Defendants executed a Settlement Agreement ("**Settlement Agreement**"), which is subject to approval by the Court. The Settlement Agreement provides for the payment of C\$26,000,000 ("**Settlement Amount**") in consideration of the full and final settlement of the claims of Class Members.

**The Settlement Agreement provides that if approved by the Court, the claims of Class Members 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 Defendants, which have denied, and continue to deny, the allegations against them.

### SETTLEMENT APPROVAL HEARING

The Settlement Agreement is conditional on approval by the Court. The Settlement Agreement will be approved if the Court determines that it is fair and reasonable and in the best interests of the Class Members to approve it.

The Court will hear a motion for approval of the Settlement on November 5, 2025 at 2 pm.

### **CLASS COUNSEL'S FEES AND OTHER EXPENSES**

The Plaintiff and the Class are represented by Siskinds LLP ("**Class Counsel**"). Class Counsel are conducting the Action on a contingent fee basis. On November 5, 2025, Class Counsel will make a motion to the Court for approval of their fees and the fees of Bates Barristers P.C., which in the aggregate will not exceed \$7,280,000, plus reimbursement for expenses incurred in the litigation in the maximum amount of \$150,000, plus applicable taxes on the fees and expenses.

A funding agreement between the Plaintiff and Claims Funding International, PLC ("**Funder**") was previously approved by the Court on October 28, 2019. Amounts owing to the Funder will be deducted from the amounts to be distributed to the Class Members before the actual distribution.

On November 5, 2025, Class Counsel will also seek the Court's approval for the payment of an honorarium to the Plaintiff in the maximum amount of \$10,000. Class Counsel will be requesting that the honorarium be deducted directly from the Settlement Amount.

The fees of the claims administrator, together with any other costs relating to approval, notification, implementation and administration of the Settlement ("**Administration Expenses**"), will also be paid from the Settlement Amount.

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

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

On November 5, 2025, the Plaintiff will seek the Court's approval of the Distribution Protocol and a process by which Class Members can claim compensation from the Net Settlement Amount.

The proposed Distribution Protocol will provide that in order to determine the individual entitlements of Class Members who make claims, the losses of each claimant will be calculated in accordance with the Distribution Protocol. Once the notional losses of all Class Members who have filed valid claims have been calculated, the Net Settlement Amount will be allocated to those Class Members in proportion to their percentage of the total notional losses calculated for all valid claims filed. Because the Net Settlement Amount will be distributed *pro rata*, it is not possible to estimate the individual recovery of any individual Class Member until all the claims have been received and reviewed.

The approval of the Settlement Agreement is not contingent on the approval of the Distribution Protocol. The Court may still approve the Settlement Agreement even if it does not approve the Distribution Protocol or approves amendments to the Distribution Protocol.

### **PARTICIPATION IN THE APPROVAL MOTION**

The following material will be posted on Class Counsel's website dedicated to the Action (<https://www.siskinds.com/class-action/mutual-fund-trailing-commissions/>) on or before the dates set out below:

1. the Settlement Agreement (posted prior to or at the time of the publication of this notice);
2. the proposed Distribution Protocol (posted by September 24, 2025); and
3. a summary of the basis upon which Class Counsel recommends the Settlement and Distribution Protocol (posted by September 24, 2025).

Class Members who wish to comment on, or make an objection to, the approval of the Settlement Agreement, the Distribution Protocol or the fees and disbursements of Class Counsel shall deliver (by email, mail or courier) a written submission to Class Counsel, to be postmarked or received no later than October 15, 2025, at the following email address or mailing address:

Gigi Pao  
Siskinds LLP  
275 Dundas Street, Unit 1, P.O. Box 2520, London, ON N6B 3L1  
Tel: 226-330-0409  
Email: [gigi.pao@siskinds.com](mailto:gigi.pao@siskinds.com)

Any objections delivered by that date will be filed with the Court.

Class Members may attend at the hearing whether or not they deliver an objection. Class Members who wish to have a lawyer speak on their behalf at the hearing may retain one to do so at their own expense.

### **SUPPLEMENTAL OPT-OUT RIGHT FOR CERTAIN CLASS MEMBERS**

If you are a Class Member who held units of a Renaissance Mutual Fund through a Discount Broker from September 18, 2003 to January 25, 2024 (but only if you did not also hold units of a CIBC Mutual Fund through a Discount Broker during that period), and you do not want to be bound by the outcome of the Action, including the terms of the Settlement if approved, you must “opt out”, meaning that you must exclude yourself from the Action in accordance with the following procedure.

Such Class Members who do not opt out will (i) be entitled to participate in the Settlement; (ii) be bound by the terms of the Settlement; and (iii) not be permitted to bring other legal proceedings in relation to the matters alleged in the Action against the Defendants, or any person released by the approved Settlement. Conversely, if you opt out of the Action, you will not be able to make a claim to receive compensation from the Settlement Amount but will maintain the right to pursue your own claim against the Defendants relating to the matters alleged in the Action.

If you wish to opt out of the Action, you must complete, sign and return (by email, mail or courier) the supplemental opt-out form provided at Appendix “A” hereto to Class Counsel.

In order for your opt-out to be valid, your complete and signed supplemental opt-out form must be postmarked or received by Class Counsel by no later than **October 27, 2025**.

For other Class Members (meaning you held units of a CIBC Mutual Fund through a Discount Broker from September 18, 2003 to January 25, 2024, regardless of whether you held units of a Renaissance Mutual Fund during that period), your opt-out period expired on May 26, 2024 and there is no further right to opt out of 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 in both languages are available on Class Counsel’s website at <https://www.siskinds.com/class-action/mutual-fund-trailing-commissions/>.

Questions relating to the Action may be directed to Class Counsel using the contact details above.

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***

**SUPPLEMENTAL OPT-OUT FORM**  
**CIBC MUTUAL FUNDS and RENAISSANCE MUTUAL FUNDS CLASS ACTION**

If you are such a person, complete and return this Supplemental Opt-Out Form by no later than October 27, 2025, **only if you do not wish to participate in the class action, including the settlement if approved.**

<b>Name:</b>
<b>Organization and title (if applicable):</b>
<b>Phone number:</b>
<b>Fax number:</b>
<b>Email:</b>
<b>Address:</b>

[illegible]


(PLEASE CIRCLE THE APPROPRIATE LANGUAGE)

I believe that **I am / the organization that I represent is** a member of the Class in the Action.

I believe that **I am not / the organization that I represent is not** amongst the persons and entities excluded from the Action.

I understand that by opting out of the Action, **I will not be eligible / the organization that I represent will not be eligible** for any benefit that may be available to the Class upon resolution of this matter, if and when such resolution may occur.

I, \_\_\_\_\_ (print your full name), **OPT OUT FROM THE ACTION** and wish to be excluded from this class action.

I wish to opt out from this class action for the following reason(s) (*optional*):

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I, \_\_\_\_\_ (print your full name), **CERTIFY** that the information provided herein is complete and true.

\_\_\_\_\_  
Date

\_\_\_\_\_  
Signature

**In order to validly opt out, you must complete and send this Supplemental Opt-Out Form by no later than October 27, 2025 to:**

Gigi Pao  
Siskinds LLP  
275 Dundas Street, Unit 1, P.O. Box 2520, London, ON N6B 3L1  
Email: [gigi.pao@siskinds.com](mailto:gigi.pao@siskinds.com)