



Court File No.

**ONTARIO  
SUPERIOR COURT OF JUSTICE**

**B E T W E E N :**

**ABIGAIL YASHAYAEVA**

**Plaintiff**

**- and -**

**TFI INTERNATIONAL INC., ALAIN BÉDARD, DAVID SAPERSTEIN, ANDRÉ BÉRARD,  
ROBERT MCGONIGAL, KEITH HALL and ROSEMARY TURNER**

**Defendants**

Proceeding under the *Class Proceedings Act, 1992*

**STATEMENT OF CLAIM**

**TO THE DEFENDANTS:**

A LEGAL PROCEEDING HAS BEEN COMMENCED AGAINST YOU by the plaintiff.  
The claim made against you is set out in the following pages.

IF YOU WISH TO DEFEND THIS PROCEEDING, you or an Ontario lawyer acting for you must prepare a statement of defence in Form 18A prescribed by the *Rules of Civil Procedure*, serve it on the plaintiff's lawyers or, where the plaintiff does not have a lawyer, serve it on the plaintiff, and file it, with proof of service, in this court office, **WITHIN TWENTY DAYS** after this statement of claim is served on you, if you are served in Ontario.

If you are served in another province or territory of Canada or in the United States of America, the period for serving and filing your statement of defence is forty days. If you are served outside Canada and the United States of America, the period is sixty days.

Instead of serving and filing a statement of defence, you may serve and file a notice of intent to defend in Form 18B prescribed by the *Rules of Civil Procedure*. This will entitle you to ten more days within which to serve and file your statement of defence.

IF YOU FAIL TO DEFEND THIS PROCEEDING, JUDGMENT MAY BE GIVEN AGAINST YOU IN YOUR ABSENCE AND WITHOUT FURTHER NOTICE TO YOU. IF YOU WISH TO DEFEND THIS PROCEEDING BUT ARE UNABLE TO PAY LEGAL FEES, LEGAL AID MAY BE AVAILABLE TO YOU BY CONTACTING A LOCAL LEGAL AID OFFICE.

IF YOU PAY THE PLAINTIFF'S CLAIM, and \$400.00 for costs, within the time for serving and filing your statement of defence, you may move to have this proceeding dismissed by

the court. If you believe the amount claimed for costs is excessive, you may pay the plaintiff's claim and \$400.00 for costs and have the costs assessed by the court.

TAKE NOTICE: THIS ACTION WILL AUTOMATICALLY BE DISMISSED if it has not been set down for trial or terminated by any means within five years after the action was commenced unless otherwise ordered by the court.

Date: May 21, 2025

Issued by: \_\_\_\_\_

Local Registrar

Address of Court Office:  
Superior Court of Justice  
393 University Ave., 10<sup>th</sup> Floor  
Toronto, ON M5G 1E6

**TO:** TFI INTERNATIONAL INC.  
96 Disco Road  
Etobicoke, ON M9W 0A3

**AND TO:** ALAIN BÉDARD  
96 Disco Road  
Etobicoke, ON M9W 0A3

**AND TO:** DAVID SAPERSTEIN  
96 Disco Road  
Etobicoke, ON M9W 0A3

**AND TO:** ANDRÉ BÉRARD  
96 Disco Road  
Etobicoke, ON M9W 0A3

**AND TO:** ROBERT MCGONIGAL  
96 Disco Road  
Etobicoke, ON M9W 0A3

**AND TO:** KEITH HALL  
96 Disco Road  
Etobicoke, ON M9W 0A3

**AND TO:** ROSEMARY TURNER  
96 Disco Road  
Etobicoke, ON M9W 0A3

## CLAIM

### DEFINITIONS

1. In this Statement of Claim, in addition to the terms that are defined elsewhere herein, the following definitions apply:
  - (a) “**3PL**” means third party logistics suppliers;
  - (b) “**Adjusted Operating Ratio**” means the non-**IFRS** financial measure disclosed by TFI during the **Class Period**, calculated as (i) operating expenses before gain on sale of business, bargain purchase gain, and gain or loss on sale of land and buildings and assets held for sale, and gain or loss on disposal of intangible assets, net of fuel surcharge revenue, (ii) divided by revenue before fuel surcharge;
  - (c) “**AIF**” means Annual Information Form;
  - (d) “**CBCA**” means the *Canada Business Corporations Act*, RSC 1985, c C-44, as amended;
  - (e) “**CEO**” means Chief Executive Officer;
  - (f) “**CFO**” means Chief Financial Officer;
  - (g) “**CJA**” means the *Courts of Justice Act*, RSO 1990, c C-43, as amended;
  - (h) “**Class**” and “**Class Members**” mean all persons and entities, wherever they may reside or be domiciled, who acquired TFI shares during the **Class Period** and continued to hold some or all of those shares after the **Class Period**, other than the **Excluded Persons**;

- (i) “**Class Period**” means the period from and including February 16, 2024 to the conclusion of **TFI**’s earnings call on February 20, 2025;
- (j) “**CPA**” means the *Class Proceedings Act, 1992*, SO 1992, c 6, as amended;
- (k) “**Defendants**” means **TFI** and the **Individual Defendants**;
- (l) “**EPS**” means earnings per share;
- (m) “**Excluded Persons**” means **TFI**, **TFI**’s past and present subsidiaries, affiliates, officers, directors, senior employees, partners, legal representatives, heirs, predecessors, successors and assigns, and the **Individual Defendants** and any members of the **Individual Defendants**’ families and any entity in which any of the **Individual Defendants** has or had during the **Class Period** any legal or *de facto* controlling interest;
- (n) “**IFRS**” means International Financial Reporting Standards;
- (o) “**Impugned Core Documents**” means **TFI**’s:
  - (i) **MD&A** for Q4 and FY 2023 filed on **SEDAR** on February 16, 2024;
  - (ii) **MD&A** for Q1 2024 filed on **SEDAR** on April 25, 2024;
  - (iii) **MD&A** for Q2 2024 filed on **SEDAR** on July 25, 2024;
  - (iv) **MD&A** for Q3 2024 filed on **SEDAR** on October 21, 2024;
- (p) “**Impugned Documents**” means the **Impugned Core Documents** and **Impugned Non-Core Documents**;
- (q) “**Impugned Non-Core Documents**” means the following **TFI** news releases:

- (i) “TFI International Announces 2024 First Quarter Results” dated April 25, 2024;
- (ii) “TFI International Announces 2024 Second Quarter Results” dated July 25, 2024;
- (r) **“Impugned Public Oral Statements”** means:
  - (i) The statements made in **TFI**’s earnings call on April 26, 2024 particularized at paragraph 51;
  - (ii) The statements made in **TFI**’s earnings call on July 26, 2024 particularized at paragraph 52;
  - (iii) The statements made in **TFI**’s earnings call on October 22, 2024 particularized at paragraph 53;
- (s) **“Individual Defendants”** means, collectively, Alain Bédard, David Saperstein, André Bérard, Robert McGonigal, Keith Hall and Rosemary Turner;
- (t) **“LTL”** means **TFI**’s “Less-Than-Truckload” business, which provides a shipping service for smaller freight loads that combines shipments from multiple customers into one truckload;
- (u) **“MD&A”** means Management’s Discussion and Analysis;
- (v) **“NYSE”** means the New York Stock Exchange;
- (w) **“Operating Income”** means net income before finance income and costs and income tax expense;
- (x) **“OSA”** means the *Securities Act*, RSO 1990, c S.5, as amended;

- (y) “**Other Canadian Securities Legislation**” means, collectively, the *Securities Act*, RSA 2000, c S-4, as amended; the *Securities Act*, RSBC 1996, c 418, as amended; *The Securities Act*, CCSM c S50, as amended; the *Securities Act*, SNB 2004, c S-5.5, as amended; the *Securities Act*, RSNL 1990, c S-13, as amended; the *Securities Act*, SNWT 2008, c 10, as amended; the *Securities Act*, RSNS 1989, c 418, as amended; the *Securities Act*, S Nu 2008, c 12, as amended; the *Securities Act*, RSPEI 1988, c S-3.1, as amended; the *Securities Act*, RSQ c V-1.1, as amended; *The Securities Act, 1988*, SS 1988-89, c S-42.2, as amended; and the *Securities Act*, SY 2007, c 16, as amended;
- (z) “**Plaintiff**” means the Plaintiff, Abigail Yashayaeva;
- (aa) “**SEDAR**” means the system for electronic document analysis and retrieval of the Canadian Securities Administrators;
- (bb) “**TFI**” means the Defendant, TFI International Inc.;
- (cc) “**TSX**” means the Toronto Stock Exchange;
- (dd) “**UPS**” means United Parcel Service, Inc. and its subsidiaries; and
- (ee) “**U.S. LTL**” means TFI’s LTL business based in the United States, the bulk of which it acquired from UPS in April 2021.

## RELIEF SOUGHT

2. The Plaintiff claims:

- (a) An order granting leave to proceed with the right of action for misrepresentation under Part XXIII.1 of the *OSA* and, if necessary, the corresponding provisions of the Other Canadian Securities Legislation;
- (b) An order certifying this action as a class proceeding and appointing the Plaintiff as a representative plaintiff for the Class under the *CPA*;
- (c) A declaration that the Impugned Documents contained one or more misrepresentations at common law and within the meaning of the *OSA* and the Other Canadian Securities Legislation (if necessary);
- (d) A declaration that the Impugned Public Oral Statements were misrepresentations at common law and within the meaning of the *OSA* and the Other Canadian Securities Legislation (if necessary);
- (e) A declaration that the Defendants or one of them made the misrepresentations;
- (f) Damages under Part XXIII.1 of the *OSA* and the corresponding provisions of the Other Canadian Securities Legislation (if necessary);
- (g) Damages for negligent misrepresentation in an amount to be proven at trial;
- (h) A declaration under section 241 of the *CBCA* that:
  - (i) The acts or omissions of TFI or its affiliates effected a result that is oppressive to, unfairly prejudicial to, or unfairly disregards the interests of the Class Members;

- (ii) The business or affairs of TFI or its affiliates have been carried on or conducted in a manner that is oppressive to, unfairly prejudicial to, or unfairly disregards the interests of the Class Members;
- (iii) The powers of the Individual Defendants that are directors of TFI have been exercised in a manner that is oppressive to, unfairly prejudicial to, or unfairly disregards the interests of the Class Members;
- (i) An order that will remedy the conduct that is contrary to section 241 of the *CBCA*, including that Class Members be compensated;
- (j) A declaration that TFI is vicariously liable for the acts and/or omissions of the Individual Defendants and, as may be applicable, of its other officers, directors or employees;
- (k) An order directing a reference or giving such other directions as may be necessary to determine the issues, if any, not determined at the trial of the common issues;
- (l) Pre-judgment and post-judgment interest;
- (m) Costs of this action on a substantial indemnity basis or in an amount that provides full indemnity or, alternatively, costs on a partial indemnity basis;
- (n) Pursuant to section 26(9) of the *CPA*, the costs of notice and of administering the plan of distribution of the recovery in this action plus applicable taxes; and
- (o) Such further and other relief as this Honourable Court may deem just.



## OVERVIEW

3. TFI is publicly traded on the TSX and NYSE under the ticker symbol “TFII”. Its principal business activity is providing logistics and transportation services in North America. It currently has three reportable segments: LTL, Truckload and Logistics.<sup>1</sup> Its LTL business operates in Canada, Mexico and the United States. Its LTL business in the United States is referred to herein as “U.S. LTL”.
4. TFI acquired the bulk of its U.S. LTL business from UPS in April 2021. Since that time TFI has struggled to make improvements to the U.S. LTL business to boost its profitability and performance.
5. TFI’s U.S. LTL business is crucial to TFI’s financial success and prospects for growth. For the fiscal year ended December 31, 2024, the U.S. LTL business accounted for 30% of TFI’s total revenue. It has been described by a market analyst as “all-important” for TFI. Accordingly, accurate and timely disclosure as to the true state of TFI’s U.S. LTL business was highly material to investors like the Plaintiff and Class Members.
6. During the Class Period, the Defendants made representations about TFI’s U.S. LTL business, including the factors underpinning its quarterly performance, that improvements to the U.S. LTL business were succeeding, and that TFI was executing well within its U.S. LTL business.

---

<sup>1</sup> Prior to its disclosures for Q2 2024, TFI had a separate Package & Courier reportable segment.

7. Those representations, and others made by the Defendants during the Class Period, were misrepresentations by commission and omission because, among other things:
- (a) U.S. LTL had lost, and was continuing to lose, high margin small and medium sized business customers and replaced them with low and negative margin large corporate and 3PL customers, which, according to information revealed by TFI's CEO Alain Bédard at the end of the Class Period, "killed" the profitability of U.S. LTL;
  - (b) the U.S. LTL business had an intractable structural problem with density because of its relatively small scale compared to other U.S. competitors that likely could not, or likely could not in the short to medium term, be fixed organically (i.e. without acquiring competitor companies, which would be a drain on TFI's cash);
  - (c) the U.S. LTL's salesforce and management were ineffective;
  - (d) the U.S. LTL business also had other problems, including with old trucks and poor internal systems, that TFI was struggling to fix and that were inflating its costs; and
  - (e) the U.S. LTL business was struggling to manage its costs, which was negatively impacting its profitability.
8. On February 19, 2025 after the close of markets, TFI released poor financial results for its fiscal year 2024 and subsequently held a conference call with market analysts to discuss the results. The results and call with market analysts publicly corrected the misrepresentations by revealing the ongoing issues with TFI's U.S. LTL business set out at paragraph 7 and that those issues had undermined profitability of U.S. LTL in 2024 and would continue to undermine its profitability in 2025.

9. As particularized below, in the ten trading days following the release of TFI's poor financial results for fiscal year 2024 and in the subsequent conference call with analysts, the market value of TFI's shares on the TSX and NYSE plummeted. Over the same period, TFI also significantly underperformed major indices of which its shares were a constituent.
10. The Plaintiff and other Class Members invested in TFI on the basis, among other things, of the particular set of publicly disclosed facts contained in the Impugned Documents and made in the Impugned Public Oral Statements, only to find that these disclosures were deficient in material respects. The Plaintiff and other Class Members suffered significant losses on their investment in TFI because of these deficiencies. They seek recompense for their losses.

## **THE PARTIES**

### **The Plaintiff**

11. The Plaintiff is an individual residing in Halifax, Nova Scotia. She acquired 30 shares of TFI during the Class Period and continued to hold those shares at the end of the Class Period.

### **The Defendants**

#### ***TFI***

12. TFI is a company incorporated under the *CBCA*. Its headquarters are in Saint-Laurent, Québec and its executive office is in Etobicoke, Ontario. TFI lists its Etobicoke offices as its mailing address on SEDAR.
13. A substantial number of TFI's executive team reside in Ontario.

14. At all material times, TFI was a reporting issuer in Ontario and all other Canadian provinces and territories. It was also a registrant with the US Securities and Exchange Commission.
15. TFI's transfer agent and the registrar of TFI's common shares is based in Toronto, Ontario.
16. TFI's common shares were listed for trading on the TSX and the NYSE, and were a constituent of many market indices, including the S&P/TSX Capped Composite.
17. TFI's common shares were also listed for trading on alternative trading venues.

***The Individual Defendants***

18. At all material times, Alain Bédard was TFI's CEO, President and Chairman of its Board.
19. At all material times, David Saperstein was TFI's CFO.
20. At all material times, André Bérard was TFI's lead director.
21. At all material times, Rosemary Turner was a director of TFI and a member of its Human Resources and Compensation Committee.
22. At all material times, Robert McGonigal was Executive Vice-President with direct responsibility for the U.S. LTL business. Mr. McGonigal was given that responsibility in 2024 and was tasked with improving U.S. LTL's operating ratio. Mr. McGonigal is no longer an Executive Vice-President of TFI.
23. At all material times, Keith Hall was Senior Vice-President of Operations at TFI and President of TForce Freight, which runs the U.S. LTL business. Mr. Hall became President of TForce Freight in or around June 2023. Mr. Hall is no longer the President of TForce Freight.

## TFI'S DISCLOSURE OBLIGATIONS

24. At all material times, TFI was, by its own election, a reporting issuer in all Canadian provinces and territories. It elected to become a reporting issuer to render its securities publicly tradable. Doing so made them a more attractive investment and provided TFI with broader access to capital.
25. TFI was required to fulfil a number of disclosure requirements on a continuing basis in order to maintain its status as a reporting issuer, including:
- (a) Within 45 days of the end of each quarter, quarterly financial statements prepared in accordance with applicable accounting principles that must include a comparative statement to the end of each of the corresponding periods in the previous financial year;
  - (b) Within 90 days of the fiscal year, annual financial statements, including comparative financial statements relating to the period covered by the preceding financial year;
  - (c) Contemporaneously with each of the above, an MD&A on Form 51-102F1; and
  - (d) Within 90 days of the end of the fiscal year, an AIF or an equivalent disclosure.
26. A company's MD&A is a narrative explanation of how the company performed during the period covered by the financial statements, and of the company's financial condition and prospects. It should openly report both bad and good news impacting a company's financial performance and financial condition. The MD&A should, among other things, (i) discuss important trends and risks that have affected the financial statements of the issuer, or that are reasonably likely to have an effect on the issuer's business in the future; (ii) provide

information about the quality and potential variability of profits or losses to assist investors in determining if past performance is indicative of future performance; and (iii) discuss why changes have occurred or expected changes have not occurred in a company's financial performance.

27. AIFs are annual disclosure documents intended to provide material information about a company and its business at a point in time in the context of its historical and possible future development. The AIF describes the company, its operations and prospects, risks and other external factors that impact the company specifically.
28. In fulfilling the above requirements and in making disclosures to the market generally, TFI was prohibited from making a statement that:
  - (a) in a material respect and at the time and in the light of the circumstances under which it was made, was misleading or untrue or did not state a fact that was required to be stated or that was necessary to make the statement not misleading; and
  - (b) would reasonably be expected to have a significant effect on the market price or value of its securities.

#### **THE INDIVIDUAL DEFENDANTS' DISCLOSURE OBLIGATIONS**

29. Each of the Individual Defendants knew or ought to have known, from the time they accepted their positions with TFI, that TFI was a reporting issuer and that they would have direct responsibility for ensuring the accuracy of TFI's disclosure documents.
30. The *OSA*, Other Canadian Securities Legislation and the instruments and policies promulgated thereunder, imposed specific obligations on the Individual Defendants in the preparation of TFI's continuous disclosure documents.

31. The directors of a reporting issuer are required to approve each set of financial statements and accompanying MD&A released by an issuer prior to the release of those documents. As such, Alain Bédard, André Bérard and Rosemary Turner reviewed and approved each set of TFI's financial statements and related MD&A prior to their release.
32. The CEO and CFO of a reporting issuer are required to certify the quarterly and annual disclosures of a reporting issuer. Alain Bédard and David Saperstein certified TFI's quarterly and annual disclosures during the Class Period.
33. Executive officers, such as Robert McGonigal and Keith Hall, provided, or were responsible for overseeing the provision of, sub-certifications for the quarterly and annual disclosures within their area of responsibility.

#### **TFI'S U.S. LTL BUSINESS**

34. In April 2021, TFI completed the "transformational" acquisition of UPS Ground Freight, Inc., the LTL and dedicated truckload divisions of UPS. UPS Ground Freight, Inc. was subsequently renamed TForce Freight, Inc. and makes up the bulk of TFI's U.S. LTL business.
35. The LTL and truckload divisions acquired from UPS were based in the United States. Thus, the acquisition of what is now called TForce Freight, Inc. resulted in a major shift of TFI's geographic revenue allocation from Canada to the United States. Indeed, U.S. LTL is a large component of TFI's overall business. For the fiscal year ended December 31, 2024, U.S. LTL accounted for 30% of TFI's total revenue.

36. Since the acquisition in April 2021, TFI has sought to improve the performance and efficiency of the U.S. LTL operations and, therefore, improve U.S. LTL's key financial metrics such as its Adjusted Operating Ratio and Operating Income.
37. Disclosures about U.S. LTL and its performance were crucial to investors such as the Plaintiff and Class. As an analyst from JP Morgan put it in a July 26, 2024 report, TForce Freight was "the biggest driver of value for" TFI. Similarly, in a February 8, 2024 report, an analyst from Deutsche Bank Research described U.S. LTL as "all-important" for TFI.

## **MISREPRESENTATIONS IN THE IMPUGNED DOCUMENTS AND IMPUGNED PUBLIC ORAL STATEMENTS**

### **Misrepresentations about the performance of the U.S. LTL business**

#### ***Q3 2024***

38. During the Class Period, TFI disclosed its Operating Income, a measure of profitability, for each of its reportable segments, including LTL. Results from U.S. LTL, the largest component of the LTL reportable segment, were incorporated into, and formed a crucial component of, the Operating Income for the LTL reportable segment.
39. Operating Income was a key metric for measuring the performance of TFI's reportable segments. TFI stated that a segment's "operating income or loss is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries."
40. TFI's MD&A for Q3 2024 stated that LTL's Operating Income had declined compared to the comparative quarter in 2023 due to "weak market conditions", thereby representing



that factors related to the broader LTL industry and not specific or idiosyncratic to TFI were adversely impacting the performance of TFI's LTL and U.S. LTL businesses. The disclosure provided in the Q3 2024 MD&A was crucial to allow investors to understand, among other things, the trends affecting and likely to affect TFI going forward and the quality and variability of TFI's performance to determine if its performance in Q3 2024 was indicative of future performance.

41. The statement set out at paragraph 40 was a misrepresentation by commission. Weak market conditions were not responsible, or were not solely responsible, for the decline in LTL's Operating Income. Rather, LTL's Operating Income was impacted by adverse conditions that were specific or idiosyncratic to TFI's U.S. LTL business and were negatively impacting, and would continue to negatively impact, that business, including the conditions described in paragraph 7.
42. Further or in the alternative, the statement set out at paragraph 40 was a misrepresentation by omission because the Defendants failed to disclose the adverse conditions that were specific or idiosyncratic to TFI's U.S. LTL business and were negatively impacting, and would continue to negatively impact, that business and thus LTL's Operating Income, including the conditions described in paragraph 7. Those facts were vital for investors to understand TFI's performance and the trends in its business. They were required to be disclosed for the statement set out at paragraph 40 to not be misleading in the circumstances in which it was made.
43. TFI's Q3 2024 MD&A also stated that the Adjusted Operating Ratio (a measure of operating margin) for U.S. LTL was worse compared to Q3 2023 without disclosing the reason for the decline in the Adjusted Operating Ratio. This was a misrepresentation by

omission because the Defendants failed to disclose the adverse conditions that were specific or idiosyncratic to TFI's U.S. LTL business and were negatively impacting, and would continue to negatively impact, that business and thus U.S. LTL's Adjusted Operating Ratio, including the conditions described in paragraph 7. Those facts were vital for investors to understand TFI's performance and the trends in its business. They were required to be disclosed for the statement to not be misleading in the circumstances in which it was made.

***Q1 and Q2 2024***

44. In TFI's news release titled "TFI International Announces 2024 First Quarter Results" dated April 25, 2024, CEO Alain Bédard stated that TFI was "making notable advancements in our US LTL business [...] Through strong execution, we've reached an important inflection point in TForce Freight, with rapidly improving service driving tonnage growth, resulting in revenue per shipment before fuel surcharge increasing 12%".
45. In TFI's news release titled "TFI International Announces 2024 Second Quarter Results" dated July 25, 2024, CEO Alain Bédard stated that "we're executing well within U.S. LTL, with continued improvements in tonnage, weight per shipment and revenue per shipment".
46. TFI's Q1 2024 MD&A and Q2 2024 MD&A disclosed improved LTL Operating Income due to improvements in the U.S. LTL business. They also stated that the Adjusted Operating Ratio for U.S. LTL was better than the corresponding quarters in 2023 without explaining why.
47. A description in those MD&As of the facts and circumstances that were influencing LTL and U.S. LTL Operating Income and Adjusted Operating Ratio was crucial to investors'

understanding of, among other things, the trends affecting and likely to affect TFI going forward and to provide information about the quality and variability of TFI's performance to determine if past performance was indicative of future performance.

48. The statements set out at paragraphs 44 to 46 were misrepresentations by commission because of the existence of the adverse conditions that were specific or idiosyncratic to TFI's U.S. LTL business and were negatively impacting, and would continue to negatively impact, that business and thus LTL's Operating Income and U.S. LTL's Adjusted Operating Ratio, including the conditions described in paragraph 7.
49. Further or in the alternative, the statements set out at paragraphs 44 to 46 were misrepresentations by omission because the Defendants failed to disclose the adverse conditions that were specific or idiosyncratic to TFI's U.S. LTL business and were negatively impacting, and would continue to negatively impact, that business and thus LTL's Operating Income and U.S. LTL's Adjusted Operating Ratio, including the conditions described in paragraph 7. Those facts were required to be disclosed for the statements to not be misleading in the circumstances in which they were made.

### **Misleading and Inadequate Risk Disclosures**

50. In TFI's Q4 2023 MD&A, Q1 2024 MD&A, Q2 2024 MD&A and Q3 2024 MD&A, TFI purported to disclose the risks arising from its acquisition of UPS Freight. Those statements were misrepresentations because the Defendants failed to disclose the adverse conditions that were specific or idiosyncratic to TFI's U.S. LTL business (the bulk of which came from the acquisition of UPS Freight) and were negatively impacting, and would continue to negatively impact, that business, including the conditions described in paragraph 7.

Those facts were required to be disclosed for the statements to not be misleading in the circumstances in which they were made.

### **Misrepresented Guidance and Outlook for TFI's Business**

51. On TFI's earnings call with analysts on April 26, 2024 for Q1 2024, CEO Alain Bédard provided guidance for fiscal 2024 of earnings per share of \$6.75 to \$7, free cash flow of \$825 to \$900 million and an 88% operating ratio in U.S. LTL, among other things.
52. On TFI's earnings call on July 26, 2024 for Q2 2024, CEO Alain Bédard stated that TFI's full year guidance was unchanged from the previous quarter, with the exception that the operating ratio for U.S. LTL would be under 90% instead of 88%.
53. On TFI's earnings call with analysts on October 22, 2024 for Q3 2024, CEO Alain Bédard stated that:
  - (a) TFI expected its full-year performance in 2024 to be largely similar to 2023;
  - (b) the operating ratio in TFI's U.S. LTL business in 2024 would be close to the operating ratio in Q2 2024 (90.8%) and better than the operating ratio in Q3 2024 (92.2%); and
  - (c) he would be disappointed if the U.S. LTL business did not break a 90% operating ratio in 2025 (i.e. less than 90%).
54. TFI's Q4 2023 MD&A, Q1 2024 MD&A, Q2 2024 MD&A and Q3 2024 MD&A stated that while North American uncertainty was likely to continue to weigh on freight demand dynamics, its management believed that TFI was well-positioned to navigate these difficult operating conditions.

55. The guidance and outlook set out at paragraphs 51 to 54 constituted misrepresentations by commission. There was no reasonable basis for the guidance and outlook because of the existence of the adverse conditions that were specific or idiosyncratic to TFI's U.S. LTL business and were negatively impacting, and would continue to negatively impact, that business and thus U.S. LTL's Adjusted Operating Ratio, including the conditions described in paragraph 7.
56. Further or in the alternative, the guidance and outlook set out at paragraphs 51 to 54 constituted misrepresentations by omission because the Defendants failed to disclose the adverse conditions that were specific or idiosyncratic to TFI's U.S. LTL business and were negatively impacting, and would continue to negatively impact, that business and thus U.S. LTL's Adjusted Operating Ratio, including the conditions described in paragraph 7. It was thus improbable that TFI would meet the guidance and outlook provided for its business. Those adverse conditions were required to be disclosed for the guidance and outlook to not be misleading in the circumstances in which it was made.

#### **THE PUBLIC CORRECTION OF THE MISREPRESENTATIONS**

57. On February 19, 2025 after the close of markets, TFI released its results for full year 2024 and Q4 2024, revealing poor EPS, Operating Income, net income and Adjusted Operating Ratio. The negative results were driven by poor performance in the U.S. LTL business.
58. The following morning TFI held a conference call with analysts to discuss those financial results. On that call, CEO Alain Bédard explained that TFI's U.S. LTL business was being impacted by adverse conditions that were specific or idiosyncratic to that business and

those adverse conditions would continue to impact TFI in 2025. Among other things, he revealed that:

- (a) TFI is “losing the small and medium-sized [...] customers, which have the best margin [...] And some of that has been replaced, okay, by [...] 3PL and corporate account, which doesn’t bring the same margin. And this was really accelerated in Q4. So [...] that’s part of the issues that we have is sales, okay? We have [...] to be way more aggressive on the small and medium-sized account”;
- (b) The loss of small and medium sized customers negatively impacted TFI’s revenue mix: “the mix of the revenue which has deteriorated a little bit, okay, our weight per shipment is about the same, but the revenue per hundredweight is down. Why? Because we’re [...] replacing small- and medium-sized account shipments with great margin versus a 3PL in a corporate account with less good margin”;
- (c) U.S. LTL’s density was “really bad”. He explained that the U.S. LTL’s small size was to blame:
  - (i) “But, in terms of the US LTL M&A, in order to do something, you got to do something of size because the problem we have us is that we’re way too small, way too small. 20,000 shipments is the ship [sic]. It’s bad”;
  - (ii) “So these are the kind of lever. Density, it’s [...] a push. We’ve been pushing with no results with no results so far. So again, ‘25, we’ll keep pushing on that. And that’s why I’m saying down the road, [...] we’re going to have to do something on M&A to help us improve okay, that density”;and

(iii) “the cost issue that we have at TForce Freight its [...] still a drag because our volumes are too low. Our volumes are too low. So you know, at 20,000 shipments a day. It’s just [...] very difficult”; and

(d) He further explained that U.S. LTL would have a high Adjusted Operating Ratio throughout 2025: “And this is why when I look at the plan that we have for ‘25 in running in the 93 to a 95 OR for all of ‘25 would be probably the best that we could do with the low density”.

59. In the ten trading days following the release of year end and Q4 2024 results and the accompanying February 20, 2025 conference, the price of TFI’s shares on the TSX declined from \$180.08 to \$119.90, *i.e.* by approximately 33%.

#### SUBSEQUENT EVENTS

60. On April 23, 2025, TFI released its results for Q1 2025. On April 24, 2025, TFI held a call with analysts to discuss those results. On that call, CEO Alain Bédard and CFO David Saperstein provided further information about the issues that plagued U.S. LTL, including the following:

I mean, the name of the game, and I said that on Q4, [...] we’ve lost so much, the small and medium-sized account, and we replaced that with more like [...] corporate accounts with lower margin or maybe sometimes negative margin. I mean, that trend is reversed right now [...]. So we’re starting to see growth on the small and medium-sized account [...]. At the same time, we are replacing some [...] major accounts where we lose money.

[...]

So I feel pretty good where we’re at [...] with this change in leadership and **also the focus on growing those small and medium-sized accounts that killed us in Q3 and in Q4 in terms of profitability.**

[...]

We're replacing the [...] big account, [...] the corporate account, with the small account, [...] **which is completely opposite of what we were doing in Q3 and in Q4 of last year.**

[...]

we can't do business with an account that runs at 115 OR because we lost so much medium-sized account that runs an 85 OR, right? So this is nonsense that we went through in Q3 and in Q4, like I said on my last call of Q4, and this has to change. And this is why we made some change in TForce Freight leadership.

[...]

**The problem that we had in [...] Q3 and in Q4 is we were losing the small and medium-sized quality freight, and we've replaced that with guys -- major account that are slow paying you [...] and you lose money with those guys.**

So this is a major change [...] of the sales team there under the management of Kris and [...] Kal and on the commercial side. And you should see some benefit [...]. Like I said earlier, cyclical, we should improve to 100 basis points from the disastrous 99%. And then, we believe that our improvement also will also reduce another 100 basis points to closer to a 96% OR in Q2 and walking closer [...] slowly to at least a 90% OR at one point and then break that famous glass ceiling for us that's been the 90% OR.

[...]

The problem is our revenue per shipment is down because the mix has deteriorated in the way that we've described with the shift from SMB to [...] larger customers.

[Emphasis added]

## **RIGHTS OF ACTION**

### **Statutory Secondary Market Liability**

61. On behalf of the Class Members, the Plaintiff pleads the right of action found in section 138.3 of Part XXIII.1 of the *OSA* (and, if necessary, the equivalent sections of the Other Canadian Securities Legislation) against:



- (a) TFI, Alain Bédard, David Saperstein, André Bérard, and Rosemary Turner for misrepresentations in the Impugned Documents and Impugned Public Oral Statements; and
- (b) Robert McGonigal and Keith Hall for misrepresentations in the Impugned Core Documents.

- 62. At all material times, TFI was a responsible issuer within the meaning of Part XXIII.1 of the *OSA* (and, if necessary, the equivalent sections of the Other Canadian Securities Legislation).
- 63. The Individual Defendants were officers and/or directors of TFI within the meaning of Part XXIII.1 of the *OSA* (and, if necessary, the equivalent sections of the Other Canadian Securities Legislation).
- 64. The Plaintiff and other Class Members are entitled to damages assessed in accordance with section 138.5 of the *OSA* (and, if necessary, the equivalent sections of the Other Canadian Securities Legislation).

***Liability for Misrepresentations in the Impugned Documents***

- 65. The Impugned Documents are “documents” within the meaning of Part XXIII.1 of the *OSA* (and, if necessary, the equivalent sections of the Other Canadian Securities Legislation).
- 66. The Impugned Documents contained misrepresentations as described herein, any one of which is a misrepresentation for the purposes of the *OSA* (and, if necessary, the equivalent sections of the Other Canadian Securities Legislation).
- 67. Alain Bédard, David Saperstein, André Bérard and Rosemary Turner , as officers of TFI, authorized, permitted or acquiesced in the release of the Impugned Documents.

68. Robert McGonigal and Keith Hall, as officers of TFI, authorized, permitted or acquiesced in the release of the Impugned Core Documents.
69. For each Impugned Non-Core Document, TFI, Alain Bédard, David Saperstein, André Bérard and Rosemary Turner knew at the time the Impugned Non-Core Document was released that it contained a misrepresentation; at or before the time the Impugned Non-Core Document was released, deliberately avoided acquiring knowledge that the Impugned Non-Core Document contained a misrepresentation; or, through action or failure to act, is guilty of gross misconduct in connection with the release of the Impugned Non-Core Documents.
70. The Individual Defendants authorized, permitted or acquiesced in the making of the misrepresentations in the Impugned Documents while knowing they contained misrepresentations and/or influenced the making of the misrepresentations in the Impugned Documents while knowing they contained misrepresentations. Accordingly, pursuant to sections 138.6(2) and (3) and 138.7(2) of the *OSA* (and, if necessary, the equivalent provisions of the Other Canadian Securities Legislation), the Individual Defendants are jointly and severally liable for damages and the liability limits do not apply to the Individual Defendants.

***Liability for Misrepresentations in the Impugned Public Oral Statements***

71. Alain Bédard, as CEO, President and Chairman of the Board of TFI, had actual, implied or apparent authority to speak on behalf of TFI on earnings calls with analysts.
72. In the Impugned Public Oral Statements, Alain Bédard made statements related to the business or affairs of TFI as particularized herein.

73. The Impugned Public Oral Statements contained misrepresentations as described herein, any one of which is a misrepresentation for the purposes of the *OSA* (and, if necessary, the equivalent sections of the Other Canadian Securities Legislation).
74. The Individual Defendants (other than Alain Bédard who made the Impugned Public Oral Statements, Robert McGonigal and Keith Hall) authorized, permitted or acquiesced in the making of the Impugned Public Oral Statements.
75. TFI, Alain Bédard, David Saperstein, André Bérard and Rosemary Turner did not have a reasonable basis for the guidance and outlook provided in the Impugned Public Oral Statements, and they did not otherwise meet the requirements of section 138.4(9) of the *OSA* (and, if necessary, the equivalent provisions of the Other Canadian Securities Legislation)
76. For each Impugned Public Oral Statement, TFI, Alain Bédard, David Saperstein, André Bérard and Rosemary Turner knew at the time the statement was made that it contained a misrepresentation; at or before the time statement was made, deliberately avoided acquiring knowledge that the Impugned Public Oral Statement contained a misrepresentation; or, through action or failure to act, is guilty of gross misconduct in connection with the making of the Impugned Public Oral Statement.
77. Alain Bédard, David Saperstein, André Bérard and Rosemary Turner authorized, permitted or acquiesced in the making of the misrepresentations in the Impugned Public Oral Statements while knowing they contained misrepresentations and/or influenced the making of the misrepresentations in the Impugned Public Oral Statements while knowing they contained misrepresentations. Accordingly, pursuant to sections 138.6(2) and (3) and

138.7(2) of the *OSA* (and, if necessary, the equivalent provisions of the Other Canadian Securities Legislation), Alain Bédard, David Saperstein, André Bérard and Rosemary Turner are jointly and severally liable for damages and the liability limits do not apply to the Individual Defendants.

### **Negligent Misrepresentation**

78. On behalf of the Class Members, the Plaintiff pleads negligent misrepresentation against:
- (a) TFI, Alain Bédard, David Saperstein, André Bérard, and Rosemary Turner for the misrepresentations particularized herein in the Impugned Documents and Impugned Public Oral Statements; and
  - (b) Robert McGonigal and Keith Hall for misrepresentations particularized herein in the Impugned Core Documents.
79. The Impugned Documents and Impugned Public Oral Statements were made and disseminated for the purpose of providing material information and inducing Class Members to purchase TFI shares.
80. The Defendants undertook, at all material times, to make and disseminate, as applicable, the Impugned Documents and Impugned Public Oral Statements with reasonable care for the aforementioned purpose. The Defendants intended and were aware that Class Members would rely reasonably and to their detriment upon them in making the decision to purchase TFI shares.
81. TFI, Alain Bédard, David Saperstein, André Bérard, and Rosemary Turner knew and intended that the information contained in the Impugned Documents and Impugned Public Oral Statements would be incorporated into the price of TFI's publicly traded shares such

that the trading price of those shares would at all times reflect the information contained therein. TFI, Alain Bédard, David Saperstein, André Bérard, and Rosemary Turner had responsibility for the preparation of the Impugned Documents and for the representations made in the Impugned Public Oral Statements and undertook to do so for the benefit of, and to be relied upon by, Class Members.

82. Robert McGonigal and Keith Hall knew and intended that the information contained in the Impugned Core Documents would be incorporated into the price of TFI's publicly traded shares such that the trading price of those shares would at all times reflect the information contained therein. Robert McGonigal and Keith Hall had responsibility for the representations made in the Impugned Core Documents and undertook to do so for the benefit of, and to be relied upon by, Class Members.
83. The Defendants, therefore, had a duty of care at common law, informed by the obligations referred to at paragraphs 24 to 33 above, to exercise due care and diligence to ensure, as applicable, that the Impugned Documents and Impugned Public Oral Statements fairly and accurately disclosed all material information and the material risks for TFI. The Defendants breached that duty by failing to take reasonable care before making the misrepresentations particularized herein.
84. Throughout the Class Period, the Defendants had exclusive access to information about TFI's business and operations. As such, they were the primary source of information about TFI's U.S. LTL business, which was relevant and material to each Class Member's decision to acquire TFI's shares and the price at which they would be acquired.

85. The Class Members directly or indirectly relied upon the misrepresentations in making a decision to purchase TFI's shares, and suffered damage when the misrepresentations were publicly corrected as particularized herein.
86. Alternatively, the Class Members relied upon the misrepresentations by the act of purchasing TFI's shares in an efficient market that promptly incorporated into the price of those shares all publicly available material information regarding the shares of TFI.
87. As a result, the misrepresentations caused the price of TFI's shares to trade at artificially inflated prices during the Class Period, thus directly resulting in damage to the Plaintiff and the other Class Members when the misrepresentations were publicly corrected.
88. The Defendants are jointly and severally liable for the loss and damage suffered by the Class Members.

### **Relief from Oppression**

89. The Plaintiff, on their own behalf and on behalf of the Class, seeks relief from oppression under section 241 of the *CBCA* against the Defendants.
90. TFI is incorporated under the *CBCA*.
91. The Plaintiff and Class Members are current or former registered or beneficial owners of TFI shares.

92. The Plaintiff and Class Members had reasonable expectations about the manner in which the business and affairs of TFI would be conducted. The reasonable and legitimate expectations of the Plaintiff and Class Members were that:
- (a) The business and affairs of TFI would be conducted in accordance with the law, including the disclosure requirements in the *OSA*, Other Canadian Securities Legislation and applicable securities regulatory instruments;
  - (b) That TFI would exercise adequate control over its subsidiaries so that material information would become known and disclosed in a timely fashion; and
  - (c) The directors and officers of TFI would act honestly and in good faith with a view to the best interests of TFI, and exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances.
93. The Defendants violated those reasonable expectations by:
- (a) Making the misrepresentations particularized herein in noncompliance with the disclosure requirements in the *OSA*, Other Canadian Securities Legislation and applicable regulatory instruments; and
  - (b) Failing to ensure that material information from its subsidiaries became known and disclosed in a timely fashion; and
  - (c) The Individual Defendants failing to exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances.
94. The violation of the reasonable expectations of the Plaintiff and Class Members was oppressive or unfairly prejudicial or unfairly disregarded their interests.

## **THE RELATIONSHIP BETWEEN TFI'S DISCLOSURE AND THE PRICE OF TFI'S SECURITIES**

95. The price of TFI's securities was directly affected during the Class Period by the issuance of the Impugned Documents and Impugned Public Oral Statements. The Defendants were aware at all material times of the effect of TFI's disclosure documents upon the price of its shares.
96. The Impugned Documents and the transcripts of the Impugned Public Oral Statements were widely disseminated and thereby became immediately available to the Class Members, other members of the investing public, financial analysts and the financial press.
97. TFI routinely transmitted its disclosure documents to the financial press, financial analysts and certain prospective and actual holders of TFI shares. TFI posted copies of the Impugned Documents on its website.
98. TFI routinely held conference calls with analysts following its release of earnings. Those analysts provided reports to the investing public on the content of those conference calls.
99. TFI regularly communicated with the public investors and financial analysts via established market communication mechanisms, including through regular dissemination of its disclosure documents, including press releases on newswire services in Canada, the United States and elsewhere. Each time TFI communicated new material information about TFI to the public, the price of TFI's shares was directly affected.
100. TFI was the subject of analyst reports, with the effect that any recommendations to purchase TFI securities in such reports during the Class Period were based, in whole or in part, upon the information provided by TFI to the analysts. Analysts that covered TFI during the Class Period included Credit Suisse, CIBC World Markets Inc., Deutsche Bank



Research, Morgan Stanley, J.P. Morgan, BMO Capital Markets, Scotiabank Global Equity Research, Veritas Investment Research, RBC Capital Markets and TD Cowen, among others.

101. TFI's shares were traded, among other places, on the TSX and NYSE, which are efficient and automated markets. The prices at which TFI's shares traded promptly incorporated material information from TFI's disclosure documents about TFI's business and affairs, including the misrepresentations alleged herein, which was disseminated to the public.

### **VICARIOUS LIABILITY**

102. TFI is vicariously liable for the acts and omissions of the Individual Defendants particularized herein.
103. The acts or omissions particularized and alleged herein to have been done by TFI were authorized, ordered and done by the Individual Defendants and other agents, employees and representatives of TFI, while engaged in the management, direction, control and transaction of the business and affairs of TFI.
104. By virtue of the relationship between TFI and the Individual Defendants, such acts and omissions are, therefore, not only the acts and omissions of the Individual Defendants, but are also the acts and omissions of TFI.
105. At all material times, the Individual Defendants were directors and officers of TFI. As their acts and omissions are independently tortious, they are personally liable for same to the Plaintiff and the other Class Members.

## **REAL AND SUBSTANTIAL CONNECTION WITH ONTARIO**

106. The Plaintiff pleads that this action has a real and substantial connection with Ontario because, among other things:

- (a) TFI is a reporting issuer in Ontario;
- (b) TFI trades on the TSX, which is based in Toronto, Ontario;
- (c) TFI's executive office is in Etobicoke, Ontario;
- (d) TFI's Etobicoke offices are listed as TFI's mailing address on SEDAR;
- (e) TFI's transfer agent and the registrar of TFI's common shares is based in Toronto, Ontario;
- (f) TFI conducts business, through its subsidiaries, in Ontario;
- (g) the misrepresentations alleged herein were disseminated to Class Members resident in Ontario;
- (h) a substantial proportion of the Class Members reside in Ontario; and
- (i) damage was sustained by Class Members in Ontario.

## **SERVICE OUTSIDE OF ONTARIO**

107. The Plaintiff may serve the Statement of Claim outside of Ontario without leave in accordance with rule 17.02 of the *Rules of Civil Procedure*, because this claim is:

- (a) a claim in respect of personal property in Ontario (rule 17.02(a));
- (b) a claim in respect of a tort committed in Ontario (rule 17.02(g)); and
- (c) a claim against a person or entity carrying on business in Ontario (rule 17.02(p)).

## RELEVANT LEGISLATION AND PLACE OF TRIAL

108. The Plaintiff pleads and relies on the *CJA*, the *CPA*, the *OSA*, the Other Canadian Securities Legislation, securities regulatory instruments (including, but not limited to, the Canadian Securities Administrators' National Policy 51-201) and the TSX Company Manual.
109. The Plaintiff proposes that this action be tried in the City of Toronto, in the Province of Ontario, as a proceeding under the *CPA*.

May 21, 2025

**Siskinds LLP**

Barristers & Solicitors  
65 Queen Street West, Suite 400  
Toronto, ON M5H 2M5

Daniel Bach (LSO#: 52087E)  
[daniel.bach@siskinds.com](mailto:daniel.bach@siskinds.com)

Anthony O'Brien (LSO#: 56129U)  
[anthony.obrien@siskinds.com](mailto:anthony.obrien@siskinds.com)

275 Dundas Street, Unit 1  
London, ON N6B 3L1

Garett M. Hunter (LSO# 71800D)  
[garett.hunter@siskinds.com](mailto:garett.hunter@siskinds.com)

Lawyers for the Plaintiff

Court File No.:

## Lawyers for the Plaintiff