



Court File No.

**ONTARIO**  
**SUPERIOR COURT OF JUSTICE**

B E T W E E N:

(Court Seal)

GERALD A. GAZAREK

**Plaintiff**

and

TORONTO-DOMINION BANK, RIAZ AHMED, AYMAN ANTOUN, AJAI  
BAMBAWALE, MICHAEL BOWMAN, ANDREW CLARKE, JEAN-RENÉ  
HALDE, BRIAN C. FERGUSON, MONICA KOWAL, BHARAT MASRANI,  
BRIAN M. LEVITT, ALAN N. MACGIBBON, KEITH G. MARTELL,  
HERBERT MAZARIEGOS, IRENE R. MILLER, CLAUDE MONGEAU, S.  
JANE ROWE, LEO SALOM, KELVIN VI LUAN TRAN, NANCY G. TOWER  
and MARY A. WINSTON

**Defendants**

Proceeding under the *Class Proceedings Act, 1992*, S.O. 1992, c. 6

**NOTICE OF ACTION**

TO THE DEFENDANTS

A LEGAL PROCEEDING HAS BEEN COMMENCED AGAINST YOU by the Plaintiff.  
The claim made against you is set out in the Statement of Claim served with this Notice of Action.

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 lawyer 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 Notice of Action is served on you, if you are served in Ontario.

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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.

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 \_\_\_\_\_ Issued by \_\_\_\_\_  
Local Registrar

Address of court office: Superior Court of Justice  
330 University Avenue  
Toronto ON M5G 1R7

TO: Toronto-Dominion Bank  
Toronto Dominion Centre 66  
Wellington Street West  
Toronto ON M5K 1A2

AND TO: Riaz Ahmed

AND TO: Ayman Antoun

AND TO: Ajai Bambawale

AND TO: Michael Bowman

AND TO: Andrew Clarke

AND TO: Jean-René Halde

AND TO: Brian C. Ferguson

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AND TO: Monica Kowal  
AND TO: Bharat Masrani  
AND TO: Brian M. Levitt  
AND TO: Alan N. MacGibbon  
AND TO: Keith G. Martell  
AND TO: Herbert Mazariegos  
AND TO: Irene R. Miller  
AND TO: Claude Mongeau  
AND TO: S. Jane Rowe  
AND TO: Leo Salom  
AND TO: Kelvin Vi Luan Tran  
AND TO: Nancy G. Tower  
AND TO: Mary A. Winston

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## CLAIM

### RELIEF SOUGHT

1. The Plaintiff's claim is for:

- (a) an order granting leave to proceed with statutory misrepresentation claims under Part XXIII.1 of the Ontario *Securities Act*,<sup>1</sup> and if necessary, equivalent provincial and territorial legislation throughout Canada;
- (b) an order certifying this action as a class proceeding pursuant to the *Class Proceedings Act, 1992*, appointing the plaintiff as the representative plaintiff of the class;
- (c) damages in the amount of \$6,750,000,000 pursuant to s. 138.5 of the *Securities Act* for the statutory misrepresentation claims and common law misrepresentation claims;
- (d) a declaration that the following core documents (the "**Impugned Documents**") issued by the Toronto-Dominion Bank ("**TD**") contain misrepresentations under the *Securities Act*, as they omit to disclose one or more material facts required to be stated, or material facts required to make statements not misleading in the circumstances in which they were made, or contained one or more untrue statements of material facts:
  - (i) the August 26, 2021 Interim MD&A;
  - (ii) the August 26, 2021 Interim Financial Statements;
  - (iii) the December 2, 2021 Annual MD&A;
  - (iv) the December 2, 2021 Annual Financial Statements;
  - (v) the December 2, 2021 Annual Information Form;
  - (vi) the March 3, 2022 Interim MD&A;
  - (vii) the March 3, 2022 Interim Financial Statements;
  - (viii) the May 26, 2022 Interim MD&A;

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<sup>1</sup> References to the *Securities Act* are inclusive of equivalent provincial and territorial legislation throughout Canada unless otherwise specified.

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- (ix) the May 26, 2022 Interim Financial Statements;
  - (x) the August 25, 2022 Interim MD&A;
  - (xi) the August 25, 2022 Interim Financial Statements;
  - (xii) the December 1, 2022 Annual MD&A;
  - (xiii) the December 1, 2022 Annual Financial Statements;
  - (xiv) the December 1, 2022 Annual Information Form;
  - (xv) the March 2, 2023 Interim MD&A;
  - (xvi) the March 2, 2023 Interim Financial Statements;
  - (xvii) the May 25, 2023 Interim MD&A;
  - (xviii) the May 25, 2023 Interim Financial Statements;
  - (xix) the August 24, 2023 Interim MD&A;
  - (xx) the August 24, 2023 Interim Financial Statements;
  - (xxi) the November 30, 2023 Annual MD&A;
  - (xxii) the November 30, 2023 Annual Financial Statements;
  - (xxiii) the November 30, 2023 Annual Information Form;
  - (xxiv) the February 29, 2024 Interim MD&A;
  - (xxv) the February 29, 2024 Interim Financial Statements;
  - (xxvi) the May 23, 2024 Interim MD&A; and
  - (xxvii) the May 23, 2024 Interim Financial Statements.
- (e) a declaration that the Impugned Documents contain misrepresentations and omissions at common law;
- (f) a declaration that there were systemic deficiencies in TD's AML controls as of August 26, 2021, resulting in their insufficiency to effectively monitor, detect, report, and respond to suspicious activities, and resulting failures to comply with AML laws, thus exposing TD to the likelihood of serious regulatory, criminal and

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other penalties in the U.S. that would materially impact TD's U.S. operations, were a change in the business and operations of TD that would reasonably be expected to have a significant effect on the market price of TD securities, requiring the publication of a news release and material change report pursuant to section 75 of the *Securities Act*;

- (g) a declaration that TD is vicariously liable for the acts and omissions of the Individual Defendants,<sup>2</sup> alleged herein;
- (h) a declaration that the Defendants are liable in damages to the Class Members who purchased TD securities on the secondary market pursuant to section 138.3 of the Ontario *Securities Act* between August 26, 2021 and June 3, 2024 (the “**Class Period**”), and if applicable, equivalent provincial and territorial legislation throughout Canada:
  - (i) for the AML Controls omissions and misrepresentations;
  - (ii) for the Drug Money Laundering omissions and misrepresentations; and
  - (iii) and for the Accounting omissions and misrepresentations.
- (i) a declaration that the Defendants are liable in damages to the Class Members who purchased TD securities in the primary market pursuant to sections 130 and 130.1 of the *Securities Act* within three years of the date of issuance of this Notice of Action:
  - (i) for the AML Controls omissions and misrepresentations;
  - (ii) for the Drug Money Laundering omissions and misrepresentations; and
  - (iii) and for the Accounting omissions and misrepresentations.
- (j) a declaration that TD is liable in negligent misrepresentation for the common law misrepresentations and omissions contained in the Impugned Documents;
- (k) punitive damages against TD and the Individual Defendants, in an amount not exceeding \$100,000,000;
- (l) if necessary, following the determination of the common issues, a direction pursuant to s. 25(2) of the *Class Proceedings Act* directing a reference or giving such other directions as may be necessary to determine issues not determined at the trial of the common issues;

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<sup>2</sup> The Individual Defendants are all Defendants other than TD.

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- (m) prejudgment interest and postjudgment interest pursuant to sections 128 and 129 of the *Courts of Justice Act*; and
- (n) costs of this action, costs of notice, and costs of administering the plan of distribution of the recovery in this action, and all applicable taxes; and
- (o) such further and other relief as counsel may advise and this Court may permit.

## OVERVIEW

2. This action arises from the grossly deficient disclosure of the widespread Anti-Money Laundering (“AML”) deficiencies at TD during the Class Period. For many years, TD boasted of its AML controls and capabilities to the market. TD knew that having strict AML controls was central to its regulatory and operational abilities, especially in the U.S. Despite knowing of the significant regulatory risks, TD exhibited systemic deficiencies in its AML controls since at least 2012. The seriousness of TD’s lax AML controls, particularly in its U.S. operations, were notorious within TD. By likely the beginning of the Class Period, and certainly by no later than February 2022, these AML control deficiencies had become so serious that the Defendants knew or ought to have known that U.S. regulators were likely to take steps that would materially impact the growth of TD’s U.S. operations.

3. Despite a long-history of AML control deficiencies that resulted in TD branches, facilities, and employees being implicated in money laundering, TD failed to disclose the nature and extent of its systemic AML control deficiencies to its investors or the public until April 30, 2024, when it announced a provision for a U.S. fine that it estimated at US\$450 million. TD also disclosed that the provision did not reflect the final aggregate amount of potential monetary penalties or non-monetary penalties, which were unknown and not reliably estimable at the time. TD disclosed that

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its AML program “was insufficient to effectively monitor, detect, report and respond to suspicious activity. Work has been underway to remedy these deficiencies.”

4. After the April 30, 2024 disclosure, it came to light through a series of newspaper publications, particularly a May 2, 2024 article published by *The Wall Street Journal* titled “TD Bank Probe Tied to Laundering of Illicit Fentanyl Profits”, that TD and various of its employees were under investigation for laundering the proceeds of crime, including the sale of fentanyl, cocaine, and other illicit drugs by organized crime. This information was, or ought to have been, known to TD by August 26, 2021, and certainly no later than February 2022, due to its involvement in serious regulatory and criminal investigations. Despite this knowledge, TD failed to disclose the serious nature of the deficiencies in its AML control systems and processes and its involvement in laundering the proceeds of crime that resulted from them. TD’s overall strategic direction was focused first and foremost on expansion in the U.S. in order to grow. In the circumstances, the Defendants knew or ought to have known that U.S. regulators and others were likely to take steps that would materially impact the growth of TD’s U.S. operations.

5. TD also failed to recognize a provision for these investigations until April 30, 2024. TD knew or ought to have known no later than August 24, 2023, when it first announced that it expected monetary and non-monetary penalties due to investigations by U.S. regulators that a material provision was likely. As a result of this failure to recognize a provision, TD made accounting misrepresentations by overstating its net income and by positively stating that it did not believe outstanding regulatory and legal actions would have a material effect on its consolidated financial position.



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6. Following the April 30 press release and May 2 newspaper articles, TD's share price declined over \$6 per share, resulting in damages to Class Members pursuant to the *Securities Act*.

## **THE PARTIES**

### **The Plaintiff**

7. Gerald A. Gazarek is a retail investor. Mr. Gazarek purchased 100 shares of TD common stock on the TSX on April 12, 2023 at an average price of \$80.70. Mr. Gazarek held those shares throughout the Class Period and continues to hold those shares to the date of this Notice of Action.

### **The Defendants**

8. TD is one of the largest banks in Canada and one of two Canadian banks designated as a Globally Systemically Important Bank ("G-SIB"). TD is a reporting issuer that is listed on both the TSX and the New York Stock Exchange ("NYSE"). TD has extensive retail operations in both Canada and the United States. TD's overall strategic direction and growth was contingent on its planned expansion into the U.S. market. A critical component of its banking operations involved ensuring the bank's overall good reputation among shareholders, customers and regulators, among others.

9. Bharat Masrani is the CEO of TD. He has held this position throughout the Class Period. Mr. Masrani, as CEO, executed interim and annual certifications as to the supposed effectiveness of TD's Internal Controls over Financial Report ("ICFR") and Disclosure Controls & Procedures ("DC&P").

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10. Riaz Ahmed was the CFO of TD from the start of the Class Period until September 2021. Mr. Ahmed, as CFO, executed the Q3 2021 interim certification as to the supposed effectiveness of TD's ICFR and DC&P.

11. Kelvin Vi Luan Tran is the current CFO of TD. He has held this position since September 2021. Mr. Tran, as CFO, executed interim and annual certifications as to the supposed effectiveness of TD's ICFR and DC&P.

12. Michael Bowman was the TD Chief Global Anti-Money Laundering Officer at TD from 2017 until November 2023. He was a key figure at TD who was responsible for ensuring the effectiveness of the TD AML controls.

13. Herbert Mazariegos is the current Chief Global Anti-Money Laundering Officer at TD. He was appointed after Mr. Bowman left this role in November 2023.

14. Leo Salom is the U.S. Retail Group Head at TD and President and CEO of TD Bank. He has held this position throughout the Class Period. Mr. Bowman reported to Mr. Salom.

15. Ajai Bambawale is the Chief Risk Officer ("CRO") of TD. He has held this position throughout the Class Period. As CRO, Mr. Bambawale was intimately familiar with the AML issues at TD.

16. Andrew Clarke was the Chief Compliance Officer ("CCO") of TD from the start of the Class Period until November 2022. As CCO, Mr. Clarke was also intimately familiar with the AML issues at TD.

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17. Monica Kowal is the current CCO of TD. She has held this position since November 2022, when Mr. Clark left this role.

18. Throughout the Class Period, each of Mr. Masrani, Mr. Ahmed, Mr. Tran, Mr. Bowman, Mr. Mazariegos, Mr. Salom, Mr. Bambawale, Mr. Clarke, and Ms. Kowal (the “**Defendant Officers**”) knew, or ought to have known, of the deficiencies in TD’s AML systems and the involvement of TD branches, facilities, and employees in numerous instances of money laundering, including those involving laundering the proceeds of crime and criminal enterprises, such as the trafficking of fentanyl and other drugs. Despite this, each of these individuals authorized, permitted, or acquiesced in the disclosure of misrepresentations and omissions in each of the Impugned Documents.

19. From the commencement of the Class Period until January 31, 2024, Brian M. Levitt was the chair of the Board of Directors of TD. From February 1, 2024 to the date of this Notice of Action, Alan N. MacGibbon has been the chair of the board of directors of TD. As chairs of the Board of Directors, Messrs. Levitt and MacGibbon approved TD’s periodic disclosure documents, including the Impugned Documents, and had responsibility for the oversight of the operations and governance of TD, including oversight of the Audit Committee.

20. The following Defendants were members of the Audit Committee of the TD Board of Directors during the Class Period: Ayman Antoun, Jean-René Halde, Brian C. Ferguson, Alan N. MacGibbon, Keith G. Martell, Irene R. Miller, Claude Mongeau, S. Jane Rowe, Nancy G. Tower, and Mary A. Winston. The Audit Committee oversees TD’s financial reporting, including the reporting in the Impugned Documents. As members of the Board of Directors, members of the

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Audit Committee approved of TD's periodic disclosure documents, including the Impugned Documents.

21. The Audit Committee is also responsible for oversight of the adequacy and effectiveness of TD's internal controls and the activities of TD's Global Anti-Money Laundering group, Compliance group, and Internal Audit functions. As part of this purported oversight, senior management of the Legal, Compliance, and Global Anti-Money Laundering departments have regular meetings, and report regularly to the Audit Committee. The members of the Audit Committee knew or ought to have known of the extent and severity of the systemic deficiencies in AML controls at TD and authorized the release of the Impugned Documents and the misrepresentations contained within them.

22. Throughout the Class Period, each of Mr. Levitt, Mr. MacGibbon, Mr. Antoun, Mr. Halde, Mr. Ferguson, Mr. Martell, Ms. Miller, Mr. Mongeau, Ms. Rowe, Ms. Tower, and Ms. Winston (the "**Defendant Directors**") knew, or ought to have known, of the systemic deficiencies in TD's AML controls and likely consequential material impact on TD's U.S. operations. Despite this, each of these individuals approved of the disclosure of misrepresentations and omissions in each of the Impugned Documents.

### **TD'S DISCLOSURE OBLIGATIONS**

23. Throughout the Class Period, TD was a reporting issuer in all Canadian provinces and territories. As a reporting issuer, TD was subject to continuous disclosure obligations prescribed by the *Securities Act*, and regulations promulgated thereunder. These obligations included (i) the obligation under s. 75 of the *Securities Act* to report on material changes as soon as practicable,

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and in any event within ten days of a change occurring, and (ii) periodic disclosure obligations under ss. 77 and 78 of the *Securities Act*.

24. To maintain its status as a reporting issuer and listing on the TSX, TD was required to comply with its Continuous Disclosure obligations under the *Securities Act*. Included among those obligations are the requirements set out in NI 51-102 – *Continuous Disclosure Obligations*, as adopted by regulation under the *Securities Act* pursuant to OSC Rule 51-801. NI 51-102 is the primary source of a Reporting Issuer’s continuous disclosure obligations. As a Reporting Issuer listed on the TSX, TD was also required to comply with the obligations contained in the TSX Company Manual. As an issuer listed on the NYSE, TD was also obligated to remain in compliance with the NYSE Listed Company Manual.

25. TD is required to provide on an annual basis an Annual Information Form (“AIF”). TD is required to file annual and interim comparative financial statements, including accurate statements of financial position, comprehensive income, changes in equity, and cash flows. Alongside these financial statements, TD is also required to file annual and interim Management’s Discussion & Analysis (“MD&A”). The MD&A and financial statements must be approved by the board of directors.

26. As part of the MD&A, TD is required by NI 51-102 to discuss (as much as possible in plain language) material information that is not fully reflected in financial statements. This discussion must also include important trends and risks that have affected the financial statements, and trends and risks that are reasonably likely to affect them in the future. These include industry and economic factors affecting the performance of TD, and known trends, demands, commitments,

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events or uncertainties reasonably likely to effect TD's business. TD is required to provide disclosure of the operations of its business including commitments, events, risks or uncertainties that may reasonably be believed to affect its future performance including total revenue and profit or loss from continuing operations.

27. In addition to its periodic disclosure obligations, TD is also obligated to make timely disclosure of material changes to its business, operations, or capital. Following any material change, TD is required to immediately file a news release followed by a material change report as soon as possible, and in any event within 10 days, describing the nature and substance of these changes.

28. As a result, TD was required to provide truthful and accurate disclosure related to its business, operations, and financial condition. This included discussion in its interim and annual MD&As related to its commitments, events, risks or uncertainties that TD reasonably believed would materially affect its future performance, including total revenue and profit or loss from continuing operations.

29. Throughout the Class Period, TD and its officers and directors were also prohibited from making misrepresentations as set out in s. 126.2 of the *Securities Act*.

30. In maintaining its status as a reporting issuer with shares trading on the TSX and NYSE, TD undertook to release documents that contain all material information and were free of misrepresentations pursuant to its various reporting obligations.

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## **THE MISREPRESENTATIONS**

### **The AML Controls Misrepresentations and Omissions**

31. By no later than August 26, 2021, or in the alternative by February 2022, the Defendants were aware, or ought to have been aware, that TD's AML controls, systems, and processes were materially deficient. These deficiencies had been, and throughout the Class Period continued to be, exploited by criminal organizations, including drug traffickers, to launder hundreds of millions of dollars and transfer the proceeds of crime across international borders using basic methods that should have been flagged by properly-functioning AML controls. The Defendants knew or ought to have known that the reputational stain involved with fentanyl drug money laundering across three states, and other money laundering and financial fraud operations, facilitated by TD's systemic and basic flaws in its AML controls, and its lengthy and serious history of other AML failures, would likely result in material sanctions by U.S. regulators that would have a material impact on TD's U.S. operations.

32. By no later than August 26, 2021, or in the alternative by February 2022, the Defendants were aware, or ought to have been aware, that TD's systemic deficiencies in its AML controls posed a material risk to its U.S. operations and growth objectives. These were material facts and material changes that would reasonably be expected to have a significant effect on the market price of TD securities.

33. By no later than August 26, 2021, or in the alternative by February 2022, the Defendants were aware, or ought to have been aware, that TD's internal controls over financial reporting and DC&P had material deficiencies that would materially impact TD's U.S. operations. Despite this, Mr. Masrani, Mr. Ahmed, and Mr. Tran executed interim and annual certifications stating that:

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- (a) TD's disclosures did not contain any untrue statement of a material fact or omit to state a material fact required to be stated or that was necessary to make a statement not misleading in light of the circumstances under which it was made in the period covered by the relevant filings;
- (b) that they had designed, or caused to be designed under their supervision, DC&P sufficient to provide reasonable assurance that material information relating to TD was made known to them by others and that information required to be disclosed was recorded, processed, summarized, and reported; and
- (c) that they had designed, or caused to be designed under their supervision, ICFR to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements in accordance with TD's GAAP.

34. TD failed to discharge its disclosure obligations by (i) failing to issue a press release and material change report informing its investors and the market of its systemic deficiencies in AML controls and the material effect that would have on TD's business and operations in the U.S. and (ii) by omitting to disclose these systemic deficiencies in AML controls, which were material facts required to be stated in the Impugned Documents, all of which are core documents issued throughout the Class Period.

35. The Defendant Officers authorized, permitted, and/or acquiesced in the disclosure of each of the Impugned Documents.

36. The Impugned Documents also contain untrue statements of material fact and omit material facts necessary to make certain statements not misleading in light of the circumstances in which they were made. For example, TD's December 1, 2021 Annual MD&A contains the following additional misrepresentations:

- (a) **P. 55: While the Bank takes numerous steps to continue to strengthen its conduct programs and its operational resilience, and prevent and detect outcomes which could potentially harm customers, colleagues or the integrity of the markets,** such outcomes may not always be prevented or detected.



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- (b) P. 61: The [Global Anti-Money Laundering] Department is responsible for regulatory compliance with Anti-Money Laundering (AML), Anti-Terrorist Financing, Economic Sanctions, and anti-bribery/anti-corruption regulatory compliance and broader prudential risk management across the Bank in alignment with enterprise AML policies **so that the money laundering, terrorist financing, economic sanctions, and bribery and corruption risks are appropriately identified and mitigated.**
- (c) P. 74: Internal controls are one of the primary methods of safeguarding the Bank's employees, customers, assets, and information, and in preventing and detecting errors and fraud. Management undertakes comprehensive assessments of key risk exposures and the internal controls in place to reduce or offset these risks. Senior management reviews the results of these evaluations to **determine that risk management and internal controls are effective, appropriate, and compliant with the Bank's policies.**
- (d) P. 74: In order to reduce the Bank's exposure to future loss, it is critical that the Bank remains aware of and responds to its own and industry operational risks. **The Bank's policies and processes require that operational risk events be identified, tracked, and reported** to the appropriate level of management to facilitate the Bank's analysis and management of its risks and inform the assessment of suitable corrective and preventative action. **The Bank also reviews, analyses, and benchmarks itself against operational risk losses that have occurred at other financial institutions using information acquired through recognized industry data providers.**
- (e) P. 75: **The Bank develops and implements enterprise-wide fraud management strategies, policies, and practices that are designed to minimize the number, size and scope of fraudulent activities perpetrated against it. The Bank employs prevention, detection and monitoring capabilities across the enterprise that are designed to help protect customers, shareholders, and employees from increasingly sophisticated fraud risk. Fraud risk is managed by establishing and communicating appropriate policies, procedures, employee education in fraud risks, and monitoring activity to help maintain adherence to the Fraud Risk Management Framework.** The Fraud Risk Framework describes the governance, policies, and processes that TD's businesses employ to proactively manage and govern fraud risk within TD's risk appetite which is embedded in the Bank's day to day operations and culture."
- (f) PP. 88-89: The Compliance, [Global Anti-Money Laundering] and Regulatory Risk Departments **provide objective guidance and oversight with respect to managing [Legal, Regulatory Compliance, and Conduct] risk. The Legal and Regulatory Relationships and Government Affairs groups provide advice with respect to managing LRCC risk.** Representatives of these groups interact regularly with senior executives of the Bank's businesses. Also, **the senior**

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**management of the Legal, Compliance, and GAML Departments have established regular meetings with and reporting to the Audit Committee, which oversees the establishment and maintenance of policies and programs reasonably designed to achieve and maintain the Bank's compliance with the applicable laws and regulations.**

- (g) P. 89: In addition, the Compliance and [Global Anti-Money Laundering] Departments **have developed methodologies and processes to measure and aggregate regulatory compliance risks and conduct risks on an ongoing basis as a baseline to assess whether the Bank's internal controls are effective in adequately mitigating such risks** and determine whether individual or aggregate business activities are conducted within the Bank's risk appetite.
- (h) P. 96: An evaluation was performed under the supervision and with the participation of the Bank's management, including the Chief Executive Officer and Chief Financial Officer, of the effectiveness of the Bank's disclosure controls and procedures, as defined in the rules of the SEC and Canadian Securities Administrators, as of October 31, 2021. Based on that evaluation, **the Bank's management, including the Chief Executive Officer and Chief Financial Officer, concluded that the Bank's disclosure controls and procedures were effective as of October 31, 2021.**
- (i) P. 96: **management has concluded** that as at October 31, 2021, **the Bank's internal control over financial reporting was effective** based on the applicable criteria.

37. These statements, and equivalent statements in the other Impugned Documents, contain untrue statements of material fact and omit material facts necessary to make the statements not misleading in light of the circumstances in which they were made as:

- (a) TD knew or ought to have known that there were systemic deficiencies in its AML controls, particularly in the U.S., over a 10+ year period;
- (b) TD knew or ought to have known that it had exhibited extraordinarily deficient AML controls in drug money laundering investigations fraught with reputational consequences, and that material restrictions on its U.S. operations were likely to result;
- (c) TD failed, through its Global Anti-Money Laundering and Regulatory Risk Departments or otherwise, to provide "objective guidance and oversight" of AML risks and the Audit Committee failed to oversee "the establishment and maintenance of policies and programs reasonably designed to achieve and maintain the Bank's compliance with the applicable [AML] laws and regulations";

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- (d) TD was not taking sufficient steps to “strengthen its conduct programs and its operational resilience” and was aware, or ought to have been aware, that its AML systems and processes were insufficient to prevent and detect outcomes that could (and did) “harm customers, colleagues or the integrity of the markets”;
- (e) TD’s risk management and AML controls were not “appropriately identified and mitigated” throughout the Class Period;
- (f) TD’s internal controls were not “effective, appropriate, and compliant with the Bank’s policies” throughout the Class Period and any steps taken by Senior management to review them were wholly deficient for that purpose;
- (g) TD’s policies and processes failed to ensure “that operational risk events [were] identified, tracked, and reported”;
- (h) Fraud risk at TD was not “managed by establishing and communicating appropriate policies, procedures, employee education in fraud risks, and monitoring activity” to “proactively manage and govern fraud risk” at TD;
- (i) TD did not have “methodologies and processes to measure and aggregate regulatory compliance risks and conduct risks on an ongoing basis as a baseline to assess whether the Bank’s [AML] internal controls [were] effective in adequately mitigating [AML] risks”;
- (j) TD’s DC&P had material weaknesses and were not effective throughout the Class Period; and
- (k) TD’s ICFR were not effective and had material weaknesses throughout the Class Period.

### **The Drug Money Laundering Misrepresentations and Omissions**

38. By the beginning of the Class Period, and in any event no later than February 2022, TD and the Individual Defendants were aware, or ought to have been aware, that TD branches, facilities, and employees had been used to launder hundreds of millions of dollars of proceeds of sale related to the sale of illegal drugs. One such drug money laundering operation involved criminals involved in an illegal fentanyl network hauling large bags of cash into TD branches to deposit. The criminals made these enormous cash deposits, sometimes totalling millions of dollars, purportedly on behalf of sewing and other sundry companies in Queens, New York and elsewhere.

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The criminals paid bribes to TD employees to facilitate the cash deposits. The scheme would have been extraordinarily easy to detect with basic AML controls, but it continued at TD until over \$600 million had been successfully laundered across three U.S. states. In the circumstances, the Defendants knew or ought to have known that this episode, in combination with its history of AML control deficiencies, would result in serious reputational stains that would very likely give rise to regulatory action, having a material impact on TD's U.S. business and operations and thus its share price.

39. This money laundering through TD was far from an isolated incident. In October 2023 Oscar Marcelo Nunez-Flores, a TD Financial Services Representative and sales leader in New Jersey, was charged with facilitating the laundering of hundreds of millions of dollars in proceeds from the illicit sale of drugs including cocaine. He did so by enabling accomplices in Colombia to make over 20,000 ATM withdrawals. Mr. Nunez-Flores facilitated this money laundering by opening a plethora of TD accounts in the names of shell companies under the names of Mr. Nunez-Flores's criminal co-conspirators and facilitated transactions in these accounts. Such transactions were on their face suspicious and would have triggered AML alarms under any functioning AML system.

40. TD failed to discharge its disclosure obligations both by failing to issue a press release and material change report during the Class Period informing its investors and the market of its systemic deficiencies in AML controls and the material impact this would have on TD's business and operations in the US, and by omitting to disclose these material facts required to be stated in the Impugned Documents, all of which are core documents issued throughout the Class Period.

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The Defendant Officers authorized, permitted, or acquiesced in the disclosure of each of the Impugned Documents.

41. TD failed to discharge its disclosure obligations with respect to these and other instances of money laundering, including laundering the proceeds of drug traffickers. Despite these instances of large-scale money laundering, TD failed to issue a press release and material change report informing its investors and the market of its significant AML deficiencies and the likely regulatory consequences these events, and others known to TD but not yet publicly disclosed, would have on TD's business and operations in the US.

42. TD also failed to discharge its disclosure obligations by omitting these material facts from the Impugned Documents issued from February 2022 to the end of the Class Period. TD further failed to discharge its disclosure obligations by making statements that would require the disclosure of these material facts in the context in which they were made in order for those statements in those documents to not be misleading.

### **The Accounting Misrepresentations and Omissions**

43. In the Impugned Documents released from August 24, 2023 until the end of the Class Period, TD made numerous misrepresentations with respect to the net income of its U.S. Retail business segment. TD failed to disclose that it would likely be required to recognize a material provision of billions of dollars, due to the likely material impact on TD's U.S. operations as a result of regulatory action taken over TD's systemic AML control deficiencies. In particular, it overstated the income attributable to its U.S. Retail business segment by failing to recognize material impacts to its U.S. operations.

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44. Specifically, on August 24, 2023, TD made the following misrepresentations in Note 26 to its Q3 2023 Interim Financial Statements:

- (a) P. 79: The Bank has been responding to formal and informal inquiries from regulatory authorities and law enforcement concerning its Bank Secrecy Act/anti-money laundering compliance program, both generally and in connection with specific clients, counterparties or incidents in the US, including in connection with an investigation by the United States Department of Justice. The Bank is cooperating with such authorities and is pursuing efforts to enhance its Bank Secrecy Act/anti-money laundering compliance program. While the ultimate outcomes of these inquiries and investigations are unknown at this time, the Bank anticipates monetary and/or non-monetary penalties to be imposed.
- (b) P. 79: In management's opinion, based on its current knowledge and after consultation with counsel, the ultimate disposition of these actions, individually or in the aggregate, **will not have a material adverse effect** on the consolidated financial condition or the consolidated cash flows of the Bank. However, because of the factors listed above, as well as other uncertainties inherent in litigation and regulatory matters, there is a possibility that the ultimate resolution of legal or regulatory actions may be material to the Bank's consolidated results of operations for any particular reporting period.

45. Following the August 24, 2023 disclosures, Mr. Masrani was asked about the above disclosure and the possibility of a provision by an analyst during a post-earnings conference call on or around August 24, 2023. Mr. Masrani failed to disclose the likelihood of a provision being imposed, and the consequential impact on TD's U.S. operations. Instead, he blandly stated that "we are pursuing efforts to enhance our U.S. AML compliance program", without candidly describing the material risk to TD's U.S. operations manifested by TD's persistent and systemic deficiencies in its AML controls, involving scandalous fentanyl laundering issues across three U.S. states, among other things, which Mr. Masrani knew was the subject of extraordinary concern by U.S. regulators and politicians, that would likely materially impact TD's U.S. operations.

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46. In the circumstances, the Defendants knew or ought to have known that, as of the beginning of the Class Period, and certainly by February 2022, and in the further alternative by August 24, 2023, the systemic failure of TD's AML controls made it likely TD's U.S. operations would be subject to material restrictions by U.S. regulators and others, impacting TD's U.S. growth and operations.

47. TD's August 24, 2023 Q3 Management Discussion and Analysis TD contains a number of misrepresentations relating to the net income of TD's U.S. Retail business segment, including:

(a) **P. 1: The U.S. Retail Bank delivered strong loan growth and resilient personal and business deposits**

U.S. Retail reported net income of \$1,314 million, a decrease of 9% (12% in U.S. dollars) compared with the third quarter last year. On an adjusted basis, net income was \$1,377 million, a decline of 6% (9% in U.S. dollars). Reported net income included acquisition and integration-related charges for the terminated First Horizon Corporation ("First Horizon") transaction of \$84 million or US\$63 million (\$63 million or US\$48 million after-tax). TD Bank's investment in The Charles Schwab Corporation ("Schwab") contributed \$191 million in earnings, a decrease of 34% (37% in U.S. dollars) compared with the third quarter last year.

The U.S. Retail Bank, which excludes the Bank's investment in Schwab, reported net income of \$1,123 million (US\$842 million), a decrease of 3% (a decrease of 6% in U.S. dollars) from the third quarter last year, primarily reflecting higher non-interest expenses and higher PCL, partially offset by higher revenue. On an adjusted basis, net income was \$1,186 million (US\$890 million), an increase of 1% (a decrease of 3% in U.S. dollars) from the third quarter last year, due to higher revenue which was partially offset by higher expenses, and higher PCL as credit conditions continue to normalize.

The U.S. Retail Bank, which excludes the Bank's investment in Schwab, reported net income of \$1,123 million (US\$842 million), a decrease of 3% (a decrease of 6% in U.S. dollars) from the third quarter last year, primarily reflecting higher non-interest expenses and higher PCL, partially offset by higher revenue. On an adjusted basis, net income was \$1,186 million (US\$890 million), an increase of 1% (a decrease of 3% in U.S. dollars) from the third quarter last year, due to higher revenue which was partially offset by higher expenses, and higher PCL as credit conditions continue to normalize.

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The U.S. Retail Bank delivered another strong quarter, with personal loan growth of 11%, and business loan growth of 9%, reflecting new customer acquisition and deepening relationships in core franchise businesses. Total personal and business deposit balances remained resilient in a challenging environment, further strengthened by strong account acquisition in chequing and term deposits.

48. In Note 26 to its November 30, 2023 Annual Financial Statements, TD repeated the misrepresentations contained in its August 24, 2023 Interim Financial Statements related to the U.S. regulatory proceedings:

- (a) P. 85: The Bank has been responding to formal and informal inquiries from regulatory authorities and law enforcement concerning its Bank Secrecy Act/anti-money laundering compliance program, both generally and in connection with specific clients, counterparties or incidents in the US, including in connection with an investigation by the United States Department of Justice. The Bank is cooperating with such authorities and is pursuing efforts to enhance its Bank Secrecy Act/anti-money laundering compliance program. While the ultimate outcomes of these inquiries and investigations are unknown at this time, the Bank anticipates monetary and/or non-monetary penalties to be imposed.
- (b) P. 85: In management's opinion, based on its current knowledge and after consultation with counsel, the ultimate disposition of these actions, individually or in the aggregate, **will not have a material adverse effect** on the consolidated financial condition or the consolidated cash flows of the Bank. However, because of the factors listed above, as well as other uncertainties inherent in litigation and regulatory matters, there is a possibility that the ultimate resolution of legal or regulatory actions may be material to the Bank's consolidated results of operations for any particular reporting period.

49. TD's Annual MD&A dated November 30, 2023 contains a number of misrepresentations relating to the net income of its overall operations and U.S. Retail business segment. For instance, it reports:

- (a) P. 24: U.S. Retail Bank reported net income for the year was \$4,656 million (US\$3,456 million), an increase of \$111 million or 2% (a decrease of US\$74 million or 2%) compared with last year, reflecting higher revenue, partially offset by higher non-interest expenses including acquisition and integration-related charges for the terminated First Horizon transaction and higher PCL. U.S. Retail Bank adjusted net income was \$4,915 million (US\$3,648 million), an increase of \$466 million (US\$197 million), or 10% (6% in U.S. dollars), reflecting higher



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revenue, partially offset by higher non-interest expenses and higher PCL. total net income of the U.S. Retail business segment of CAD\$14,442 million or USD\$10,709 million compared to CAD\$12,425 million or USD\$9,632 for 2022.

50. Note 18 to TD's Interim Financial Statements dated February 28, 2024 fails to make any disclosure with respect to the ongoing regulatory proceedings relating to its Bank Secrecy Act/anti-money laundering compliance program or the likelihood of a material provision. That note also contains the following untrue statement of material fact:

- (a) P. 74: In management's opinion, based on its current knowledge and after consultation with counsel, the ultimate disposition of these actions, individually or in the aggregate, **will not have a material adverse effect** on the consolidated financial condition or the consolidated cash flows of the Bank. However, because of the factors listed above, as well as other uncertainties inherent in litigation and regulatory matters, there is a possibility that the ultimate resolution of legal or regulatory actions may be material to the Bank's consolidated results of operations for any particular reporting period.

51. TD's Interim Management Discussion and Analysis dated February 28, 2024 contains a number of misrepresentations relating to the net income of its overall operations and U.S. Retail business segment, specifically. For instance, it reports:

- (a) U.S. Retail Bank reported net income was \$713 million (US\$526 million), a decrease of \$570 million (US\$425 million), or 44% (45% in U.S. dollars), compared with the first quarter last year, primarily reflecting the FDIC special assessment in non-interest expenses, lower revenue and higher PCL. U.S. Retail Bank adjusted net income was \$1,023 million (US\$752 million), a decrease of \$340 million (US\$258 million), or 25% (26% in U.S. dollars), compared with the first quarter last year, reflecting lower revenue, higher PCL and higher non-interest expenses.

52. By no later than August 24, 2023, TD and the Individual Defendants generally and Mr. Masrani in particular, were aware, or ought to have been aware, that TD would likely need to record a material provision related to the AML regulatory investigations and litigation. This material provision would also result in a material decrease to net income of the U.S. Retail business

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segment of TD and the failure to recognize it resulted in a material over statement of TD's net income.

## THE PARTIAL PUBLIC CORRECTIONS

53. On April 30, 2024, after the close of trading, TD released a press release reporting that as a result of the Bank Secrecy Act/anti-money laundering investigation, it was recording an initial provision of US\$450 million:

**TD Bank Group ("TD" or the "Bank") (TSX: TD), (NYSE: TD), today announced that it has taken an initial provision of US\$450 million in connection with discussions with one of its U.S. regulators, related to previously disclosed regulatory and law enforcement investigations of TD's U.S. Bank Secrecy Act (BSA)/anti-money laundering (AML) program.**

54. In the same press release, TD also disclosed for the first time the systemic deficiencies in its AML controls:

The Bank's regulatory and law enforcement discussions with three U.S. regulators (including the regulator referenced in the paragraph above) and the Department of Justice are ongoing. The Bank anticipates additional monetary penalties. This provision does not reflect the final aggregate amount of potential monetary penalties or any non-monetary penalties, which are unknown and not reliably estimable at this time.

**TD's AML program was insufficient to effectively monitor, detect, report, and respond to suspicious activity.** Work has been underway to remedy these deficiencies. TD is a strong institution with the capital, liquidity, and capacity to fund the critical effort currently underway to strengthen its AML program, invest in the business, and continue to serve its customers and clients with excellence.

The above-referenced provision of US\$450 million can be found in the U.S. Report of Condition and Income (the "Call Reports"), for the three-month period ended March 31, 2024, filed earlier today by the Bank's U.S. bank subsidiaries, TD Bank, N.A. and TD Bank USA, with their U.S. regulators. The Call Reports are filed quarterly and do not comprise the Bank's second fiscal quarter consolidated financial results, which are scheduled to be released on May 23, 2024.

55. This disclosure was followed by news coverage in various publications including *The Wall Street Journal* and the *Globe & Mail* on May 2, 2024, revealing TD's involvement in criminal

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money laundering, including the proceeds of the sale of fentanyl, cocaine, and other drugs by organized crime as a result of its insufficient AML systems. In an article titled “TD Bank Probe Tied to Laundering of Illicit Fentanyl Profits” *The Wall Street Journal* reported the following, all of which is pleaded and relied upon:

A Justice Department investigation into TD Bank’s internal controls focuses on how Chinese crime groups and drug traffickers used the Canadian lender to launder money from U.S. fentanyl sales.

The investigation was launched after agents uncovered an operation in New York and New Jersey that laundered hundreds of millions of dollars in proceeds from illicit narcotics through TD and other banks, according to court documents and people familiar with the matter. In that case and at least one other, prosecutors also allege the criminals bribed TD employees.

While TD disclosed a Justice Department probe into its anti-money-laundering practices last year, **the focus on money laundering related to illegal drug sales hasn’t been previously reported.**

The bank said Tuesday that in addition to the Justice probe, **it is the subject of three other anti-money-laundering investigations in the U.S.** TD set aside \$450 million to resolve one of those inquiries and said it expects additional penalties. On Thursday, a Canadian banking regulator fined TD the equivalent of \$6.7 million for failing to file suspicious activity reports and document risks related to money laundering and terrorist activity, among other things.

**The issues have already stalled TD’s ambitious expansion plans.** TD built one of the largest U.S. regional banks over the past two decades with a flurry of acquisitions. Early last year, it was on the cusp of extending its reach into the Southeast with a \$13.4 billion deal to buy Tennessee’s First Horizon. But regulators’ concerns over how TD tracked and flagged suspicious customer transactions helped scuttle the deal, *The Wall Street Journal* reported a year ago.

A TD spokeswoman said in a statement Thursday that it is cooperating with law-enforcement officials and regulators and strengthening its anti-money-laundering program.

She said criminals constantly seek to use banks to launder money and the bank’s systems didn’t effectively thwart these activities. “This is unacceptable, and we must and we will do better,” she said.

...

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The probe stems in part from a criminal case into an operation that laundered at least \$653 million in proceeds from illicit narcotics, according to court documents. Federal prosecutors in New Jersey in 2021 unsealed a complaint charging Da Ying Sze, who went by “David,” with coordinating the money-laundering scheme.

Sze pleaded guilty to charges related to the money-laundering conspiracy in 2022. The U.S. Attorney’s Office in New Jersey declined to comment.

In 2021, agents from the Drug Enforcement Administration and Internal Revenue Service’s criminal investigations unit tailed suspected participants in the money-laundering operation through the streets of Flushing, Queens, and observed them taking large bags of cash into bank after bank. The suspects operated across multiple financial institutions, often using accounts under the name of small local businesses.

As the investigation evolved, prosecutors came to focus on the money launderers’ use of one bank in particular, identified in court documents as “Financial Institution No. 1.”

That institution was TD, people familiar with the matter said.

### **Under surveillance**

During one day of surveillance, agents followed members of Sze’s organization in a box truck as they stopped at three separate TD branches. Prosecutors alleged that Sze and others provided gift cards and other bribes worth at least \$57,000 to employees of the bank. He concealed the laundered funds by purchasing cashier’s checks and wired funds to thousands of individuals and entities in the U.S., Hong Kong and elsewhere, prosecutors say.

In a separate 2023 case, the U.S. Attorney’s Office in New Jersey charged Oscar Marcelo Nunez-Flores, an employee at a TD branch in Scotch Plains, with taking bribes and using his position to facilitate the laundering of millions of dollars in drug proceeds. A lawyer for Nunez-Flores declined to comment on the charges, which remain pending.

56. Over the following month, the extent of TD’s AML deficiencies and involvement in laundering the proceeds of drug sales continued to be disclosed through media reports. A June 3, 2024 *Bloomberg* article titled “TD’s Bribery Woes Spread to Florida as Fresh Allegations Surface” reported the following facts which are pleaded and relied upon:

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Fresh allegations that a longtime Toronto-Dominion Bank branch worker in Florida took a series of \$200 bribes to help clients move millions to Colombia by skirting anti-money-laundering defenses are adding to the lender's mushrooming US legal problems.

...

The cases — which haven't yet been reported and don't identify Toronto-Dominion by name — are part of a sweeping probe by officials at the Justice Department, bank regulators and Treasury Department into allegations of money laundering and other financial crimes at the bank. **The dragnet may ultimately lead to a costly settlement for TD that some analysts now peg at \$2 billion and, perhaps worse for the firm's investors, a yearslong setback for its lofty US ambitions.**

...

**The US case against Aquino Vargas, whom the government alleges was paid at least \$5,600 by a Colombian client and also boasted that he'd helped Venezuelans, Israelis, Bolivians and Peruvians** use Toronto-Dominion accounts to skirt US rules, **was filed in March.** TD Bank, as the lender's US unit is known, is referred to only as "Financial Institution-A" in court documents.

Hodgins said TD fired Aquino Vargas. His lawyer didn't respond to messages seeking comment on the case against him, which include alleged misconduct as recent as last fall. Court documents show he waived his rights to a preliminary hearing and hasn't yet entered a plea.

...

That anemic growth has stoked speculation that American authorities were preventing the bank from a big US expansion amid the money-laundering probe.

The company isn't currently under any restrictions from regulators on growing in the US, but there isn't yet clarity at Toronto-Dominion over whether it will eventually face such limits, said a person with knowledge of the bank's internal response.

When pressed last month by analysts, Leo Salom, who runs Toronto-Dominion's US operations, said the lender is "deliberately pacing" how many locations it opens. The bank continues to talk with regulators and invest in compliance. **Salom declined to comment directly on whether regulators had blocked its expansion.**

...

US authorities say that when Toronto-Dominion later blocked some of the cards, Aquino Vargas called the bank's hotline and vouched for the transactions. A few weeks before opening those accounts, Aquino Vargas discussed getting paid by his alleged Colombian conspirator via WhatsApp for 28 debit cards, seeking \$200 per debit card.

"That \$200 I'm giving you guys, I'm not doing anymore," Aquino Vargas wrote, according to prosecutors' translation of the messages in Spanish. "With other people it's \$500-\$800 per account man."

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After he received payment to his personal Toronto-Dominion account through Zelle, prosecutors say Aquino Vargas sent another WhatsApp message to the Colombian: “Gracias,” he said, with a meme of actor Jean-Claude Van Damme giving a thumbs up.

...  
Masrani recently told analysts that Toronto-Dominion’s compliance issues were “unacceptable” and that he hoped Toronto-Dominion would reach a resolution with authorities “as soon as possible.”

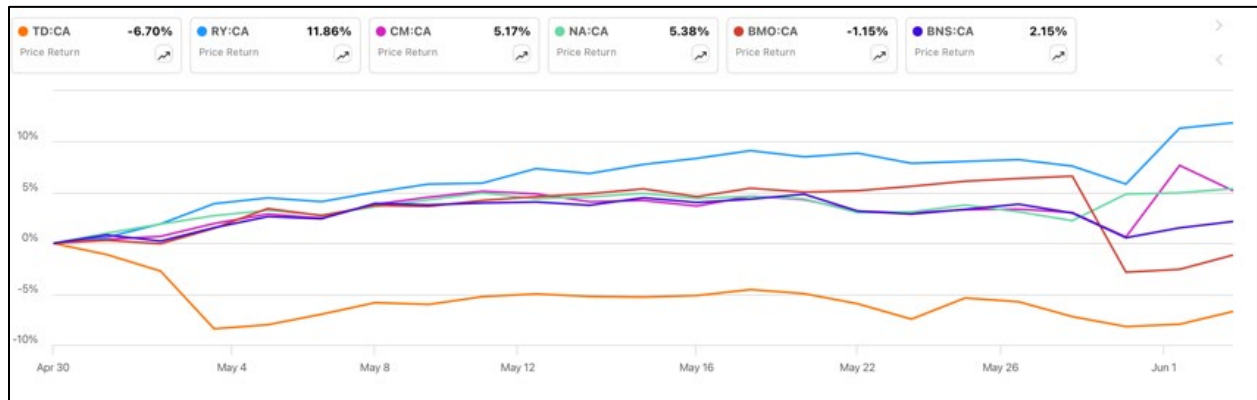
He was even more pointed in his remarks to employees in May, when he said he took the situation “very personally.” Masrani had just flown to Hollywood, Florida — the same town where Aquino Vargas is alleged to have run his scheme — to reassure executives. The bank often hosts internal events in the beach town, about 20 miles north of Miami.

“This is going to get tougher before it gets better. More information is going to drip out over the next little while,” he said, according to a transcript of his remarks. “We have the means to fix this and we will.”

57. These disclosures were material, as demonstrated by the sudden and direct decrease in TD’s share price and the response from market participants. Following these disclosures, TD’s share price declined a significant amount – over \$6.00 per share – from a closing price of \$81.67 on April 30, 2024 before trading resumed following the press release to a closing price of \$74.80.

58. These disclosures were material and TD specific. While TD’s share price declined following these disclosures, the share prices of Canadian bank stocks and financial institutions generally were increasing as seen in the following chart displaying share prices from April 30 to June 3, 2024:

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59. The April 30, 2024 press release, and May 2, 2024 and June 3, 2024 news stories were partially corrective of the alleged misrepresentations. They revealed to TD investors the seriousness of the reputational issues at stake and the likely impact on TD's U.S. operations.

60. In the alternative, the April 30, 2024 press release was corrective of the alleged misrepresentations.

61. In the further alternative, the May 2, 2024 news stories were corrective of the alleged misrepresentation.

62. In the further alternative, the June 3, 2024 news stories were corrective of the alleged misrepresentations.

### LEGISLATION RELIED UPON

63. The plaintiff pleads and relies upon the following statutes, and the regulations promulgated thereunder:

- (a) *Class Proceedings Act*, 1992, SO 1992, c 6;
- (b) *Courts of Justice Act*, RSO 1990, c C.43; and

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(c) *Securities Act*, RSO 1990, c S 5.

64. The plaintiff pleads and relies upon the following regulations:

(a) General Regulation, RRO 1990, Reg 1015 under the *Securities Act*; and

(b) National Instrument 51-102 – *Continuous Disclosure*, O.S.C. NI 51-102 (2004) 27 OSCB 3441 implemented through OSC Rule 51-801 and approved pursuant to s. 143.3 of the *Securities Act*; and

(c) *Ontario Securities Commission Rule 52-801 Implementing National Instrument 51-102*, OSC Rule 51-801.

#### **SERVICE EX JURIS**

65. This original process may be served without court order outside Ontario because the claim is:

(a) In respect of a tort committed in Ontario (Rule 17.2(g) of the *Rules of Civil Procedure*); and

(b) Brought against a person ordinarily resident or carrying on business in Ontario (Rule 17.02 (p) of the *Rules of Civil Procedure*).



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June 4, 2024

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-and-

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**Defendants**

**Court File No.**

***ONTARIO***  
**SUPERIOR COURT OF JUSTICE**

PROCEEDING COMMENCED AT TORONTO

Proceeding under the *Class Proceedings Act, 1992*

**NOTICE OF ACTION**

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