

**IG INVESTMENT MANAGEMENT LTD.,
FRANKLIN TEMPLETON INVESTMENTS CORP., AGF FUNDS INC.
NOTICE OF CERTIFICATION AND CLASS ACTION SETTLEMENT**

Read this notice carefully as it may affect your rights

PURPOSE OF THIS NOTICE

This is a court-approved notice to class members of the Order made by the Superior Court of Justice for Ontario pursuant to an Order dated September 27, 2010 certifying for settlement purposes a class action in Fischer et al v. IG Investment Management, Ltd. et al, Court file no. 06-CV-307599CP, as against IG Investment Management Ltd., (“IGIM”) Franklin Templeton Investments Corp. (“Franklin Templeton”) and AGF Funds Inc. (“AGF”) (collectively “the Fund Companies”). **This notice describes the nature of the class action and the proposed settlement. It describes the rights of class members with respect to the certification of the class action and with respect to a motion for court approval of the settlement.**

In this action, the representative plaintiffs allege that the Fund Companies breached a fiduciary duty or duty of care to class members by permitting, or failing to prevent, market timing activities in certain mutual funds managed by the Fund Companies or failing to disclose accurately information about the management of the funds. Similar allegations have also been made against the Fund Companies in *Huneault et al v. IG Investment Management Ltd et al*, Court File No. 500-06-000256-046 (the “Québec Proceeding”).

The Fund Companies dispute the existence of any liability to the representative plaintiffs or to any members of the classes (as defined below).

If you are a member of the IG Class, Franklin Templeton Class or AGF Ontario Class, you may be affected by this notice. The following persons are members of the classes described below:

IG Class

All persons, except persons residing in Québec who purchased and/or redeemed and/or held or otherwise acquired shares or other ownership units of one or more of the following funds from October 1, 2000 to November 30, 2002: IG AGF Asian Growth Fund, IG Scudder European Growth Fund (which changed its name to IG Mackenzie Ivy European Fund on July 12, 2002), IG Templeton International Equity Fund, IG Templeton World Allocation Fund, Investors European Growth Fund, Investors European Mid-Cap Growth Fund, Investors Global Fund, Investors Japanese Growth Fund, Investors Pacific International Fund, Investors World Growth Portfolio, Rothschild Select: GS International Equity Fund (which changed its name to IG AGF International Equity Fund on October 9, 2001) (the “IG Funds”).

Franklin Templeton Class

All persons in Canada, except persons residing in Québec, who purchased and/or redeemed and/or held or otherwise acquired shares or ownership units during the period February 1, 1999 to February 28, 2003 in one of the following funds:

Templeton Growth Fund, Ltd., Templeton International Stock Fund, Templeton Global Smaller Companies Fund, and Templeton Emerging Markets Fund (“Franklin Templeton Funds”).

AGF Ontario Class

All persons in Canada, except persons residing in Québec, who purchased and/or redeemed and/or held or otherwise acquired shares or ownership units during the period August 1, 2000 to June 30, 2003 in one of the following funds:

- AGF Aggressive Global Stock Fund
- AGF Asian Growth Class
- AGF European Asset Allocation Fund/ (for the period prior to August 16, 2002, at which time the fund merged into AGF World Balanced Fund)
- AGF European Equity Class
- AGF Germany Class
- AGF Global Government Bond Fund
- AGF International Stock Class
- AGF International Value Fund
- AGF Japan Class
- AGF RSP European Equity Fund (for the period prior to June 14, 2003, at which time the fund merged into AGF RSP World Companies Fund)
- AGF RSP International Equity Allocation Fund (for the period prior to June 14, 2003, at which time the fund merged into AGF RSP World Companies Fund)
- AGF RSP International Value Fund
- AGF RSP World Equity Fund (for the period prior to June 16, 2003 at which time the fund merged into AGF RSP World Companies Fund)
- AGF RSP World Companies Fund
- AGF Short-Term Income Class
- AGF World Balanced Fund
- AGF World Companies
- AGF World Equity Class (renamed AGF Global Equity Class July 9, 2001)
- Global Strategy Europe Plus Fund (for the period prior to December 16, 2001 at which time the fund merged into AGF European Equity Class)
- Global Strategy Europe Plus RSP Fund (for the period prior to December 16, 2001 at which time the fund merged into AGF RSP European Equity Fund) (“AGF Funds”)

OPTING OUT

Class members have the right to opt out of the class proceeding.

In order to opt-out of the class proceeding, you must ensure that a written notice to that effect is received at the offices of Rochon Genova LLP ("Class Counsel") by registered mail or fax to be received by 5:00 pm on **December 6, 2010**. The written notice shall be signed, include your name and address, social insurance number, telephone number, fax number (if any) and email address (if any), and shall clearly request exclusion from the IG Class, Franklin Templeton Class or AGF Ontario Class. Class Counsel's address is:

Rochon Genova LLP
121 Richmond Street West, Suite 900
Toronto, Ontario M5H 2K1

Attention: Joel Rochon
Fax No. (416) 363-0263

If you do not opt out prior to this date, you will be deemed to be a member of one of the classes described above and will be bound by any future Orders in this action and shall be bound by the settlement referenced below if the settlement is approved by the Court. You may wish to obtain independent legal advice about the matter of whether to opt out of the proceedings.

SETTLEMENT APPROVAL HEARING

Class Counsel will ask the Court to approve a settlement of the class action against the Fund Companies and approve Class Counsel's fees and disbursements in connection with the class action on **December 17, 2010** beginning at 10:00 a.m. at Osgoode Hall, Toronto, Ontario.

Under the terms of the proposed settlement, in full and final settlement of the claims in both this proceeding and the Québec proceeding and subject to the deductions described below:

- a) IGIM will pay \$2.8 million to the IG Funds
- b) Franklin Templeton will pay \$5 million to the Franklin Templeton Funds
- c) AGF will pay \$3.5 million to the AGF Funds

These settlement amounts will be reduced by:

- i) amounts approved by the Ontario Superior Court for legal fees and disbursements for Ontario Class Counsel, ii) legal fees and disbursements approved by the Québec Superior Court for plaintiffs' legal counsel in connection with the Québec Proceeding against the Fund Companies on behalf of individuals resident in Québec, and iii) the disbursements incurred in implementing the settlement.

Plaintiffs' counsel in the Ontario and Québec proceedings will be submitting for court approval a joint fee request of 25% of the value of each of the IGIM, Franklin Templeton and AGF settlement amounts, plus applicable taxes and disbursements of approximately \$240,000. Any fees and disbursements approved by the Ontario and Québec courts will be paid for by the Fund Companies out of the settlement amounts.

The settlement amount by each Fund Company, less amounts deducted for fees and disbursements approved by the Ontario and Québec courts, shall be allocated amongst the IGIM Funds, the Franklin Templeton Funds and the AGF Funds in accordance with the respective

settlement agreements which will be submitted for approval by the Ontario Superior Court of Justice at the above-mentioned time and place.

OBJECTIONS TO THE SETTLEMENTS

At the settlement approval hearing, the Court will consider any objections to or comments concerning either the proposed settlement or Class Counsel's motion for approval of its fees and disbursements. Objections and/or comments are to be made in writing and shall be mailed or faxed to Class Counsel at the address listed above to be received on or before **December 6, 2010**. Class Counsel will ensure that any objections and/or comments received are filed with the Court in advance of the settlement approval hearing.

This Notice is only a summary of the settlement agreements with IGIM, Franklin Templeton and AGF. Further particulars concerning this proceeding, the proposed settlement, and the Order of the Ontario Superior Court of Justice dated September 27, 2010 can be obtained from Class Counsel's website at: www.rochongenova.com or by writing to Rochon Genova at the above address.

Questions about this notice should NOT be directed to the Court.