

SCHEDULE "E"

**(Class Action)
SUPERIOR COURT**

**CANADA
PROVINCE OF QUÉBEC
DISTRICT OF MONTRÉAL**

No. 500-06-000256-046

DATE : _____

BEFORE THE HONOURABLE CLAUDE CHAMPAGNE

**PAUL HUNEULT
-and-
GILLES GIRARD
-and-
PIERRETTE GIRARD
-and-
LISE DULUDE**

Petitioners

v.

FRANKLIN TEMPLETON INVESTMENTS CORP.

Respondent

<p>JUDGMENT</p>

- [1] **CONSIDERING** the Motion to authorize a class action for settlement purposes only as against Franklin Templeton Investments Corp. ("Franklin Templeton") for approval of a notice to the Franklin Templeton Québec Group Members ("the members") and to fix a hearing date for the presentation of a motion for approval of a transaction.
- [2] The parties allege that a transaction (the "Settlement Agreement, Exhibit R-1") has been reached in the present file, on • 2010. They ask this court to approve both the notice to the members indicating the date and place where the motion for approval of the Settlement Agreement will be heard, pursuant to article 1025 of the Code of Civil Procedure and the procedure for opting out.

- [3] This court recognizes foremost that the French and English versions of the draft notice, Exhibits R-2 and R-3, is complete and sufficient to allow the members to present their arguments and protect their rights at the hearing of the motion for approval of the agreement.
- [4] This court also recognizes that the one-time publication of this notice, on • 2010, in the following newspapers: The Gazette, La Presse and Le Soleil and its posting on the website of Sylvestre Fafard Painchaud is sufficient to guarantee the protection of the members' interests, considering the circulation of those daily newspapers in all the province of Quebec.
- [5] **CONSIDERING** the representations made before the Court today by both parties' attorneys.
- [6] **CONSIDERING** that the Respondent denies any liability and that it had serious grounds of defence and contestation to argue.
- [7] **CONSIDERING** that this Settlement Agreement, if approved by this court, will also allow both parties to avoid the risks and costs of a long trial.
- [8] **CONSIDERING** that, in view of the foregoing, and particularly in the context of the conditional consent to authorization by the Respondent, it is in the best interest of justice and of the parties to authorize the class action in the present file as against Franklin Templeton for settlement purposes only.

WHEREFORE THIS COURT :

- [9] **AUTHORIZES** the class action in the present file as against Franklin Investments Corp. for the sole and only purpose of approving the Settlement Agreement with Franklin Templeton Investments Corp.
- [10] **DECLARES** that if the Settlement is terminated because one or more of the specified conditions in section 9 of the Settlement Agreement is not satisfied or waived, then i) the present judgment, including the authorization of the class action in the present file as against Franklin Templeton for the purposes of settlement, shall be set aside and be of no further force or effect, and without prejudice to the positions of the Parties in Petitioners' Motion for Authorization and/or any subsequent proceedings between the Parties.
- [11] **DESCRIBES** the group whose members will be bound by the present judgment as:
- "All persons, physical or moral (of less than 50 employees), who were Québec residents and holders of units, between January 1, 2000 and December 31, 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."

- [12] **GRANTS** the Petitioners the status of class representatives.
- [13] **APPROVES** the text of the notice to the members, both in its French (Exhibit R-2) and English (Exhibit R-3) versions.
- [14] **APPROVES** the one-time publication of this notice on or before • 2010, in The Gazette, La Presse, Le Soleil and its posting on the website of Sylvestre Fafard Painchaud until • [the date of the approval hearing], 2010.
- [15] **DECLARES** that any member requesting his exclusion from the group must do so by sending a written notice containing the Franklin Templeton Québec Group Member's name, social insurance number, address, telephone number, fax number (if any) and email address (if any) by mail for this purpose to Sylvestre Fafard Painchaud, 740 Atwater Avenue, Montréal, Québec H4C 2G9 at the latest by 5:00 p.m. on • following the date of publication of the notice to the members of the group, the postal stamp or the receipt being evidence of the date of transmission of the exclusion request.
- [16] **ORDERS** that on or before •, Sylvestre Fafard Painchaud shall serve on Franklin Templeton and file with this Court a report identifying all persons who have requested exclusion from the Franklin Templeton Quebec Group.
- [17] **ORDERS** that the members of the group that have not opted out, pursuant to the exclusion formalities described in the notice to the members published pursuant to the ruling of this judgment, will be bound by the Settlement Agreement and by the judgment approving this Settlement Agreement, if any.
- [18] **FIXES** the hearing for the motion to approve the Settlement Agreement to take place on • 2010, at the Montreal courthouse.
- [19] **ORDERS** the parties to this proceeding to ensure that the notice R-2 is published in La Presse and Le Soleil, on or before • 2010, and that the notice R3 is published in The Gazette, also on or before • 2010.
- [20] **THE WHOLE**, without costs.

CLAUDE CHAMPAGNE, J.S.C.

Maître Normand Painchaud
Maître Jean-Pierre Fafard
Sylvestre Fafard Painchaud
Attorneys for the Petitioners

Maître William J. Atkinson
Maître Jean Lortie
McCarthy Tétrault LLP
Attorneys for the Respondent, Franklin Templeton Investments Corp.

Schedule "F"

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

Read this notice carefully as it may affect your rights

PURPOSE OF THIS NOTICE

This is a court-approved notice to group members of the Judgment rendered by the Québec Superior Court on _____, 2010 authorizing, for settlement purposes only, a class action in *Huneault et al. v. IG Investment Management Ltd. et al.*, Court file no. 500-06-000256-046, as against IG Investment Management Ltd., ("IGIM") Franklin Templeton Investments Corp. ("Franklin Templeton") and AGF Funds Inc. ("AGF") (collectively "the Fund Companies"). In this action, the representative plaintiffs allege that the Fund Companies were at fault towards group members by permitting, or failing to prevent, market timing activities in certain mutual funds managed by the Fund Companies. Similar allegations have also been made against the Fund Companies in an Ontario class action, *Fischer et al. v. IG Investment Management, et al.*, Court File No. 06-CV-307599CP ("the Ontario Action"). The Fund Companies dispute the existence of any liability to the representative plaintiffs or to any members of the following Québec groups:

IGIM [Québec Group]

**[TO BE COMPLETED BY IGIM
QUEBEC COUNSEL]**

Franklin Templeton Québec Group

All persons, physical or moral (of less than 50 employees), who were Québec residents and holders of units, between January 1, 2000 and December 31, 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 [Québec Group]

**[TO BE COMPLETED BY AGF
QUEBEC COUNSEL]**

If you are a member of the IGIM [Québec Group], Franklin Templeton Québec Group or AGF [Québec Group], you may be affected by this notice.

OPTING OUT

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 Sylvestre Fafard Painchaud ("Québec Plaintiffs' Counsel") by registered mail or fax by 5:00 pm on ●, 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 IGIM [Québec Group], Franklin Templeton Québec Group or AGF [Québec Group]. Québec Plaintiffs' Counsel's address is:

Sylvestre Fafard Painchaud
740 Atwater Avenue
Montréal, Québec H4C 2G9

Attention: Normand Painchaud
Fax No. (514) 937-6529

If you do not opt out prior to this date, you will be deemed to be a member of the above-described Québec groups and will be bound by any future judgment 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 with respect

to this matter if you choose to opt out of the proceedings.

SETTLEMENT APPROVAL HEARING

Québec Plaintiffs' Counsel will ask the Court to approve a settlement of the class action and approve Québec Plaintiffs' Counsel's fees and disbursements in connection with the class action on _____, 2010 beginning at _____ a.m. at the Montreal Courthouse, Montréal, Québec.

Under the terms of the proposed settlement, in full and final settlement of the claims in both this action and the Ontario action:

- 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 amounts will be reduced by:

i) amounts approved by the Ontario Superior Court for legal fees and disbursements for Class Counsel in connection with a parallel class action brought in Ontario against the Fund Companies on behalf of individuals resident in Canada, ii) legal fees and disbursements approved by the Québec Superior Court for Québec Plaintiffs' Counsel and iii) disbursements incurred in implementing the settlement. The Settlement Payments by each Fund Company shall be allocated in accordance with the Settlement Agreement which will be submitted for approval by the Québec Superior Court at the above-mentioned time and place.

At the settlement approval hearing, the Court will consider any objections to or comments concerning either the proposed settlement or Québec Plaintiffs' 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 Québec Plaintiffs' Counsel at the address listed above on or before _____, 2010. Québec Plaintiffs' 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 terms of the settlement agreement. Further particulars concerning this proceeding, the proposed settlement, and the Judgment of the Québec Superior Court dated •, 2010 can be obtained from the Québec Plaintiffs' website at: www.sfpavocats.ca or by writing to Québec Plaintiffs' Counsel at the above address.

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

SCHEDULE "G"

Le Soleil

La Presse

The Gazette

SCHEDULE "H"

**(Class Action)
SUPERIOR COURT**

**CANADA
PROVINCE OF QUÉBEC
DISTRICT OF MONTRÉAL**

No. 500-06-000256-046

DATE : _____

BEFORE THE HONOURABLE CLAUDE CHAMPAGNE

**PAUL HUNEULT
-and-
GILLES GIRARD
-and-
PIERRETTE GIRARD
-and-
LISE DULUDE**

Petitioners

v.

FRANKLIN TEMPLETON INVESTMENTS CORP.

Respondent

<p>JUDGMENT</p>

- [1] **CONSIDERING** the Motion for approval of a transaction and for determination of the petitioners' attorneys fees submitted by the Petitioners.
- [2] **CONSIDERING** that the notice to the members has been published in its French and English versions pursuant to the judgment rendered by the Court on ●.
- [3] **CONSIDERING** the representations by the Petitioners' attorneys according to which no member has requested his exclusion from this transaction following the publication of this notice.

- [4] **CONSIDERING** the absence of objection and contestation from the members of the group.
- [5] **CONSIDERING** that the Settlement Agreement, Exhibit R-1, reached by the parties in order to put an end to the present file is submitted to the Court for approval.
- [6] **CONSIDERING** section 1025 of the *Code of Civil Procedure*.
- [7] **CONSIDERING** the representations made before the Court today by both parties' attorneys.
- [8] **CONSIDERING** the affidavit of •, [title], dated •, explaining the nature of the factual debate that gave rise to this litigation and the distribution of the costs relevant to the Settlement Agreement.
- [9] **CONSIDERING** that the Respondent denies any liability and that it had serious grounds of defence and contestation to argue.
- [10] **CONSIDERING** that this Settlement Agreement allows both parties to avoid a long and expensive litigation process.
- [11] **CONSIDERING** that this Settlement Agreement will also allow both parties to avoid the risks and costs of a long trial.
- [12] **CONSIDERING** that the compensation procedure set out in the Settlement Agreement is simple and requires no intervention whatsoever of the members, such that no further notice is necessary.
- [13] **CONSIDERING** that the Court is of the opinion that the Settlement Agreement is reasonable, fair and in the interest of the members of the group.

WHEREFORE THIS COURT :

- [14] **GRANTS** this Motion for approval of a transaction and for determination of the Petitioners' attorneys' fees.
- [15] **TAKES NOTE** of the fact that the notice to the members of the group was filed in the Court record of the Superior Court, district of Montreal, and published before the hearing of the present motion, pursuant to the judgment rendered on • 2010 by the undersigned.
- [16] **DECLARES** that the Settlement Agreement, Exhibit R-1, is just, fair and in the best interest of the members of the group.
- [17] **APPROVES** the Settlement Agreement reached by the parties and the members of the group, in final and complete settlement of the class action.

- [18] **APPROVES** the fees to be paid to the petitioners' attorneys as •.
- [19] **DISPENSES** the parties from the publication of any further notice to the members following the approval of the Settlement Agreement.
- [20] **RESERVES** to the parties the right to present any additional request for orders that could be necessary for the implementation of the Settlement Agreement.
- [21] **DECLARES** that this judgment and the Settlement Agreement are opposable and binding upon all members of the group, apart from those who have opted out.
- [22] **DECLARES** that each member of the Franklin Templeton Québec Group who has not opted out and his or her heirs, executors, administrators, legal representatives, successors and assigns, have fully, finally and forever absolutely released and discharged the Releasees from and in respect of all Released Claims.
- [23] **DECLARES** that, upon the Effective Date, any other action commenced in Québec by any Franklin Templeton Québec Group Member who has not validly opted out of this action shall be and is hereby dismissed against the Releasees without costs and with prejudice.
- [24] **ORDERS** each member of the Franklin Templeton Québec Group who has not opted out and his or her heirs, executors, administrators, legal representatives, successors and assigns shall not now or hereafter institute, continue, maintain or assert, either directly or indirectly, whether in Canada or elsewhere, either on their own behalf or on behalf of any class or any other person, any action, suit, cause of action, claim or demand against the Releasees or any other person who may claim any form of contribution or indemnity or other relief over against the Releasees in respect of the Released Claims or any matter related thereto and are enjoined from doing so.
- [25] **ORDERS** that Québec Plaintiffs' Counsel and any person employed by, associated with, or a partner of Québec Plaintiffs' Counsel shall not, directly or indirectly participate or be involved in or in any way assist with respect to any claim made or action by any person which relates to or arises from the Released Claims, including any person who opts out of the Franklin Templeton Québec Group or the Franklin Templeton Ontario Class.
- [26] **DECLARES** that the approval of the Settlement Agreement is contingent upon approval by the Ontario Court and the present judgment shall have no force and effect if such approval is not obtained in Ontario.
- [27] **DECLARES** that should any of the conditions in paragraph 9 of the Settlement Agreement not be satisfied or waived, the present judgment shall be null and void and without prejudice to the rights of the Parties and this judgment and any agreement between the Parties incorporated in this judgment shall be deemed in any subsequent proceedings to have been made without prejudice.

- [28] **DECLARES** that the Settlement Agreement, Exhibit R-1, is a transaction pursuant to section 2631 of the *Civil Code of Quebec*.
- [29] **THE WHOLE**, without costs.

CLAUDE CHAMPAGNE, J.S.C.

Maître Normand Painchaud
Maître Jean-Pierre Fafard
Sylvestre Fafard Painchaud
Attorneys for the Petitioners

Maître William J. Atkinson
Maître Jean Lortie
McCarthy Tétrault LLP
Attorneys for the Respondent, Franklin Templeton Investments Corp.

SCHEDULE "I"

June 30, 2005

FRANKLIN TEMPLETON INVESTMENTS CORP. PLAN OF DISTRIBUTION

This is the plan of distribution (the "Plan") contemplated under Schedule A ("Schedule A") of the settlement agreement (the "Settlement Agreement") between Franklin Templeton Investments Corp. (the "Company") and staff of the Ontario Securities Commission ("OSC") that was approved by the OSC on March 3, 2005. The Settlement Agreement related to trading by certain persons referred to in paragraph 16 of the Settlement Agreement ("Market Timing Traders") in certain mutual funds managed by the Company (the "Relevant Funds"). In the Plan, the terms "Market Timing Traders" and "Relevant Funds" have the meanings ascribed thereto in the Settlement Agreement.

Under Schedule A, the Company agreed to make payment to the unitholders (including former unitholders, but excluding the Market Timing Traders) of the Relevant Funds in the amount of \$49.1 million, plus interest accruing at the rate of 5% per annum from March 3, 2005 until the date of approval by both OSC staff and the Chair and a Vice-Chair of the OSC of a plan of distribution. In addition, the Company also will make payment under this Plan of \$1,208,920.54 ("IDA Amount") received by the Company from the Investment Dealers Association ("IDA") in connection with the settlements with certain IDA member firms which were approved by the IDA on December 16, 2004. In the Plan, the total amount of settlement to be paid, including such interest and IDA Amount, is called the "Settlement Amount".

PART I - DETERMINATION OF RECIPIENTS OF PAYMENTS

Schedule A requires that the Settlement Amount be allocated to the unitholders (including former unitholders, but excluding the Market Timing Traders) of the Relevant Funds. Such unitholders are defined in Schedule A (and are referred to in the Plan) as the "Affected Investors". The Plan shall not result in any payment to the Market Timing Traders. Under the Plan, a Market Timing Trader cannot be an Affected Investor.

Under the Plan, unless otherwise indicated, the characterization of an Affected Investor will be done at the "fund position level", as opposed to the "account level" or "client level". That is, an investor would be an "Affected Investor" in respect of a position within a specific fund and within a specific account. Positions in different accounts will be considered separately, even if such positions are held by the same beneficial investors or reside in the same Relevant Fund. Positions in different Relevant Funds will be considered separately, even if such positions reside within the same account.

Certain investors in the Relevant Funds ("Collective Investors") are themselves investment vehicles or collective investment arrangements that hold investments on behalf of other investors. Relevant trades in the Relevant Funds would have had an effect on the investors in some Collective Investors similar to the effect experienced by direct investors in the Relevant Funds. This is due to the fact that the price at which units of these Collective Investors may be sold by an investor (i.e., the net asset value) at all times reflects the current net asset values of the underlying Relevant Funds. Examples of such Collective Investors would be open-ended investment products, such as mutual funds or insurance company segregated funds that held a

position, or were exposed to the returns of, a Relevant Fund at the times of the relevant trades. Subject to the *de minimis* principles described in Part IV, the Plan will "look through" these Collective Investors and treat each investor in such a Collective Investor as an "Affected Investor" for purposes of determining the entitlement to, and the amount of, payment to such investor under the Plan. The Company is offering to make arrangements with any third-party administrators of such Collective Investors to acquire the necessary investor information to be able to deal in this manner with the investors in the Collective Investor. Where the Company does not receive the necessary investor information to "look through" such a Collective Investor by September 30, 2005 or the Company has been directed by such Collective Investor not to "look through," the Collective Investor will itself be treated as an "Affected Investor" and there will be no "look-through" to the underlying investors in that Collective Investor.

In the case of other Collective Investors, relevant trades in the Relevant Funds would not have had a similar effect on investors or beneficiaries of the Collective Investors as would have been experienced by the direct investors in the Relevant Funds. Examples of such Collective Investors would be closed-end structures, like GICs whose returns at maturity were linked to the performance of a Relevant Fund or non-redeemable investment funds whose securities were traded on a secondary market. The price at which units of these Collective Investors could be sold would not necessarily reflect the current net asset values of the underlying Relevant Funds. In these cases, the Plan will treat the Collective Investor itself as an "Affected Investor" where applicable and there will be no "look through" to the underlying investors in that Collective Investor.

The units of the Company's mutual funds are often held in the name of investment dealers or mutual fund dealers on behalf of their clients, who are the beneficial owners of the units. The Company will "look through" the registered holders (i.e. the dealers) in these circumstances and treat the beneficial owners as the "Affected Investors". Due to the tax and other reporting requirements to which the Company is subject in the normal course of its business, the Company generally has access to contact and other information about these beneficial owners to enable it to treat the beneficial owners as the Affected Investors. Where the information required in order to treat the beneficial owners as the Affected Investors is incomplete, the Company will request the requisite information from the dealer of record. If, by August 31, 2005, the dealer does not provide such requisite information for a beneficial owner, and does not undertake to transmit the payment to the beneficial owner for whom the dealer holds the units for the Relevant Funds, the payment otherwise required to be made under the Plan to such beneficial owner will be treated as an uncashed cheque or returned electronic fund transfer and will be dealt with in accordance with Part V. The Company expects that there will be relatively few such instances.

PART II - CALCULATION OF PAYMENTS TO AFFECTED INVESTORS

Following the determination of Affected Investors, the Company will calculate the effect of each relevant trade on each Affected Investor in each Relevant Fund. Some relevant trades may have affected Affected Investors adversely while other relevant trades may have benefited Affected Investors.

The Settlement Amount will be allocated amongst Affected Investors ("Adversely Impacted Investors") that have been determined to have experienced, in aggregate, an overall adverse effect ("Overall Adverse Effect") in a Relevant Fund when all relevant trades in the Relevant Fund are considered. The allocation to each Adversely Impacted Investor of the Settlement Amount will be proportionate to that investor's Overall Adverse Effect in relation to the Overall Adverse Effect of all other Adversely Impacted Investors in all Relevant Funds. An Affected Investor that has been determined to have experienced an overall benefit from the relevant trades in a Relevant Fund will receive none of the Settlement Amount.

There will be no netting of unitholder positions from Relevant Fund to Relevant Fund. An account that has suffered an Overall Adverse Effect in respect of relevant trades in one Relevant Fund will not have its entitlement to a payment under the Plan reduced if that account may have benefited from relevant trades in another Relevant Fund. Similarly, there will be no netting in respect of a beneficial owner who owns more than one account holding one or more Relevant Funds; for example, the entitlement of a beneficial owner to payment in respect of one account will not be reduced by any benefit derived by the same beneficial owner in respect of another account.

Subject to the exceptions described in Part I relating to Collective Investors and the *de minimis* exception described in Part IV, the Company will treat each person who invested in a Relevant Fund through a Collective Investor as an Affected Investor for purposes of determining entitlement to, and calculating the amount of, a payment under the Plan.

PART III - PAYMENTS

The Company will make payments under the Plan by sending a cheque to the last address of the Affected Investor (other than Collective Investors, which will be dealt with as described below) maintained in the records of the Company, which may be updated by the dealer's address information, if appropriate.

Recipients of payments will receive explanatory details with their payment.

The Company may combine payments across accounts and Relevant Funds held by any investor to reduce the number of cheques to be received by that investor. For example, payments will be aggregated into one cheque where an individual is to receive payments in respect of multiple Relevant Funds and/or multiple accounts.

Registered Plans

Some of the payments under the Plan will be payable to tax-deferred registered plans (such as registered retirement savings plans, registered retirement income funds or registered educational savings plans). The Company will make payments in respect of such plans to the annuitant or beneficial owner of such plans, as opposed to the plan itself.

Collective Investors

Where unitholders of Collective Investors are treated as Affected Investors under the Plan, the Company will make payments or make arrangements (subject to the *de minimis* principles described in Part IV) for payment by sending a cheque to each such unitholder at the last address of such unitholder on its books and records or the address provided by the representatives of the Collective Investor. Such payments may be made at a later time than payments made to direct investors in the Affected Funds due to the additional administrative steps involved in the Company co-ordinating payments with the Collective Investor. The Company anticipates that such payments will be made no more than 90 days after the Company has received all information from the Collective Investor in a form reasonably acceptable to the Company to permit the calculation of the amounts to be paid to the unitholders of the Collective Investor. If the Company does not receive such information by September 30, 2005, the Company will treat the Collective Investor as the Affected Investor and there will be no "look-through" to the underlying investors in that Collective Investor.

Where *de minimis* principles apply to Collective Investors, the Company will make payments to the Collective Investor by cheque or electronic fund transfer.

Payments to any Collective Investors that have been merged or reorganized into another entity since the time of the relevant trades will be made to the appropriate successor entity. If there is no successor entity, then the payment will be treated as an uncashed cheque or electronic fund transfer not completed and treated as described in Part V.

PART IV - DE MINIMIS PRINCIPLES

General Principles

As provided in Part III, payments may be aggregated across all accounts and Relevant Funds held by an investor ("Client"). A *de minimis* principle will be applied such that no payment will be made to a Client in an amount of less than \$2.00 (before deduction of any applicable withholding tax). Any amount not paid by the Company to clients as the result of the application of this *de minimis* principle will be paid to the Relevant Funds.

Collective Investors

As described in Part I, the Company generally will "look through" a Collective Investor and treat unitholders of the Collective Investor as direct unitholders of the Relevant Fund at the time of each relevant trade for purposes of determining such unitholder's entitlement to payment under the Plan. However, the Collective Investor itself will be treated as an "Affected Investor"

under the Plan and the Company may elect not to "look through" to the unitholders of the Collective Investor if the total payment that the Collective Investor in the Relevant Fund would receive, in the absence of the "look-through" principle, would be less than either:

- (a) \$25,000.00; or
- (b) .05% of the total assets of the Collective Investor at the time of the approval of the Plan. (The total assets of the Collective Investor will be based on its most recently published financial statements at such time.)

In instances where the Company does not "look through" to the unitholders of the Collective Investor, amounts to be paid will be determined by treating the Collective Investor itself as an Affected Investor and payments will be made directly to such Collective Investor.

The Company will, however, have the right to "look through" to unitholders of Collective Investors even if the *de minimis* principles could be applied.

PART V - CHEQUES NOT CASHED OR ELECTRONIC FUND TRANSFERS NOT COMPLETED

The Company expects that some of the cheques paid to Affected Investors will not be cashed and that some of the electronic fund transfers will be returned. The Company will deposit into a trust account an amount equal to the total amount of the payments represented by such cheques not cashed and electronic fund transfers not completed within six months of their date of mailing or sending in accordance with the Plan. The Company will use reasonable efforts to attempt to locate any Affected Investors entitled to payment of \$200 or more if that person's payment has not been completed within such six month period; such efforts may include directory searches, internet searches and the employment of third parties to assist in the search, depending on the size of the payments to which those persons are entitled. The Company will bear all expenses of such procedures. From the expiry of such six month period through to June 1, 2008, upon locating an Affected Investor entitled to payment in accordance with the Plan, the Company will re-issue a cheque or effect another electronic fund transfer from the trust account.

Shortly after June 1, 2008, all amounts remaining in the trust account will be paid to the Relevant Funds (or the appropriate successor entity of any Relevant Fund that has been merged or reorganized in the interim). After such payments, the trust account will be closed and no further claims may be made in respect of such funds by any person.

Approved: June 30, 2005

SCHEDULE J

Allocation of Settlement Payment

Templeton Growth Fund, Ltd.	34.6%
Templeton International Stock Fund	62.2%
Templeton Global Smaller Companies Fund	1.5%
Templeton Emerging Markets Fund	1.7%

- d) dans la présente entente de règlement, le singulier s'entend du pluriel et vice versa, selon le contexte;
 - e) la division de la présente entente de règlement en articles et rubriques ne vise qu'à en faciliter la consultation et ne saurait en aucun cas influencer sur son interprétation;
 - f) sous réserve de l'alinéa 18g), la présente entente de règlement est régie et interprétée conformément à la législation de la province d'Ontario et à la législation du Canada qui s'y applique;
 - g) en ce qui a trait aux membres Franklin Templeton du Québec et à la requête du Québec, la présente entente de règlement est régie et interprétée conformément à la législation de la province de Québec et à la législation du Canada qui s'y applique;
 - h) la présente entente de règlement constitue l'entente intégrale intervenue entre les parties quant à son objet. Il n'existe aucune garantie, ni déclaration, ni autre entente verbale entre les parties quant à l'objet des présentes, sauf indication et mention expresses dans les présentes. Une modification de la présente entente de règlement n'est exécutoire que si elle est faite au moyen d'un document écrit signé par les parties et qui leur est opposable. La renonciation à une disposition de la présente entente de règlement n'est pas réputée être ni ne constitue une renonciation à quelque autre disposition, ni ne constitue une renonciation permanente, sauf indication expresse en ce sens;
 - i) la présente entente de règlement lie les parties aux présentes et leurs héritiers, administrateurs judiciaires et liquidateurs testamentaires, successeurs et ayants droit respectifs et est faite à leur avantage; et
 - j) la présente entente de règlement peut être signée en plusieurs exemplaires, dont chacun est réputé être un original et dont l'ensemble constitue un seul et même document.
19. Les Parties exigent et acceptent par les présentes que cette transaction et tout avis ou document relatif ou requis par les présentes soient rédigés tant en langue anglaise qu'en langue française. En cas de différend ou s'il devenait nécessaire d'interpréter le contenu de l'entente, la version anglaise prédominera.

FAIT à Toronto le _____ 2010

Lawrence Dykun

FAIT à Montréal le 16 SEPT - 2010

Paul Huneault

~~SECRETARY~~
FAIT à Montréal le 16 SEPT - 2010

Gilles Girard

SORREL-TROTT
FAIT à Montréal le 16 SEPT- 2010

Pierrette Girard
Pierrette Girard

FAIT à Montréal le 16 SEPT- 2010

Lise Dulude
Lise Dulude

FAIT à Toronto le _____ 2010

Société de Placements Franklin Templeton

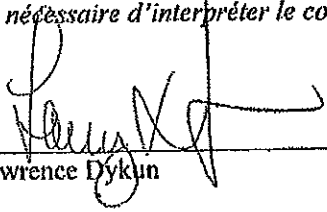
Par : _____

Par : _____

(j) this Settlement Agreement may be executed in any number of counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same instrument.

19. The Parties specifically require that this Settlement Agreement, and all notices and other documents related hereto, be drawn in the English and French language. In the event of a dispute or the need to interpret the content of the agreement, the English version will have precedence. *Les Parties exigent et acceptent par les présentes que cette transaction et tous avis ou documents relatifs ou requis par les présentes soient rédigés en langue anglaise. En cas de différend ou s'il devenait nécessaire d'interpréter le contenu de l'entente, la version anglaise prédominera.*

DATED at Toronto this 16 day of Sept. 2010



Lawrence Dykun

DATED at Montréal this ___ day of _____ 2010

Paul Huneault

DATED at Montréal this ___ day of _____ 2010

Gilles Girard

DATED at Montréal this ___ day of _____ 2010

Pierrette Girard

DATED at Montréal this ___ day of _____ 2010

Lise Dulude

DATED at Toronto this ___ day of _____ 2010 Franklin Templeton Investments Corp.

Per: _____

Per: _____

Handwritten signature
9/16/16

(j) this Settlement Agreement may be executed in any number of counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same instrument.

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DATED at Toronto this ___ day of _____ 2010 _____
Lawrence Dykun


DATED at Montréal this ___ day of _____ 2010 _____
Paul Huneault

DATED at Montréal this ___ day of _____ 2010 _____
Gilles Girard

DATED at Montréal this ___ day of _____ 2010 _____
Pierrette Girard

DATED at Montréal this ___ day of _____ 2010 _____
Lise Dulude

DATED at Toronto this ___ day of _____ 2010 Franklin Templeton Investments Corp.

Per:  _____
Dennis C. Tew
Senior Vice President & Chief Financial Officer

Per: Brad Beutenmiller

Brad Beutenmiller
Senior Vice President & Chief Counsel, Canada

(j) this Settlement Agreement may be executed in any number of counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same instrument.

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DATED at Toronto this ____ day of ____ 2010 _____
Lawrence Dykun

DATED at Montréal this 16 day of SEP. 2010 _____
Paul Huneault

SOREL-TRACY
DATED at Montréal this 16 day of SEP. 2010 _____
Gilles Girard

SOREL-TRACY
DATED at Montréal this 16 day of SEP. 2010 _____
Pierrette Girard

DATED at Montréal this 16 day of SEP. 2010 _____
Lise Dulude

DATED at Toronto this ____ day of ____ 2010 Franklin Templeton Investments Corp.

Per: _____

Schedule "B"

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 on _____, 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 the 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 by 5:00 pm on ●, 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 _____, 2010 beginning at _____ 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 \$●. 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, on or before _____, 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 •, 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.

*to be received
✓PMP.*

Schedule "C"

The Globe and Mail (National)

Vancouver Sun

Calgary Herald

Regina Leader Post

Winnipeg Free Press

London Free Press

Ottawa Citizen

Toronto Star

Halifax Chronicle Herald

DENNIS FISCHER, ET AL.
Plaintiffs

- and -

IG INVESTMENT MANAGEMENT LTD., ET AL.

Defendants
Court File No. 06-CV-307599CP

ONTARIO

SUPERIOR COURT OF JUSTICE

Proceeding Commenced at Toronto

ORDER

McCarthy Tétrault LLP
Suite 5300, Toronto Dominion Bank Tower
Toronto, ON M5K 1E6

Thomas G. Heintzman, Q.C.
Caroline Zayid
Tel. 416 601-7768
Fax 416 868-0673

Solicitors for Defendant,
Franklin Templeton Investments Corp.