

In the Supreme Court of British Columbia

Between

Kayne Michael Middleton

Plaintiff

and

Telus International (Cda) Inc., Jeffrey Puritt, Vanessa Kanu, Gopi Chande, Michael Ringman, Beth Howen, Darren Entwistle, Josh Blair, Madhuri Andrews, Olin Anton, Navin Arora, Doug French, Tony Geheran, Sue Paish, Carolyn Slaski and Sandra Stuart

Defendants

Brought under the *Class Proceedings Act*, R.S.B.C. 1996, c. 50

NOTICE OF APPLICATION
(Certification)

Name of applicant: The Plaintiff, Kayne Michael Middleton

To: The Defendants and their Solicitors

TAKE NOTICE that an application will be made by the applicant to the Honourable Justice Loo at the courthouse at 800 Smithe Street, Vancouver, BC V6Z 2E1, on ◆, at 10:00 am for ◆ days for the orders set out in Part 1 below.

The applicant estimates that the application will require 2 days.

[x] This matter is not within the jurisdiction of an Associate Judge. Justice Loo is the case management judge.

PART 1: ORDERS SOUGHT

1. The Plaintiff seeks an order:

- (a) Certifying this action as a class proceeding pursuant to the *Class Proceedings Act*, RSBC 1996, c 50 (“**CPA**”);
- (b) Defining the Class as:

All persons and entities who acquired one or more of Telus' subordinate voting shares between February 16, 2023 and August 1, 2024, inclusive, and held all or a portion of these subordinate voting shares at any moment between May 9, 2024 and August 1, 2024, inclusive (the "**Class Period**"), other than Excluded Persons, including a subclass of all persons and entities who acquired one or more of Telus' subordinate voting shares listed on the NYSE while residing outside of Canada (the "**Foreign Subclass**" and "**Foreign Subclass Members**"), and a subclass of all persons and entities who acquired one or more of Telus' subordinate voting shares listed on the TSX (the "**TSX Subclass**" and "**TSX Subclass Members**").

"**Excluded Persons**" means: the Defendants; Telus' past or present direct or indirect parents, subsidiaries, divisions, affiliates, partners, general partners, limited partners, partnerships, principals, shareholders, joint venturers, members, officers, directors, managers, managing directors, supervisors, employees, attorneys, including Defendants' counsel, auditors, accountants, advisors, investment bankers, representatives, insurers and reinsurers, trusts, trustees, trustors, agents, predecessors, successors, estates, assigns, assignees, heirs, executors, and administrators in their capacities as such; all members of the immediate families of Telus' directors and officers; and any entity in which any of Telus' officers, directors, or their immediate families have or had a controlling interest,

(collectively, the "**Class**" and "**Class Members**");

- (c) Appointing Kayne Michael Middleton as the representative Plaintiff on behalf of the Class;
- (d) Appointing Slater Vecchio LLP and ~~Emilie B. Kokmanian~~ Kokmanian Law Corporation as Class Counsel;
- (e) Stating the nature of the claims asserted on behalf of the Class against the Defendants to be based on:
 - i. ~~In relation to the TSX Subclass, B~~breaches of section 140.3 of the *Securities Act*, RSC 1985, c 416 (the "**Securities Act**") and, if necessary, the analogous provisions of the *Securities Act*, RSO 1990, c S.5, *Securities Act*, RSA 2000, c S-4, *The Securities Act*, CCSM c S50, *Securities Act*, SNB 2004, c S-5.5, *Securities Act*, RSNL 1990, c S-13, *Securities Act*, SNWT 2008, c 10, *Securities Act*, RSNS 1989, c 418, *Securities Act*, SNU 2008, c 12, *Securities Act*, RSPEI 1988, c S-3.1, *Securities Act*, RSQ c V-1.1 *The Securities Act*, 1988, SS 1988-89, c S-42.2, and *Securities Act*, SY 2007, c 16 (the "**Other Canadian Securities Legislation**");

- ii. Breaches of section 227 of the *Business Corporations Act*, SBC 2002, c 57 (the “**Business Corporations Act**”); and
 - iii. Negligent misrepresentation; ~~and~~
 - ~~iv. In relation to the Foreign Subclass, breaches of §§10(b) and 20(a) of the *Securities Exchange Act* of 1934, 15 USC §78 (the “**Securities Exchange Act**”);~~
- (f) Stating the relief sought on behalf of the Class to be:
- i. In relation to the ~~TSX Subclass~~Class:
 - (a) A declaration that the Impugned Documents and/or Public Oral Statements (defined *infra*) contained one or more misrepresentations and/or failures to make timely disclosure within the meaning of the *Securities Act* (and the Other Canadian Securities Legislation, if necessary);
 - (b) A declaration that the Defendants or some of them made the misrepresentations and/or failures to make timely disclosure; and
 - (c) Statutory damages under section 140.5 of the *Securities Act* and, if necessary, the analogous provisions of the Other Canadian Securities Legislation;
 - ii. In relation to the claim brought under the *Business Corporations Act*:
 - (a) A declaration under section 227 of the *Business Corporations Act* that:
 - (1) The affairs of Telus have been conducted in a manner that is wrongful and/or oppressive to one or more Class Members as shareholders; and
 - (2) The acts of Telus are unfairly prejudicial to one or more Class Members as shareholders;

- (b) An order under subsection 227(3)(m) of the *Business Corporations Act* that Telus pay Class Members all or part of the money that they paid to acquire their Telus securities, or otherwise compensate Class Members;
- iii. General damages for negligent misrepresentation;
- ~~iv. In relation to the Foreign Subclass:~~
 - ~~(a) A declaration that Defendants violated §10(b) of the *Securities Exchange Act* and Rule 10b-5;~~
 - ~~(b) Damages assessed in accordance with the *Securities Exchange Act* and interest thereon;~~
 - ~~(c) A declaration that the Individual Defendants acted as controlling persons of Telus within the meaning of §20(a) of the *Securities Exchange Act* and are liable by reason of their conduct; and~~
 - ~~(d) A declaration that Telus is vicariously liable for the acts and/or omissions of the Individual Defendants and, as may be applicable, of its other officers, directors, or employees;~~
- iv. Pre-judgment and post-judgment interest under the *Court Order Interest Act*, RSBC 1996, c 79 (the "***Court Order Interest Act***");
- v. An order directing a reference or giving such other directions as may be necessary to determine the issues, if any, not determined at a trial of the common issues; and
- vi. Such further and other relief as this Honourable Court may deem just;
- (g) Certifying the common issues set out in **Schedule "A"**, the terms of which shall form part of this Order;
- (h) Approving the Litigation Plan set out in **Schedule "B"**, the terms of which shall form part of this Order;
- (i) Approving the Notice Plan set out in **Schedule "C"**, the terms of which shall form part of this Order;

- (j) Stating that it is preferable for the class proceeding to be resolved in British Columbia under section 4(3) *CPA*; and
- (k) Such further and other relief as Class Counsel may request and this Honourable Court may deem just.

PART 2: FACTUAL BASIS

I. Overview

2. Telus International (Cda) Inc. (“**Telus**” or the “**Company**”) is a technology services company that offers customer experience (“**CX**”) management solutions to its clients. For years, Telus repeatedly told investors that its business model was “profitable growth” – in contrast to many other technology companies that prized pure revenue growth and expansion over maintaining and increasing profitability.

3. This strategy worked for some time. However, by February 16, 2023 (the first day of the proposed Class Period¹), Telus’ “profitable growth” strategy was under pressure. In an attempt to maintain its historically high profit margins and neutralize the threat posed by artificial intelligence (“**AI**”), Telus began to shift its business towards AI and presented this transition as a boon to the Company – constantly telling investors that Telus’ profitable growth strategy was not at risk because the Company would maintain its historic profitability by riding the AI wave.

4. Indeed, throughout the Class Period, Telus repeatedly assured investors that the Company’s AI offerings were the lynchpin to maintaining profitability because (i) there was high customer demand for these services and Telus was uniquely positioned to meet this demand, and (ii) these services could be utilized internally at Telus to keep down costs. These statements were made through earnings calls, regulatory filings, and investor communications, painting a picture of Telus as an emerging leader in AI-driven solutions and forecasting continued profitable growth as a result of these developments.

¹ Between February 16, 2023 to August 1, 2024, inclusive.

5. Specifically, on February 16, 2023,² May 4, 2023,³ May 12, 2023,⁴ July 13, 2023,⁵ August 4, 2023,⁶ November 3, 2023,⁷ February 9, 2024,⁸ May 9, 2024,⁹ May 13, 2024,¹⁰ and May 21, 2024¹¹ (collectively, the “**Misrepresentations**”), Telus made representations to its investors that, *inter alia*:

- (a) Telus is “better positioned than most to help enable this [AI] gold rush for years to come. It’s like we’re selling the pick and shovels”¹² and “extremely well positioned to win in this rapidly evolving market”;¹³
- (b) Telus’ “AI growth” was “impressive”;¹⁴
- (c) Telus “maintained [its] EBITDA margins” and “always executed towards profitable growth”,¹⁵ all the while shifting its revenue generating segments and pivoting towards alleged “faster-growing” segments because they would provide “a lot of opportunity”;¹⁶
- (d) With respect to the “longer-term horizon”, Telus “can continue to leverage [margin accretion in customer experience management (“**CXM**”)] and refine that in digital IT through the mix of [the Company’s] service offerings and in AI data solutions”;¹⁷

² The “**February 16, 2023 Investor Day Call**”. Affidavit No. 1 of Nickolas Gallina, made on December 12, 2024 (filed in *Middleton v. Telus International (Cda) Inc.*, Court File No S-248620 (BCSC, Vancouver Registry), Exhibit “NG21” (Bates 3611-3652) (“**Gallina Affidavit No. 1**”).

³ The “**Q1 2023 Interim FS**”, the “**Q1 2023 Interim MD&A**”, the “**May 4, 2023 Press Release**”, and the “**May 4, 2023 Earnings Call**”. Gallina Affidavit No. 1, Exhibits “NG25”-“NG28” (Bates 3761-3838).

⁴ The “**May 12, 2023 AGM**”. Gallina Affidavit No. 1, Exhibit “NG29” (Bates 3839-3848).

⁵ The “**July 13, 2023 Press Release**” and the “**July 13, 2023 Guidance/Update Call**”. Gallina Affidavit No. 1, Exhibits “NG30”-“NG31” (Bates 3849-3869).

⁶ The “**Q2 2023 Interim FS**”, the “**Q2 2023 MD&A**”, the “**August 4, 2023 Press Release**”, and the “**August 4, 2023 Earnings Call**”. Gallina Affidavit No. 1, Exhibits “NG34”-“NG37” (Bates 3876-3956).

⁷ The “**Q3 2023 Interim FS**”, the “**Q3 2023 Interim MD&A**”, the “**November 3, 2023 Press Release**”, and the “**November 3, 2023 Earnings Call**”. Gallina Affidavit No. 1, Exhibits “NG40”-“NG43” (Bates 3963-4043).

⁸ The “**FY 2023 FS**”, the “**FY 2023 MD&A**”, the “**2023 Annual Report**”, the “**February 9, 2024 Press Release**”, and the “**February 9, 2024 Earnings Call**”. Gallina Affidavit No. 1, Exhibits “NG45”-“NG47” and “NG50”-“NG51” (Bates 4089-4405 and 4410-4444).

⁹ The “**Q1 2024 Interim FS**”, the “**Q1 2024 Interim MD&A**”, the “**May 9, 2024 Press Release**”, and the “**May 9, 2024 Earnings Call**”. Gallina Affidavit No. 1, Exhibits “NG54”-“NG57” (Bates 4451-4525).

¹⁰ “**Base Shelf Prospectus**”. Gallina Affidavit No. 1, Exhibit “NG58” (Bates 4526-4551).

¹¹ The “**May 21, 2024 JPM Conference Call**”. Gallina Affidavit No. 1, Exhibit “NG63” (Bates 4563-4576).

¹² Gallina Affidavit No. 1, Exhibit “NG21” (Bates 3616).

¹³ Gallina Affidavit No. 1, Exhibit “NG21” (Bates 3615).

¹⁴ Gallina Affidavit No. 1, Exhibit “NG21” (Bates 3619).

¹⁵ Gallina Affidavit No. 1, Exhibit “NG21” (Bates 3641).

¹⁶ Gallina Affidavit No. 1, Exhibit “NG21” (Bates 3642).

¹⁷ Gallina Affidavit No. 1, Exhibit “NG21” (Bates 3647).

- (e) Telus was “well positioned to benefit from the continued proliferation of AI”;¹⁸
- (f) Telus’ “comprehensive solutions support” its clients’ development of the large language models that “fuel generative AI”;¹⁹
- (g) Generative AI was “a net positive” for Telus”;²⁰
- (h) With respect to the Company’s long-term outlook, Telus “[was] equipped to develop and deliver cutting-edge AI solutions”;²¹
- (i) Telus saw “meaningful opportunities as it relates to digital transformation, generative AI adoption, and the continuing critical importance of differentiated digital customer experience solutions in the market that [it] believe[s] will be a tailwind for Telus['] [...] long-term growth and profitability”;²²
- (j) Telus was not sacrificing profitable growth in its shift to AI, stating that while Telus “do[esn’t] want to miss out on new business opportunities, whether it’s net new or growth to existing [...] [Telus is] also not willing to discount [...] prices so much so that the margin yield implications are catastrophic”;²³
- (k) Telus’ “AI experience and expertise” led to (i) conversations with clients about consulting services on an advisory basis, and (ii) upselling additional AI services to those same clients;²⁴
- (l) Regardless of the “pervasive persistent [pricing] pressure”, the Company had managed to “create the [necessary] headroom [...] [to] capture the demand opportunity [...] but still generate [its] targeted margin yield”;²⁵
- (m) “AI is going to be the standout for [Telus] going forward through the entirety of 2024 and beyond”;²⁶

¹⁸ Gallina Affidavit No. 1, Exhibit “NG28” (Bates 3824).

¹⁹ Gallina Affidavit No. 1, Exhibit “NG28” (Bates 3824).

²⁰ Gallina Affidavit No. 1, Exhibits “NG28” and “NG37” (Bates 3820 and 3942).

²¹ Gallina Affidavit No. 1, Exhibit “NG29” (Bates 3843).

²² Gallina Affidavit No. 1, Exhibit “NG30” (Bates 3850).

²³ Gallina Affidavit No. 1, Exhibit “NG37” (Bates 3949).

²⁴ Gallina Affidavit No. 1, Exhibit “NG43” (Bates 4036).

²⁵ Gallina Affidavit No. 1, Exhibit “NG43” (Bates 4037).

²⁶ Gallina Affidavit No. 1, Exhibit “NG51” (Bates 4442).

- (n) “[T]he ongoing investments inside [Telus] to continue to enhance and amplify our ability to serve our customers, not just in terms of quality, but to do it in a way that creates the headroom we need to continue engendering the profitability returns that we’re looking for, and again, I think it’s a sign of the times, and I don’t see that changing anytime soon”;²⁷ and
- (o) Telus was cutting costs by “leveraging these very same [AI] tools and technologies and process excellence and reengineering” in order to “continue to generate [its] industry-leading margins and ensure the headroom in [its] cost structure”;²⁸

6. However, behind this positive façade lay a stark reality. Unbeknownst to investors, Telus’ transition to AI was not profitable and was, in fact, hurting the Company’s profitability. As the Defendants later admitted, Telus’ AI offerings generated margins that were “below average” compared to other business lines,²⁹ the Company’s “transition [towards AI] necessitate[d] some cannibalization of [its] tenured and higher-margin CX work”,³⁰ and its AI offerings were in many, if not all, cases being “deploy[ed] [as] pilots” for which Telus could not “charge full freight”³¹. Despite knowing that its shift towards AI was eroding its profit margins, Telus continued to misrepresent the growth and profitability it would generate from its AI products and failed to make timely disclosure of this material change in its business, operations, and capital – specifically, the Company’s shift away from “profitable growth” towards lower-margin AI services. The truth emerged through a series of corrective disclosures on May 9, 2024³² and August 2, 2024³³ (the “**Public Corrections**”) – that Telus’ AI offerings were lower-margin, trial-based, and cannibalizing higher-margin services, and, as a result, were negatively impacting the Company’s profitability and margins. The Company’s stock price dropped over 80% on both the TSX and NYSE throughout the Class Period, leading to substantial financial losses for Class Members.³⁴

²⁷ Gallina Affidavit No. 1, Exhibit “NG51” (Bates 4442).

²⁸ Gallina Affidavit No. 1, Exhibit “NG63” (Bates 4567).

²⁹ Gallina Affidavit No. 1, Exhibit “NG57” (Bates 4520).

³⁰ Gallina Affidavit No. 1, Exhibit “NG69” (Bates 4649).

³¹ Gallina Affidavit No. 1, Exhibit “NG63” (Bates 4571).

³² The Q1 2024 Interim FS, the Q1 2024 Interim MD&A, the May 9, 2024 Press Release, and the May 9, 2024 Earnings Call (collectively, the “**May 2024 Disclosure**”). Gallina Affidavit No. 1, Exhibits “NG54”-“NG57” (Bates 4451-4525).

³³ The “**Q2 2024 Interim FS**”, the “**Q2 2024 Interim MD&A**”, the “**August 2, 2024 Press Release**”, and the “**August 2, 2024 Earnings Call**” (collectively, the “**August 2024 Disclosure**”). Gallina Affidavit No. 1, Exhibits “NG66”-“NG69” (Bates 4583-4662).

³⁴ Affidavit No. 1 of Dr. Matthew D. Cain, made on August 29, 2025, Exhibit “B” (paras. 125-131 of expert opinion) (“**Cain Affidavit No. 1**”).

II. The Plaintiff

7. The Plaintiff, Kayne Michael Middleton, is a resident of British Columbia.³⁵ Throughout the Class Period, the Plaintiff purchased a total of 69,1299 shares of Telus on the TSX at a total cost of \$1,042.63 CAD.³⁶ The Plaintiff sold all of these shares on June 10, 2024 at \$8.00 CAD per share, for a total of \$553.04, resulting in a loss.³⁷

III. The Defendants

8. The Defendant Telus is a company incorporated under the *Business Corporations Act*. Telus is headquartered at 510 West Georgia Street Floor 7, Vancouver, British Columbia, V6B 0M3, Canada.³⁸

9. Telus is a responsible issuer within the meaning of the *Securities Act*, and is a reporting issuer in British Columbia, Alberta, Manitoba, New Brunswick, Newfoundland and Labrador, Northwest Territories, Nova Scotia, Nunavut, Ontario, Prince Edward Island, Québec, Saskatchewan, and Yukon.³⁹ British Columbia is Telus' principal jurisdiction.⁴⁰ Telus is a publicly traded company with the stock symbol (ticker) "TIXT" on the Toronto Stock Exchange (the "TSX") and New York Stock Exchange (the "NYSE").⁴¹ Telus' securities, specifically, subordinate voting shares, began trading on both the TSX and NYSE on February 3, 2021.⁴² 106,830,312 subordinate voting shares of Telus were issued and remain outstanding as of February 9, 2024.⁴³

10. Telus purports to design, build, and deliver next-generation digital solutions to enhance the CX for global brands.⁴⁴ Telus asserts that its services support the full lifecycle of its clients' digital transformation journeys and enables them to quickly embrace next-generation digital technologies that deliver better business outcomes.⁴⁵ Telus divides its product and service offerings into three broad categories: "Design", "Build", and "Deliver". The "Design" category encompasses digital strategy, CX process consulting, and user experience ("UX") and user

³⁵ Affidavit No. 1 of Kayne Michael Middleton, made on August 29, 2025, para. 3 ("Middleton Affidavit No. 1").

³⁶ Middleton Affidavit No. 1, paras. 4-5, Exhibits "A"- "C" (Bates 001-006).

³⁷ Middleton Affidavit No. 1, para. 14, Exhibit "H" (Bates 022-023).

³⁸ Gallina Affidavit No. 1, Exhibit "NG01" (Bates 0022).

³⁹ Affidavit No. 1 of Daniel Salgado, made on August 27, 2025, Exhibit "DS12" (Bates 234) ("Salgado Affidavit No. 1").

⁴⁰ Salgado Affidavit No. 1, Exhibit "DS12" (Bates 234).

⁴¹ Salgado Affidavit No. 1, Exhibit "DS12" (Bates 235).

⁴² Gallina Affidavit No. 1, Exhibit "NG08" (Bates 2776).

⁴³ Gallina Affidavit No. 1, Exhibit "NG45" (Bates 4090).

⁴⁴ Gallina Affidavit No. 1, Exhibit "NG41" (Bates 3990).

⁴⁵ Gallina Affidavit No. 1, Exhibit "NG42" (Bates 4023).

interface (“UI”) design. The “Build” category encompasses workforce transformation, engineering and application development and quality assurance, and AI data solutions. The “Deliver” category encompasses: customer care, sales, and technical support; content moderation (part of Telus’ “Trust & Safety” division); and managed solutions, including call or “contact” centers.⁴⁶

11. The Defendant Jeffrey (Jeff) Puritt (“**Puritt**”) is the Executive Vice Chair of Telus’ Board of Directors. Puritt also served as Telus’ President and Chief Executive Officer and was an officer and director of Telus within the meaning of the *Securities Act* throughout the Class Period.⁴⁷

12. The Defendant Vanessa Kanu (“**Kanu**”) served as Telus’ Chief Financial Officer and was an officer of Telus within the meaning of the *Securities Act* from the beginning of the Class Period (February 16, 2023) until March 31, 2024.⁴⁸

13. The Defendant Gopi Chande (“**Chande**”) has served as the Chief Financial Officer of Telus and has been an officer of Telus within the meaning of the *Securities Act* since March 4, 2024.⁴⁹

14. The Defendant Michael Ringman (“**Ringman**”) has served as Telus’ Chief Information Officer and has been an officer of Telus within the meaning of the *Securities Act* throughout the Class Period.⁵⁰

15. The Defendant Beth Howen (“**Howen**”) served as Telus’ Chief Transformation Officer and was an officer of Telus within the meaning of the *Securities Act* from the beginning of the Class Period (February 16, 2023)⁵¹ until December 15, 2023.⁵²

16. The Defendant Darren Entwistle (“**Entwistle**”) was a director of Telus within the meaning of the *Securities Act* throughout the Class Period.⁵³

17. The Defendant Josh Blair (“**Blair**”) was a director of Telus within the meaning of the *Securities Act* throughout the Class Period.⁵⁴

⁴⁶ Gallina Affidavit No. 1, Exhibit “NG01” (Bates 0173).

⁴⁷ Gallina Affidavit No. 1, Exhibit “NG01” (Bates 0196).

⁴⁸ Gallina Affidavit No. 1, Exhibits “NG01” and “NG50” (Bates 0197 and 4414). In certain documents filed with the U.S. Securities and Exchange Commission (“**SEC**”), Defendant Kanu is referred to as “Mahawa Vanessa Touray.”

⁴⁹ Gallina Affidavit No. 1, Exhibit “NG50” (Bates 4414).

⁵⁰ Gallina Affidavit No. 1, Exhibit “NG01” (Bates 0197).

⁵¹ Gallina Affidavit No. 1, Exhibit “NG15” (Bates 3418).

⁵² Gallina Affidavit No. 1, Exhibit “NG45” (Bates 4156).

⁵³ Gallina Affidavit No. 1, Exhibit “NG45” (Bates 4154).

⁵⁴ Gallina Affidavit No. 1, Exhibit “NG45” (Bates 4156).

18. The Defendant Madhuri Andrews (“**Andrews**”) was a director of Telus within the meaning of the *Securities Act* from March 9, 2023 until the end of the Class Period (August 1, 2024).⁵⁵
19. The Defendant Olin Anton (“**Anton**”) was a director of Telus within the meaning of the *Securities Act* throughout the Class Period.⁵⁶
20. The Defendant Navin Arora (“**Arora**”) was a director of Telus within the meaning of the *Securities Act* throughout the Class Period.⁵⁷
21. The Defendant Doug French (“**French**”) was a director of Telus within the meaning of the *Securities Act* throughout the Class Period.⁵⁸
22. The Defendant Tony Geheran (“**Geheran**”) was a director of Telus within the meaning of the *Securities Act* throughout the Class Period.⁵⁹
23. The Defendant Sue Paish (“**Paish**”) was a director of Telus within the meaning of the *Securities Act* throughout the Class Period.⁶⁰
24. The Defendant Carolyn Slaski (“**Slaski**”) was a director of Telus within the meaning of the *Securities Act* throughout the Class Period.⁶¹
25. The Defendant Sandra Stuart (“**Stuart**”) was a director of Telus within the meaning of the *Securities Act* throughout the Class Period.⁶²
26. Puritt, Kanu, Chande, Ringman, Howen, Entwistle, Blair, Andrews, Anton, Arora, French, Geheran, Paish, Slaski and Stuart are the “**Individual Defendants**”.

IV. Telus’ Shift Towards AI

27. Telus traditionally offered CX management solutions. Historically, these services primarily consisted of business process outsourcing, wherein Telus handled outsourced customer care tasks for its clients, including via the operation of call or “contact” centers. Over time, as Telus grew and acquired other companies, its offerings expanded to include the broader provision of

⁵⁵ Gallina Affidavit No. 1, Exhibit “NG45” (Bates 4155).

⁵⁶ Gallina Affidavit No. 1, Exhibit “NG45” (Bates 4155).

⁵⁷ Gallina Affidavit No. 1, Exhibit “NG45” (Bates 4155).

⁵⁸ Gallina Affidavit No. 1, Exhibit “NG45” (Bates 4155).

⁵⁹ Gallina Affidavit No. 1, Exhibit “NG45” (Bates 4155).

⁶⁰ Gallina Affidavit No. 1, Exhibit “NG45” (Bates 4155).

⁶¹ Gallina Affidavit No. 1, Exhibit “NG45” (Bates 4156).

⁶² Gallina Affidavit No. 1, Exhibit “NG45” (Bates 4156).

digital solutions such as legacy CX services, digital IT, data annotation, and content moderation, among others.⁶³

28. Around 2020, Telus began expanding into AI services. Key acquisitions included Lionbridge AI in December 2020,⁶⁴ India-based Playment in July 2021,⁶⁵ and WillowTree for \$1.225 billion USD in January 2023.⁶⁶ This shift coincided with a decline in revenue from Telus' legacy services and an increase in revenue from the Company's AI Data Solutions.⁶⁷

V. The Defendants' Positive Statements About Telus' AI Offerings

29. In releasing the Misrepresentations to the public, Telus repeatedly highlighted the Company's overall expected profitable growth, notably due to its shift towards AI, which was at the heart of Telus' strategy. These statements appeared in numerous filings, press releases, and investor events, including quarterly and annual reports from Q1 2023 to Q1 2024 and investor calls from February 2023 through May 2024.⁶⁸

VI. The Truth of the Challenges Facing Telus' Transition to AI Emerges

30. Despite these repeated assurances, Telus later revealed difficulties in executing its AI strategy in the release of the Public Corrections.

31. On its May 9, 2024 earnings call, Telus' CFO Chande admitted that the Company was seeing pressure on its margins and that the profitability of its AI offerings was "below average".⁶⁹ This was a notable departure from the Company's previously positive representations in relation to its AI services and the projected profitable growth attributed to them. A few weeks later, Telus' CEO Puritt specified that Telus had been "deploying [AI] pilots all over the place" and that "it's hard to charge full freight for a pilot when you're trying to prove out your credentials and capabilities and you're experimenting at a relatively small scale".⁷⁰

⁶³ Gallina Affidavit No. 1, Exhibit "NG14" (Bates 3345).

⁶⁴ Gallina Affidavit No. 1, Exhibit "NG01" (Bates 0026).

⁶⁵ Gallina Affidavit No. 1, Exhibit "NG16" (Bates 3564).

⁶⁶ Salgado Affidavit No. 1, Exhibits "DS1"- "DS2" (Bates 002 (acquisition value of \$1.225 billion) and 008 (acquisition completed in January 2023)).

⁶⁷ Gallina Affidavit No. 1, Exhibit "NG21" (Bates 3641).

⁶⁸ Gallina Affidavit No. 1, Exhibits "NG21", "NG25", "NG28"- "NG29", "NG31", "NG34", "NG37", "NG40", "NG43", "NG47", "NG51", "NG54", and "NG57" (Bates 3611-3652, 3761-3782, 3819-3848, 3857-3869, 3876-3899, 3937-3956, 3963-3986, 4024-4043, 4361-4405, 4426-4444, 4451-4471, 4507-4525).

⁶⁹ Gallina Affidavit No. 1, Exhibit "NG57" (Bates 4520). Also see the other documents comprising the May 2024 Disclosure: Gallina Affidavit No. 1, Exhibits "NG54"- "NG56" (Bates 4451-4506).

⁷⁰ Gallina Affidavit No. 1, Exhibit "NG63" (Bates 4571).

32. On August 2, 2024, Telus released revised FY 2024 guidance lowering revenue, Adjusted EBITDA, Adjusted EBITDA margins, and Adjusted Diluted EPS expectations.⁷¹ Puritt acknowledged persistent challenges, including limited cost savings, pricing issues, and margin dilution from AI's impact on legacy services.⁷² Telus also revealed, for the first time, that "[i]n the near term, however, th[e] transition [to AI] necessitates some cannibalization of our tenured and higher-margin CX work historically in the mid-20s to mid-30s EBITDA margin range with still nascent and relatively lower margin AI revenue streams".⁷³

VII. The Defendants' Misrepresentations

33. As detailed in paragraphs 52-62, 65-73, 76-77, 80-88, 91-109, 112-127, 130-139, 143-156 and 161-163 of the Amended NOCC, during the Class Period, the Defendants made the Misrepresentations in the Impugned Documents and Public Oral Statements regarding: (a) the Company's overall profitable growth; (b) the impact of its transition to AI on Telus' margins and profitability; (c) the reason for Telus' declining profitability; (d) the Company's internal use of AI solutions to increase efficiency, keep down costs, and help preserve profitable growth; and (e) the expected resolution of Telus' profitability issues, and failed to make timely disclosure of the negative change to Telus' business, operations, and/or capital caused by its profit-killing transition to AI offerings.⁷⁴

VIII. The Public Corrections

34. The Misrepresentations in the Impugned Documents and Public Oral Statements, as well as Telus' failures to make timely disclosure, were corrected sequentially through a series of partial disclosures.

35. The "**May 2024 Disclosure**", consisting of the "**Q1 2024 Interim FS**", "**Q1 2024 Interim MD&A**", "**May 9, 2024 Press Release**", and "**May 9, 2024 Earnings Call**", marked the first public acknowledgment that, in contrast to prior representations, Telus' AI offerings were generating below-average margins. For example, while Telus maintained that profitability remained strong,⁷⁵

⁷¹ Gallina Affidavit No. 1, Exhibit "NG68" (Bates 4633).

⁷² Gallina Affidavit No. 1, Exhibit "NG68" (Bates 4629-4633).

⁷³ Gallina Affidavit No. 1, Exhibit "NG69" (Bates 4649).

⁷⁴ See, for example, Gallina Affidavit No. 1, Exhibits "NG21", "NG25"- "NG31", "NG34"- "NG37", "NG40"- "NG43", "NG45"- "NG47", "NG50"- "NG51", "NG54"- "NG57", and "NG63" (Bates 3611-3652, 3761-3869, 3876-3956, 3963-4043, 4089-4405, 4410-4444, 4451-4525, 4563-4576).

⁷⁵ Gallina Affidavit No. 1, Exhibit "NG56" (Bates 4495).

Chande admitted during the **May 9, 2024 Earnings Call** that Telus was “seeing pressure on [its] margins” and that the margins generated by the Company’s AI offerings were below average.⁷⁶

36. The “**August 2024 Disclosure**”, consisting of the “**Q2 2024 Interim FS**”, “**Q2 2024 Interim MD&A**”, “**August 2, 2024 Press Release**”, and “**August 2, 2024 Earnings Call**”, provides a clear picture of the financial strain caused by Telus’ pivot to AI. Telus reported sharp declines in revenue, Adjusted EBITDA (quarter-over-quarter), and profit margins, and issued downgraded FY 2024 guidance.⁷⁷ Puritt openly acknowledged that the transition to AI had underperformed⁷⁸ and cannibalized higher-margin CX work.⁷⁹ He further conceded that AI cost savings were not materializing quickly enough, pricing pressure was intense, and Telus would need to lower expectations in the near term to recover margins over time.⁸⁰

37. The May 2024 Disclosure and the August 2024 Disclosure (collectively, the “**Public Corrections**”) revealed that Telus’ prior positive statements about the Company’s overall profit margins, including that of its AI offerings, were unfounded and failed to account for significant operational and financial headwinds caused by a change in Telus’ business, operations and capital.

IX. Telus’ Share Price Plummeted After Each of the Public Corrections

38. Telus’ share price fell sharply following the Public Corrections. After the May 2024 Disclosure, shares dropped approximately 18.7% on the TSX and 18.1% on the NYSE.⁸¹ Following the August 2024 Disclosure, shares declined a further 36.3% on the TSX and 36% on the NYSE.⁸²

⁷⁶ Gallina Affidavit No. 1, Exhibit “NG57” (Bates 4520).

⁷⁷ Further Amended Notice of Civil Claim, paras. 168-171 (“**FANOCC**”); Gallina Affidavit No. 1, Exhibit “NG68” (Bates 4632-4633).

⁷⁸ Gallina Affidavit No. 1, Exhibit “NG69” (Bates 4648).

⁷⁹ Gallina Affidavit No. 1, Exhibit “NG69” (Bates 4649).

⁸⁰ Gallina Affidavit No. 1, Exhibit “NG69” (Bates 4658).

⁸¹ FANOCC, para. 184.

⁸² FANOCC, para. 185.

X. Telus' Misrepresentations and Omitted Facts Were Economically Material and Caused Damage to the Plaintiff and Class Members

39. The Plaintiff has tendered a report from Dr. Matthew D. Cain, who holds a Ph.D. in Finance from Purdue University and serves as a Senior Fellow at the New York University School of Law.⁸³ In his report, Dr. Cain opines, *inter alia*, that:

- (a) The market for Telus' common shares were informationally efficient throughout the Class Period;⁸⁴
- (b) The Defendants' alleged misrepresentations in the Impugned Documents and Public Oral Statements, and failures to make timely disclosures of changes to Telus' business, operations, and capital were economically material to investors;⁸⁵
- (c) After the release of each of the Public Disclosures, the market price of Telus' common shares declined by a statistically significant amount after controlling for market-wide and industry-specific factors;⁸⁶ and
- (d) There is a methodology to quantify the damages suffered by Class Members as a result of Telus' misrepresentations and failure to make timely disclosures.⁸⁷

40. Dr. Cain's evidence provides some basis in fact for the proposed common issues. In particular, his evidence supports the issues concerning the Defendants' alleged breaches of the *Securities Act* (and, if necessary, the Other Canadian Securities Legislation) and negligent misrepresentation.

PART 3: LEGAL BASIS

41. The Plaintiff and Class Members plead and rely on the *CPA*, the *Securities Act*, the Other Canadian Securities Legislation, the *Business Corporations Act*, ~~the *Securities Exchange Act*~~, the *Court Order Interest Act*, the *Negligence Act*, RSBC 1996, c 333 (the "**Negligence Act**"), the *Court Jurisdiction and Proceedings Transfer Act*, SBC 2003, c 28 ("**CJPTA**"), and the Supreme Court Civil Rules, BC Reg 168/2009 and related enactments.

⁸³ Cain Affidavit No. 1, Exhibit "B" (Bates 91-101).

⁸⁴ Cain Affidavit No. 1, Exhibit "B" (Bates 19-31) (paras. 25-51 of expert opinion).

⁸⁵ Cain Affidavit No. 1, Exhibit "B" (Bates 31-59) (paras. 52-95 of expert opinion).

⁸⁶ Cain Affidavit No. 1, Exhibit "B" (Bates 59-85) (paras. 96-124 of expert opinion).

⁸⁷ Cain Affidavit No. 1, Exhibit "B" (Bates 87-90) (paras. 129-136 of expert opinion).

I. Certification – Legal Principles

42. The court must certify an action as a class proceeding if, subject to subsections 4(3) and (4), all of the criteria of section 4(1) of the *CPA* are met.⁸⁸ Class certification does not concern the merits of the action, but merely its form.⁸⁹ The threshold for a proposed class proceeding under section 4(1)(a) is the “very low” threshold of “not bound to fail”.⁹⁰ Under sections 4(1)(b) through 4(1)(e), the plaintiff need only show “some basis in fact”.⁹¹

43. As detailed below, the requirements of section 4 have been met, and this case is ideally suited for a class proceeding. This action should therefore proceed as a class proceeding.

II. Section 4(1)(a): Causes of Action

44. Section 4(1)(a) of the *CPA* requires that the pleadings disclose a cause of action. This criterion will be satisfied unless, assuming all facts pleaded to be true, it is plain and obvious that the plaintiff’s claim cannot succeed.⁹² This is decided on the pleadings alone – the certification judge is not to conduct a review of the merits of the claim.⁹³ If a novel claim is arguable, then the generous approach to reviewing pleadings means the low bar to passing section 4(1)(a) will be overcome, unless there is a binding case squarely on point or the interpretive exercise is so straightforward that the answer is plain and obvious, even without previous case authority.⁹⁴

45. The Further Amended Notice of Civil Claim (the “**FANOCC**”) asserts a reasonable cause of action for: (1) breaches of the *Securities Act* and, if necessary, the analogous provisions of the Other Canadian Securities Legislation; (2) breaches of the *Business Corporations Act*; and (3) negligent misrepresentation; ~~and (4) breaches of the *Securities Exchange Act*.~~ The pleadings are not bound to fail and satisfy the requirements of section 4(1)(a) of the *CPA*.

⁸⁸ *Class Proceedings Act*, [RSBC 1996, c 50](#), s. 4(1) (“**CPA**”).

⁸⁹ *Hollick v. Toronto (City of)*, [2001 SCC 68](#), para. 16 (“**Hollick**”).

⁹⁰ *Hollick*, para 25; *Trotman v. WestJet Airlines Ltd.*, [2022 BCCA 22](#), para. 46 (“**Trotman**”).

⁹¹ *Mayer v. Merchant Law Group LLP*, [2025 BCSC 1106](#), para. 34 (“**Mayer**”); *Hollick*, para. 25.

⁹² *Mayer*, para. 45; *Hollick* at para 25.

⁹³ *Mayer*, para. 40; *Trotman*, para. 57.

⁹⁴ *Trotman*, para. 46.

A. Breaches of the *Securities Act*

46. The FANOCC details the Defendants' violation of Part 16.1 of the *Securities Act* for misrepresentations in the Impugned Documents and Public Oral Statements and/or failures to make timely disclosures of material changes in Telus' business, operations, and capital.

47. The Plaintiff has pleaded the required elements to establish liability and an entitlement to damages under section 140.3 of the *Securities Act*. Specifically, the Plaintiff pleads that:

- (a) Telus is a "responsible issuer";⁹⁵
- (b) The Director Defendants were, at material times, each a "director" of Telus;⁹⁶
- (c) The Officer Defendants were, at material times, each an "officer" of Telus;⁹⁷
- (d) The Officer Defendants authorized, permitted, or acquiesced in:
 - i. The release of some or all of the Impugned Documents;⁹⁸
 - ii. The making of some or all of the Public Oral Statements;⁹⁹ and/or
 - iii. The failures to make timely disclosure;¹⁰⁰
- (e) The Core Documents are "core documents";¹⁰¹
- (f) The Impugned Documents are "documents";¹⁰²
- (g) The Public Oral Statements are "public oral statements";¹⁰³

⁹⁵ FANOCC, paras. 12 (material facts) and 209 (legal basis). *Securities Act*, [RSBC 1985, c 418](#), s. 140.1 ("**Securities Act**").

⁹⁶ FANOCC, paras. 19, 24-33, 198 (material facts) and 212, 225-234 (legal basis). *Securities Act*, s. 1(1).

⁹⁷ FANOCC, paras. 19-23, 190, 192-197 (material facts) and 213 (legal basis). *Securities Act*, s. 1(1).

⁹⁸ FANOCC, paras. 136, 186(d)-(e), 192-197, 202-203 (material facts) and 213 (legal basis). *Securities Act*, s. 140.3(1)(c).

⁹⁹ FANOCC, paras. 136, 186(d)-(e), 190, 192 (material facts) and 213 (legal basis). *Securities Act*, s. 140.3(2)(c).

¹⁰⁰ FANOCC, paras. 136, 186(d)-(e), 192, 194-197 (material facts) and 213 (legal basis). *Securities Act*, s. 140.3(4)(c).

¹⁰¹ FANOCC, paras. 65, 67-68, 91, 94, 112, 116, 130-132, 134, 136, 143-145, 147, 161, 186-187, 189, 192-194, 198 (material facts) and 214 (legal basis). *Securities Act*, s. 140.1.

¹⁰² FANOCC, paras. 65-68, 80-82, 91-94, 112-116, 130-136, 143-145, 147, 149, 161, 186-189, 192-194, 198 (material facts) and 215 (legal basis). *Securities Act*, s. 140.1.

¹⁰³ FANOCC, paras. 50-62, 69-73, 76-77, 83-88, 95-109, 117-127, 137-139, 150-157, 162-164, 190 (material facts) and 216 (legal basis). *Securities Act*, s. 140.1.

- (h) The Defendants' failures to disclose the negative impact on Telus' profitability caused by the Company's shift towards AI offerings are each a "failure to make timely disclosure";¹⁰⁴
- (i) The Public Corrections are public corrections;¹⁰⁵
- (j) The Impugned Documents and Public Oral Statements contained "misrepresentation[s]";¹⁰⁶
- (k) With respect to each of the Non-Core Documents and Public Oral Statements, Telus and the Individual Defendants, during the time that they were directors and/or officers of the Company:
 - i. knew at the time that the document was released and/or the public oral statement was made that it contained a misrepresentation;
 - ii. at or before the time the document was released and/or the public oral statement was made, deliberately avoided acquiring knowledge that it contained a misrepresentation; or
 - iii. through action or failure to act, are guilty of gross misconduct in connection with the release of the document and/or making of the public oral statement;¹⁰⁷
- (l) With respect to their failures to make timely disclosure of a material change, the Director Defendants, during the time that they were directors of Telus:
 - i. knew of the change at the time that the failure to make timely disclosure first occurred, and that it was material;

¹⁰⁴ FANOC, paras. 1-8, 13-18, 37-49, 52-63, 65-74, 76-78, 80-89, 91-110, 112-128, 130-140, 143-156, 159, 161-163, 165, 180-182, 191-193, 199 (material facts) and 217 (legal basis). *Securities Act*, s. 140.1.

¹⁰⁵ FANOC, paras. 7, 9, 97-98, 142-148, 154, 157-159, 168-179, 183-185 (material facts) and 218 (legal basis). *Securities Act*, s. 140.5(1)-(2).

¹⁰⁶ FANOC, paras. 1-8, 37-49, 52-62, 64-73, 75-77, 79-88, 90-109, 111-127, 129-139, 141, 143-156, 160-163, 166, 180-182, 191-193, 199 (material facts) and 219 (legal basis). *Securities Act*, s. 1(1).

¹⁰⁷ FANOC, paras. 19-33, 63-64, 68, 74-75, 78-79, 89-90, 94, 110-111, 128-129, 136, 140-141, 143-148, 159-160, 165-166, 192, 194-197 (material facts) and 235 (legal basis). *Securities Act*, s. 140.4(1).

- ii. at or before the failure to make timely disclosure first occurred, deliberately avoided acquiring knowledge of the change or that the change was material; or
 - iii. were, through action or failure to act, guilty of gross misconduct in connection with the failure to make timely disclosure;¹⁰⁸
- (m) With respect to the misrepresentations made in the Impugned Documents and Public Oral Statements and failures to make timely disclosure, the Individual Defendants, during the time that they were directors and/or officers of Telus:
- i. authorized, permitted, or acquiesced in the making of the misrepresentations and/or the failures to make timely disclosure while knowing that it was a misrepresentation or a failure to make timely disclosure; or
 - ii. influenced the making of the misrepresentations and/or the failures to make timely disclosure while knowing that it was a misrepresentation or a failure to make timely disclosure;¹⁰⁹
- (n) The Individual Defendants are jointly and severally liable for damages in respect of any misrepresentations made and/or failures to make timely disclosure at the time that they were officers or directors of Telus;¹¹⁰ and
- (o) The Plaintiff and other ~~TSX Subclass~~Class Members are entitled to damages.¹¹¹

48. The Plaintiff further pleads the analogous provisions of the Other Canadian Securities Legislation.¹¹²

49. The Plaintiff has pleaded the requisite elements of a secondary market claim under section 140.3 of the *Securities Act*. This pleading satisfies the section 4(1)(a) criterion.

¹⁰⁸ FANOCC, paras. 19, 24-33, 63-64, 68, 74-75, 78-79, 89-90, 94, 110-111, 128-129, 136, 140-141, 143-148, 159-160, 165-166, 198 (material facts) and 236 (legal basis). *Securities Act*, s. 140.1(3).

¹⁰⁹ FANOCC, paras. 19-33, 63-64, 68, 74-75, 78-79, 89-90, 94, 110-111, 128-129, 136, 140-141, 143-148, 159-160, 165-166, 192, 194-197 (material facts) and 238 (legal basis). *Securities Act*, s. 140.3(1)-(2) and (4).

¹¹⁰ FANOCC, para. 238 (legal basis). *Securities Act*, s. 140.6(3).

¹¹¹ FANOCC, paras. 8-10, 179, 183-185, 201-205 (material facts) and 240 (legal basis). *Securities Act*, s. 140.5.

¹¹² FANOCC, paras. 1-10, 12-33, 37-166, 168-207 (material facts) and 210, 214-219, 239-240 (legal basis).

B. Breaches of the *Business Corporations Act*

50. The Plaintiff seeks relief from oppression under section 227 of the *Business Corporations Act*. The Plaintiff submits that, if appointed as the representative plaintiff, he would qualify as an “appropriate person” under subsection 227(1) as a person who formerly held shares in the company and as a person toward whom the company might have a contingent liability.¹¹³ He would therefore be entitled to seek an order under subsection 227(2) of the *Business Corporations Act*.

51. The Plaintiff has set out the necessary elements to establish both liability and relief under section 227 of the *Business Corporations Act*. In particular, the Plaintiff alleges that:

- (a) Telus is incorporated under the *Business Corporations Act*,¹¹⁴
- (b) The Plaintiff and Class Members are current or former shareholders or other persons for whom it is appropriate to obtain relief from oppression under section 227,¹¹⁵
- (c) The Plaintiff and Class Members had reasonable expectations about how the business and affairs of Telus would be conducted;¹¹⁶
- (d) Telus violated the reasonable expectations of the Plaintiff and Class Members;¹¹⁷ and
- (e) The violation of the reasonable expectations of the Plaintiff and Class Members was wrongful, oppressive and/or unfairly prejudicial to securityholders of Telus, including the Plaintiff and Class Members.¹¹⁸

52. The Plaintiff has pleaded the requisite elements of oppression under section 227 of the *Business Corporations Act*. This pleading satisfies the section 4(1)(a) criterion.

¹¹³ See, for example, *Manjit Randhawa v. Gateway Building Management Ltd.*, [2013 BCSC 1662](#), paras. 97-100; *Briere Sound Ltd. v. Briere*, [2014 BCSC 417](#), paras. 77, 91, and 95.

¹¹⁴ FANOCC, paras. 11 (material facts) and 254 (legal basis).

¹¹⁵ FANOCC, paras. 8-10, 35-36, 179, 183-185, 201-207 (material facts) and 255 (legal basis). *Business Corporations Act*, [SBC 2002, c 57](#), s. 227(1)-(2) (“**Business Corporations Act**”).

¹¹⁶ FANOCC, paras. 200 (material facts) and 255 (legal basis). *Runnalls v. Regent Holdings Ltd.*, [2010 BCSC 1106](#), paras. 39-40 (“**Runnalls**”).

¹¹⁷ FANOCC, paras. 1-10, 12-33, 37-166, 168-207 (material facts) and 257 (legal basis). *Runnalls*, paras. 39-40.

¹¹⁸ FANOCC, paras. 8-10, 179, 183-185, 200-207 (material facts) and 258 (legal basis). *Business Corporations Act*, s. 227(2). *Runnalls*, para. 41.

C. Negligent Misrepresentation

53. The FANOCC discloses a cause of action in negligent misrepresentation. The Plaintiff pleads the constituent elements of negligent misrepresentation, namely:¹¹⁹ (1) there existed a duty of care between the Defendants and Class Members based on a “special relationship”;¹²⁰ (2) the Defendants made a representation that was untrue, inaccurate, or misleading;¹²¹ (3) the Defendants acted at least negligently in making the misrepresentation;¹²² (4) the Class Members reasonably relied on the negligent misrepresentation;¹²³ and (5) the Class Members’ reliance was detrimental in that damages resulted.¹²⁴

54. A “special relationship” exists where (as here) the plaintiff’s reliance on the representation was reasonably foreseeable to the defendant and was reasonable in the circumstances.¹²⁵ This Court has confirmed that it is not plain and obvious that there is no special relationship between reporting issuers, directors, and officers on the one hand, and secondary market purchasers on the other.¹²⁶ The Plaintiff adequately pleads the existence of a “special relationship” between the Defendants and Class Members.¹²⁷

55. The Plaintiff’s pleading of negligent misrepresentation is “not bound to fail” and ought to be certified.

D. Breaches of the Securities Exchange Act

~~56. With respect to the Foreign Subclass, the ANOCC likewise discloses a cause of action for violation of §§10(b) and 20(a) of the Securities Exchange Act.¹²⁸ The Plaintiff pleads that during~~

¹¹⁹ *Queen v. Cognos Inc.*, [1993 CanLII 146 \(SCC\)](#), [1993] 1 S.C.R. 87, p. 110.

¹²⁰ FANOCC, paras. 201-206 (material facts) and 241-245, 250 (legal basis).

¹²¹ FANOCC, paras. 1-9, 13-18, 37-49, 52-63, 65-156, 159-163, 165-166, 168-185, 191-193, 199 (material facts) and 242-247 (legal basis).

¹²² FANOCC, paras. 19-33, 63-64, 68, 74-75, 78-79, 89-90, 94, 110-111, 128-129, 136, 140-141, 143-148, 159-160, 165-166, 186(d)-(e), 190, 192-198, 202-203 (material facts) and 247-249 (legal basis).

¹²³ FANOCC, paras. 206 (material facts) and 250 (legal basis).

¹²⁴ FANOCC, paras. 8-10, 179, 183-185, 201-207 (material facts) and 251-252 (legal basis).

¹²⁵ *Wang v. Guo*, [2024 BCSC 380](#), paras. 339-340.

¹²⁶ *Tietz v. Bridgemark Financial Corp.*, [2024 BCSC 1166](#), para. 91 (“*Tietz*”). Also see *Silver v. Imax Corporation* (2009), [86 C.P.C. \(6th\) 273](#), [2009 CanLII 72334 \(Ont. S.C.J.\)](#), paras. 25-55.

¹²⁷ FANOCC, paras. 201-206 (material facts) and 241-245, 250 (legal basis).

¹²⁸ ~~To recover damages for violations of section 10(b) and Rule 10b-5 of the Securities Exchange Act, a plaintiff must prove: “(1) a material misrepresentation or omission by the defendant; (2) scienter; (3) a connection between the misrepresentation or omission and the purchase or sale of a security; (4) reliance upon the misrepresentation or omission; (5) economic loss; and (6) loss causation” (*Halliburton Co. v. Erica P. John Fund, Inc.*, 573 U.S. 258, 267 (2014); see also *Amgen Inc. v. Connecticut Ret. Plans & Tr. Funds*, 568 U.S. 455, 460-461 (2013); *Janus Cap. Grp., Inc. v. First Derivative Traders*, 564 U.S. 135, 140 n.3 (2011); *Matrixx Initiatives, Inc. v. Siracusano*, 563 U.S. 27, 37-38 (2011); Thomas Lee Hazen, Summary of the Principal Elements of a Rule 10b-5 Claim, 3 Law Sec. Reg. §12.19 (updated May 2025)).~~

~~the Class Period, the Defendants made the false or misleading statements and failed to disclose material facts necessary in order to make the statements made (whether in the Impugned Documents or Public Oral Statements) not misleading.¹²⁹ The Plaintiff further pleads that the Defendants made their misstatements knowingly or recklessly, i.e. with scienter.¹³⁰ As a result, the Plaintiff pleads that the Defendants violated §10(b) of the *Securities Exchange Act* and Rule 10b-5 in that the Defendants: (1) employed devices, schemes, and artifices to defraud; (2) made untrue statements of material facts or omitted to state material facts necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading; or (3) engaged in acts, practices, and a course of business that operated as a fraud or deceit upon the Foreign Subclass Members in connection with their purchases of Telus securities during the Class Period.¹³¹~~

~~57. — The Foreign Subclass Members have suffered damages in that, in reliance on the integrity of the market, they paid artificially inflated prices for Telus' securities.¹³²~~

~~58. — Additionally, the ANOCC discloses violations of §20(a) of the *Securities Exchange Act*.¹³³ The Plaintiff has pleaded that the Individual Defendants acted as controlling persons of Telus within the meaning of §20(a) of the *Securities Exchange Act*.¹³⁴ By reason of their positions with Telus, the Individual Defendants had the power and authority to cause Telus to engage in the wrongful conduct complained of herein.¹³⁵ By reason of such conduct, the Individual Defendants are liable pursuant to §20(a) of the *Securities Exchange Act*.~~

III. Section 4(1)(b): Identifiable Class

56. Section 4(1)(b) requires that there is an identifiable class of two or more persons. On the identifiable class requirement, the guiding principles are:

¹²⁹ FANOCC, paras. 1-8, 52-62, 65-73, 76-77, 80-88, 91-109, 112-127, 130-139, 143-156, 161-163, 180-182, 199 (material facts) and 264-269 (legal basis).

¹³⁰ FANOCC, paras. 37-48, 50-62, 65-73, 76-77, 80-88, 91-109, 112-127, 130-139, 143-156, 161-163, 180, 194-197 (material facts) and 270-276 (legal basis).

¹³¹ FANOCC, paras. 1-8, 52-62, 65-73, 76-77, 80-88, 91-109, 112-127, 130-139, 143-156, 161-163, 180-182, 199 (material facts) and 290-292 (legal basis).

¹³² FANOCC, paras. 12, 183-185 and 200-207 (material facts) and 283-287 (legal basis).

¹³³ FANOCC, paras. 1-8, 19-34, 52-62, 65-73, 76-77, 80-88, 91-109, 112-127, 130-139, 143-156, 161-163, 180-182, 192, 194-197, 199 (material facts) and 264-269, 293 (legal basis).

¹³⁴ FANOCC, paras. 1-8, 19-34, 52-62, 65-73, 76-77, 80-88, 91-109, 112-127, 130-139, 143-156, 161-163, 180-182, 190, 192, 194-197, 199 (material facts) and 264-269, 293 (legal basis).

¹³⁵ FANOCC, paras. 19-34, 190, 192, 194-197 (material facts) and 264-269, 293 (legal basis).

- (a) The purpose is to determine who is entitled to notice, relief, and bound by the final judgment;
- (b) The class definition must be objective, not depend on the merits, and bear a rational relationship to the common issues;
- (c) The class definition must not be unnecessarily broad, but must also not arbitrarily exclude potential class members; and
- (d) Evidence adduced by the plaintiff must establish that at least two persons could self-identify as class members and could later prove they are members of the class.¹³⁶

57. ~~This British Columbia Courts~~ has held that claims – ~~other than~~ including those under provincial securities legislation ~~that have no application~~ relating to shares distributed on foreign exchanges – may be advanced on behalf of a global class.¹³⁷ Accordingly, the Plaintiff seeks to certify a global class of purchasers in respect of his claims for negligent misrepresentation and for relief from oppression under the *Business Corporations Act*.¹³⁸

58. The proposed class definition has objective criteria and is sufficiently clear; any particular person's claim to membership in the class is determined by stated objective criteria – the purchase of Telus shares and the holding of those shares within a defined time period – which will permit proposed Class Members to self-identify as members of the Class. The Plaintiff is a member of the proposed Class as that term is defined in this Notice of Application.¹³⁹ That two or more Class Members exist can be inferred from the volume of Telus shares sold during the Class Period.¹⁴⁰ Finally, there is a rational relationship between the class definition and the proposed common issues;¹⁴¹ the issues centre on the core factual and legal issues going to each cause of action, which tie directly in the ~~respective subclasses~~ articulated in the claim.

¹³⁶ *Jiang v. Peoples Trust Company*, [2017 BCCA 119](#), paras. 73-82 (“*Jiang 2017*”).

¹³⁷ *Tietz*, paras. 132-137; *Tietz v. BLOK Technologies Inc.*, [2026 BCCA 45](#), para. 49.

¹³⁸ FANOC, para. 36.

¹³⁹ Middleton Affidavit No. 1, paras. 4-5 and 14.

¹⁴⁰ Cain Affidavit No. 1, Exhibit “B” (Bates 20-21) (para. 28 of expert opinion).

¹⁴¹ *Jiang 2017*, paras. 73-76.

IV. Section 4(1)(c): Common Issues

59. Establishing commonality at certification requires demonstrating that common issues exist as to the claims of all class members. Evidence sufficient to prove those common issues is not required.¹⁴² Section 1 of the *CPA* defines common issues as:

- (a) Common but not necessarily identical issues of fact, or
- (b) Common but not necessarily identical issues of law that arise from common but not necessarily identical facts.

60. The purpose of this requirement is to ensure that there is a minimum evidentiary threshold to support certification.¹⁴³ The "some basis in fact" standard is a low threshold that is best understood as being in contrast to no basis in fact.¹⁴⁴ The test is not whether the answer to the common issues will be identical for all class members or that all class members would benefit from the answers to the same extent.¹⁴⁵

61. The existence of common issues is determined by whether there are live issues of fact or law, which may not always be an evidentiary matter,¹⁴⁶ and may be supported by the pleadings or the law alone.¹⁴⁷ In essence, commonality turns on whether a class proceeding will avoid duplication of fact-finding or legal analysis.¹⁴⁸

62. The Plaintiff proposes common issues of fact and law in Schedule "A" to this Notice of Application, which the Plaintiff groups into five categories:

- (a) Breaches of the *Securities Act*;
- (b) Breaches of the *Business Corporations Act*;
- (c) Negligent Misrepresentation; and
- ~~(d) Breaches of the *Securities Exchange Act*, and~~

¹⁴² *Pro-Sys Consultants Ltd. v. Microsoft Corporation*, 2013 SCC 57, para. 110 ("**Pros-Sys**"); *Trotman*, para. 57.

¹⁴³ *British Columbia v. Apotex Inc.*, [2025 BCSC 92](#), para. 583 ("**Apotex**").

¹⁴⁴ *Apotex*, para. 593. Indeed, "even a significant level of difference among the class members does not preclude a finding of commonality (*Pro-Sys*, para. 112).

¹⁴⁵ *Trotman*, paras. 56–59. Also see, *Vivendi Canada Inc. v. Dell'Aniello*, [2014 SCC 1](#), paras. 45-46.

¹⁴⁶ *Apotex*, para. 588.

¹⁴⁷ *Apotex*, para. 583.

¹⁴⁸ *Western Canadian Shopping Centres Inc. v. Dutton*, [2001 SCC 46](#), para. 39.

(d) Aggregate Damages.

A. Breaches of the *Securities Act*

63. Common issues 1 to 5 ask whether the Defendants and the Impugned Documents and Public Oral Statements at issue fall within the statutory definitions under the *Securities Act*. These issues are common because determinations as to the impact of the Misrepresentations and Public Corrections underpin the claims of all proposed ~~TSX Subclass~~Class Members and can be determined uniformly, without reference to the individual circumstances of individual ~~TSX Subclass~~Class Members.

64. Common issues 6 to 14 concern whether the Impugned Documents and Public Oral Statements contained “misrepresentations” within the meaning of the *Securities Act*, whether the Misrepresentations were corrected through the Public Corrections, and whether the Defendants (or some of them) authorized, permitted, acquiesced in, or had knowledge of the Misrepresentations or were wilfully blind or grossly negligent in that regard. These issues are common because they raise questions of law and fact that can be determined on a class-wide basis, without reference to the circumstances of individual ~~TSX Subclass~~Class Members.

65. Common issues 15 to 18 relate to the alleged failure by the Defendants to make timely disclosure of material changes as required under section 140.3(4) of the *Securities Act*. These issues include whether the alleged Misrepresentations constituted a failure to make timely disclosure, whether the Public Corrections amounted to subsequent disclosures, and whether the Defendants (or some of them) had the requisite knowledge or culpability in relation to the failure. Like common issues 6 to 14, these issues are common as they arise from the same course of alleged conduct, are based on uniform legal standards, and are capable of resolution without individual inquiries.

66. Common issues 19 to 24 address whether the statutory prerequisites for liability under sections 140.3(1)(2) and (4), 140.5, and 140.6 of the *Securities Act* are satisfied, including the entitlement of ~~TSX Subclass~~Class Members to damages and the proportionate liability of the Defendants. These issues are common because they focus on the application of uniform statutory provisions to the Defendants’ conduct and can be adjudicated on a class-wide basis.

67. Common issues 1 to 24 are grounded in the evidence of the Defendants' public statements and business operations,¹⁴⁹ as well as the pleadings,¹⁵⁰ and arise directly from the applicable legislative framework.¹⁵¹ Additionally, Dr. Cain's evidence provides support for some of the elements of the following common issues:

- (a) Common issue 6 (whether some or all of the Core Documents contained a misrepresentation within the meaning of the *Securities Act*);¹⁵²
- (b) Common issue 7 (whether some or all of the Non-Core Documents contained a misrepresentation within the meaning of the *Securities Act*);¹⁵³
- (c) Common issue 8 (whether some or all of the Public Oral Statements contained a misrepresentation within the meaning of the *Securities Act*);¹⁵⁴
- (d) Common issue 9 (whether some or all of the misrepresentations in the Impugned Documents and Public Oral Statements were corrected by one or both of the Public Corrections);¹⁵⁵
- (e) Common issue 15 (whether the Defendants failed to make timely disclosure under the *Securities Act*);¹⁵⁶
- (f) Common issue 16 (whether one or both of the Public Corrections constituted a subsequent disclosure of a material change within the meaning of the *Securities Act*);¹⁵⁷ and
- (g) Common issue 23 (whether the ~~TSX-Subclass~~Class Members are entitled to damages under the *Securities Act* as a result of the Defendants' misrepresentations or failure to make timely disclosure).¹⁵⁸

¹⁴⁹ Gallina Affidavit No. 1, Exhibits "NG01"- "NG70" (Bates 0002-4665).

¹⁵⁰ Gallina Affidavit No. 1, Exhibits "NG01"- "NG70" (Bates 0002-4665). FAN OCC, paras. 210-240.

¹⁵¹ *Securities Act*, ss. 140.1-140.7.

¹⁵² Cain Affidavit No. 1, Exhibit "B" (Bates 31-60) (paras. 52-98 of expert opinion).

¹⁵³ *Id.*

¹⁵⁴ *Id.*

¹⁵⁵ *Id.*

¹⁵⁶ *Id.*

¹⁵⁷ Cain Affidavit No. 1, Exhibit "B" (Bates 60-85) (paras. 99-124 of expert opinion).

¹⁵⁸ Cain Affidavit No. 1, Exhibit "B" (Bates 85-90) (paras. 125-136 of expert opinion).

68. This Court certified highly similar common issues in *Tietz v. Bridgemark Financial Corp.*, [2024 BCSC 1166](#) (“*Tietz*”).¹⁵⁹ Common issues 1 to 24 are amenable to common adjudication and should be certified.

B. Breaches of the *Business Corporations Act*

69. Common issues 25 to 27 relate to the Plaintiff’s claim under section 227 of the *Business Corporations Act*. These issues ask whether, during the Class Period, the affairs of Telus were conducted, or the powers of the Director Defendants were exercised, in a manner that was oppressive to one or more Class Members, and, if so, whether the Court should grant relief under section 227(3), including compensation or other appropriate remedies.

70. These issues are common because they arise from Telus and the Individual Defendants’ conduct in relation to all shareholders during the Class Period, and do not require any examination of individual Class Members’ circumstances. The questions of whether the conduct was oppressive, whether it warrants relief under the *Business Corporations Act*, and the principles by which compensation or other remedies should be determined are legal and factual issues capable of resolution on a class-wide basis.

71. Common issue 25 asks whether the affairs of Telus were conducted, or the powers of the Director Defendants were exercised, in a manner oppressive to the Plaintiff and Class Members. The Plaintiff’s evidence that, contrary to the representations the Company and the Director Defendants made to the public, Telus’ transition to AI offerings had a substantial negative impact on Telus’ growth and profitability¹⁶⁰ constitutes some basis in fact for the existence of this common issue. Common issues 26 to 27 address Telus’ liability to the Plaintiff and Class Members if Telus is found to have engaged in oppressive conduct under section 227. These common issues flow from the answer to common issue 25 and are supported by the legislative framework of the *Business Corporations Act*.

72. In *Abdula v. Canadian Solar*, [2015 ONSC 53](#), the Ontario Superior Court of Justice certified common issues under the *Canada Business Corporations Act*, [RSC 1985, c C-44](#) that

¹⁵⁹ *Tietz*, paras. 173-176. Order made after application, dated July 2, 2024, Schedule B (*Tietz et al v. Bridgemark Financial Corp. et al*, BCSC No. S-197731 (Vancouver Registry)).

¹⁶⁰ Gallina Affidavit No. 1, Exhibits “NG54”-“NG57” and “NG66”-“NG69” (Bates 4451-4525 and 4583-4662).

are highly similar to the Plaintiff's proposed common issues 25 to 27.¹⁶¹ These common issues satisfy the section 4(1)(c) criterion and should be certified.

C. Negligent Misrepresentation

73. Common issues 28 to 31 relate to the Plaintiff's claim in negligent misrepresentation. These issues address whether a special relationship existed between Telus or the Individual Defendants and the Class Members, such that a duty of care arose with respect to the contents of the Impugned Documents and Public Oral Statements. They also raise questions as to whether any such representations were untrue, inaccurate, or misleading, whether the applicable standard of care was breached, whether it was reasonably foreseeable that Class Members would rely on the statements, and whether Class Members in fact relied on them and suffered loss as a result.

74. These are common issues as they involve the existence and breach of duties of care allegedly owed to all Class Members in respect of uniformly disseminated statements. The determination of whether a duty of care was owed, whether it was breached, and whether reliance and damages flowed from the breach are issues that can be resolved on a class-wide basis without the need for individual inquiries at the liability stage. These issues are grounded in the pleadings, supported by the evidence relating to the dissemination and content of the representations, and are framed by settled principles of tort law.

75. These common issues are supported by the law of negligence,¹⁶² the pleadings,¹⁶³ and the Plaintiff's evidence that the Defendants made misrepresentations in the Impugned Documents and the Public Oral Statements.¹⁶⁴

76. Common issues 28 to 31 closely mirror those certified in *Tietz*.¹⁶⁵ These issues satisfy the commonality threshold and should be certified.

¹⁶¹ *Abdula v. Canadian Solar*, [2015 ONSC 53](#), para. 69 and Appendix A (leave to appeal ref'd *Tajdin Abdulla v. Canadian Solar Inc., Shawn Xiaohua Qu and Arthur Chien*, [2015 ONSC 4322](#)).

¹⁶² *Cooper v. Hobart*, [2001 SCC 79](#), paras. 30-39.

¹⁶³ FANOCC, paras. 1-10, 13-33, 37-49, 52-156, 159-163, 165-166, 168-185, 186(d)-(e), 190-199, 201-207 (material facts) and 241-252 (legal basis).

¹⁶⁴ Cain Affidavit No. 1, Exhibit "B" (Bates 31-60) (paras. 52-98 of expert opinion). Gallina Affidavit No. 1, Exhibits "NG21"- "NG63" (Bates 3641-4576).

¹⁶⁵ *Tietz*, paras. 177-182. Order made after application, dated July 2, 2024, Schedule B (*Tietz et al v. Bridgemark Financial Corp. et al*, BCSC No. S-197731 (Vancouver Registry)). Also see *Canadian Imperial Bank of Commerce v. Green*, [2015 SCC 60](#), paras. 124-128.

~~D. Breaches of the Securities Exchange Act~~

~~80. Common issues 32 to 34 concern whether the Impugned Documents and Public Oral Statements contain false statements, misleading half truths, or omissions of a material fact, whether such statements were disseminated or approved by the Defendants, and whether Defendants qualify as control persons, thereby violating §§10(b) and 20(a) of the Securities Exchange Act. These issues are common because they raise questions of law and fact that can be determined on a class-wide basis, without reference to the circumstances of the Foreign Subclass Members.~~

~~81. Common issue 35 asks whether the Defendants acted with scienter. Like common issues 32 to 34, this issue is common as it arises from the same course of alleged conduct, is based on uniform legal standards, and is capable of resolution without individual inquiries.~~

~~82. Common issue 36 asks whether the market for Telus' subordinate voting shares was informationally efficient throughout the Class Period. This issue is common because it focuses on the application of a Class-wide presumption of reliance under the fraud-on-the-market doctrine.¹⁶⁶~~

~~83. Common issues 37 to 38 addresses the Foreign Subclass Members entitlement to damages, including whether the Defendants' wrongdoing caused the Foreign Subclass Members to suffer damages and if so, what the appropriate measure of damages is. These issues are common because they focus on the application of uniform legal standards and can be adjudicated on a class-wide basis.~~

~~84. Common issues 32 to 38 are grounded in the evidence of the Defendants' public statements and business operations and the pleadings,¹⁶⁷ and arise directly from the applicable U.S. law.¹⁶⁸ Additionally, Dr. Cain's evidence provides support for some of the elements of the following common issues:~~

- ~~(a) Common issues 32 to 34 (whether some or all of the Impugned Documents and/or Public Oral Statements contained contain false statements, misleading half truths,~~

¹⁶⁶ In *Halliburton Co. v. Erica P. John Fund, Inc.*, 573 U.S. 258 (2014), the United States Supreme Court upheld the presumption of reliance based on the fraud-on-the-market theory previously recognized in *Basic Inc. v. Levinson*, 485 U.S. 224. See also Thomas Lee Hazen, *Fraud on the Market Defined and as Applied by the Courts*, 3 *Law Sec. Reg.* §12.86 (updated May 2025) ("Simply put, in an efficient market the courts find that the reliance requirement in a securities fraud action can be satisfied by a showing that the market price was affected by the misstatement or omission and the plaintiff's injury is due to a purchase or sale at the then fraudulently induced market price").

¹⁶⁷ *FANOC*, paras. 264-293.

¹⁶⁸ *Supra*, at note 128.

~~or omissions of a material fact thereby violating §10(b) of the *Securities Exchange Act*);¹⁶⁹~~

~~(b) Common issue 36 (whether the market for Telus' subordinate voting shares was informationally efficient throughout the Class Period thereby allowing the application of a presumption of reliance);¹⁷⁰~~

~~(c) Common issue 37 (whether the ether the Defendants' wrongdoing caused the Foreign Subclass Members to suffer damages);¹⁷⁴ and~~

~~(d) Common issue 38 (whether the Foreign Subclass Members are entitled to damages as a result of the Defendants' violations of the *Securities Exchange Act*);¹⁷²~~

D. Aggregate Damages

77. Common issue 39 asks whether the damages, if any, payable by the Defendants under the *Securities Act* and/or, *Business Corporations Act*, ~~and/or the *Securities Exchange Act*~~ can be aggregated under part 4, division 2 of the *CPA*.

78. The availability of aggregate damages is set out in the *CPA*.¹⁷³ Aggregate damages require an antecedent finding of liability.¹⁷⁴ It may be, after the common issue trial, that the Plaintiff's proposed methodologies prove that: (1) the entire Class suffered a loss; (2) no portion of the Class suffered a loss; (3) an identifiable subset of the Class suffered a loss in which case that subset can be isolated for quantification purposes; or (4) some portion of the Class suffered a loss while others did not and it is impossible to distinguish between the subsets.¹⁷⁵ The range of possible findings at the common issues trial and the availability (or lack thereof) of aggregate damages for Class Members are irrelevant to the decision to certify aggregate damages as a common issue. Certification of this common issue requires only a factual basis to support that, if liability is established, damages can be assessed and quantified on an aggregate basis.¹⁷⁶

79. An affirmative answer to common issues 23, 27, and/or 37 pertaining to whether the Defendants, or some of them, are liable to pay damages to Class Members under the *Securities*

¹⁶⁹ Cain Affidavit No. 1, Exhibit "B" (Bates 31-60) (paras. 52-98 of expert opinion).

¹⁷⁰ Cain Affidavit No. 1, Exhibit "B" (Bates 19-31) (paras. 25-51 of expert opinion).

¹⁷⁴ Cain Affidavit No. 1, Exhibit "B" (Bates 60-85) (paras. 99-124 of expert opinion).

¹⁷² Cain Affidavit No. 1, Exhibit "B" (Bates 85-90) (paras. 125-136 of expert opinion).

¹⁷³ *CPA*, ss. 29-33.

¹⁷⁴ *Pioneer Corp. v. Godfrey*, [2019 SCC 42](#), para. 116 ("*Godfrey*").

¹⁷⁵ *Godfrey*, para. 120.

¹⁷⁶ *Godfrey*, para. 121.

~~Act and/or, Business Corporations Act, and/or the Securities Exchange Act~~, respectively, means that liability may be determined antecedent to aggregate damages at a common issues trial. Dr. Cain's opinion provides the requisite basis in fact that damages can be determined on an aggregate basis, and in some knowable amount.¹⁷⁷ Nothing more is required to certify the aggregate damages issue.

80. This Court certified a similar common issue in *0116064 B.C. Ltd. v. Alio Gold Inc.*, [2023 BCSC 1310](#).¹⁷⁸ Common issue 39 ought to be certified.

V. Section 4(1)(d): Preferable Procedure

81. A class proceeding must be the preferable procedure for the fair and efficient resolution of the common issues. The question of preferability should be considered through the lens of the three principles of class actions – judicial economy, behaviour modification, and access to justice – and assesses the importance of the common issues in relation to the claims as a whole.¹⁷⁹ In undertaking this analysis, the Court must consider each of the factors in subsection 4(2) of the *CPA*. In assessing preferability, the Court should be mindful that the *CPA* is a powerful statute affording the case management judge flexible tools to deal with complexities that may arise following certification.¹⁸⁰ The ultimate question in the preferability analysis is comparative; that is weighing the relative advantages of a class action against whatever other form of redress the Class Members may have access to, if any.¹⁸¹

82. Aggregating these claims under the *CPA* is beneficial to Class Members and the Court. Requiring Class Members to prosecute separate actions would be expensive, impractical, and inefficient.¹⁸² A class proceeding will avoid inconsistent findings and will promote the goals of class action litigation, notably access to justice by “mak[ing] it economically feasible to advance on behalf of the class a group of individual claims that would otherwise not be economically feasible to pursue in the courts” and “provides class members with a fair process to resolve their claims”.¹⁸³ This proceeding is accordingly the preferable procedure for the fair and efficient resolution of the common issues.

¹⁷⁷ Cain Affidavit No. 1, Exhibit “B” (Bates 87-90) (paras. 129-136 of expert opinion).

¹⁷⁸ *0116064 B.C. Ltd. v. Alio Gold Inc.*, [2023 BCSC 1310](#), paras. 110-111.

¹⁷⁹ *Hollick*, paras. 27 and 30.

¹⁸⁰ *Pro-Sys Consultants Ltd v. Infineon Technologies AG*, [2009 BCCA 503](#), para. 76.

¹⁸¹ *AIC v. Fischer*, [2013 SCC 69](#), para. 23 (“*Fischer*”).

¹⁸² *Fischer*, para. 50.

¹⁸³ *Fischer*, para. 51.

VI. Section 4(1)(e): Representative Plaintiff

83. Section 4(1)(e) of the *CPA* requires that there be a representative plaintiff who: (1) would fairly and adequately represent the interests of the class; (2) has produced a plan for the proceeding that sets out a workable method of advancing the proceeding on behalf of the Class and of notifying Class Members of the proceeding; and (3) does not have, on the common issues, an interest that is in conflict with the interests of other class members.

84. The Plaintiff meets the stated criteria. In his affidavit, the Plaintiff deposes that he will do his best to fairly and adequately represent the interests of Class Members¹⁸⁴ and that he does not have an interest that conflicts with the interests of other Class Members.¹⁸⁵

85. The litigation plan is reasonable for this stage of the proceeding.¹⁸⁶ It shows that Class Counsel have thought through the progression of the case, come up with a plan pursuant to which the case may proceed, and have “a clear grasp of the complexities involved in the case which are apparent at the time of certification and a plan to address them”.¹⁸⁷ The litigation plan is flexible in that it provides for ongoing review by the parties and the Court as the litigation proceeds, and need not be further scrutinized at the certification hearing.¹⁸⁸ The proposed notice plan also provides for a reasonable method of notifying putative Class Members of the certification of this action in both official languages.¹⁸⁹

VII. Section 4(3): Multi-Jurisdictional Class Proceedings

86. In the case of multi-jurisdictional class proceedings, at certification, pursuant to section 4(3) *CPA*, the Court must determine whether it would be preferable for some or all of the claims of the proposed class members, or some or all of the common issues raised by those claims, to be resolved in the proceeding commenced elsewhere.

87. Here, a class action involving a similar subject matter bearing no. CV-25-00735809-00CP was filed by Mr. Albert P.T. Yee, a resident of Alberta, against Telus and Individual Defendants

¹⁸⁴ Middleton Affidavit No. 1, para. 22.

¹⁸⁵ Middleton Affidavit No. 1, para. 25.

¹⁸⁶ Notice of Application for Certification, Schedule “B”. *Cheetham v. Bank of Montreal*, [2023 BCSC 1319](#), paras. 322-325.

¹⁸⁷ *Fakhri et al v. Alfalfa’s Canada Inc. cda Capers*, [2003 BCSC 1717](#), para. 77 (aff’d [2004 BCCA 549](#)).

¹⁸⁸ *Id.*

¹⁸⁹ Notice of Application for Certification, Schedule “C”. It is just, fair, and reasonable that the Defendants pay the costs of the notice program.

Puritt, Kanu and Chande in Ontario (the “**Ontario Class Action**”), a little over a month after the Plaintiff filed his Notice of Civil Claim and Petition in British Columbia.¹⁹⁰

88. This Court is the preferable forum for adjudication of all Class Members’ claims. British Columbia—unlike Ontario—has a real and substantial connection to the parties and the facts alleged in this proceeding.¹⁹¹ Specifically:

- a. Telus’ headquarters are located in British Columbia;
- b. Telus is incorporated in British Columbia;
- c. Telus is a reporting issuer in British Columbia, and its principal reporting jurisdiction is British Columbia;
- d. the Impugned Documents were prepared in and/or released from British Columbia;
- e. the Public Oral Statements, or some of them, were made in British Columbia;
- f. the Plaintiff and some Class Members are domiciled in British Columbia; and
- g. Individual Defendants Entwistle, Blair, Anton, Geheran, Paish, and Stuart are domiciled in British Columbia.

VIII. Conclusion

89. Having satisfied all of the requirements under s. 4 *CPA*, this action should be certified as a class proceeding, for it fulfills the three objectives of class proceeding legislation, i.e. judicial economy, access to justice, and behavior modification.

PART 4: MATERIAL TO BE RELIED ON

90. The Plaintiff relies on the following materials in support of this application:

- (a) Affidavit No. 1 of Dr. Matthew D. Cain, made on August 29, 2025;
- (b) Affidavit No. 1 of Kayne Michael Middleton, made on August 29, 2025;

¹⁹⁰ Salgado Affidavit No. 1, Exhibit “DS13” (Bates 238-258).

¹⁹¹ FANOC, paras. ~~264-265~~ ~~294-295~~.

- (c) Affidavit No. 1 of Nickolas Gallina, made on December 12, 2024 (filed in *Middleton v. Telus International (Cda) Inc*, Court File No S-248620 (BCSC, Vancouver Registry));
- (d) Affidavit No. 1 of Daniel Salgado, made on August 27, 2025; and
- (e) The pleadings and materials filed herein.

TO THE PERSONS RECEIVING THIS NOTICE OF APPLICATION: If you wish to respond to this notice of application, you must, within 5 business days after service of this notice of application or, if this application is brought under Rule 9-7, within 8 business days after service of this notice of application,

- (a) file an application response in Form 33,
- (b) file the original of every affidavit, and of every other document, that
 - i. you intend to refer to at the hearing of this application, and
 - ii. has not already been filed in this proceeding, and
- (c) serve on the applicant 2 copies of the following, and on every other party of record one copy of the following:
 - i. a copy of the filed application response;
 - ii. a copy of the filed affidavits and other documents that you intend to refer to at the hearing of this application and that has not already been served on that person;
 - iii. if this application is brought under Rule 9-7, any notice that you are required to give under Rule 9-7 (9).

Date: _____

Kokmanian Law
Corporation
 Emilie Kokmanian

Slater Vecchio LLP
 Sam Jaworski
 Saro Turner
 Charlotte K.B. Harman
 Justin Giovannetti

To be completed by the court only:

Order made

“ in the terms requested in paragraphs _____ of Part 1 of this notice of application

“ with the following variations and additional terms:

Dated: _____
 [dd/mm/yyyy]

Signature of Judge Associate Judge

APPENDIX

[The following information is provided for data collection purposes only and is of no legal effect.]

THIS APPLICATION INVOLVES THE FOLLOWING:

- discovery: comply with demand for documents
- discovery: production of additional documents
- other matters concerning document discovery
- extend oral discovery
- other matter concerning oral discovery
- amend pleadings
- add/change parties
- summary judgment
- summary trial
- service
- mediation
- adjournments
- proceedings at trial
- case plan orders: amend
- case plan orders: other
- experts

SCHEDULE A – COMMON ISSUES

Breaches of the *Securities Act*

Definitions

1. Is Telus a “responsible issuer” within the meaning of s.140.1 of the *Securities Act*?
2. Was each Individual Defendant a “director” and/or “officer” within the meaning of s.1 of the *Securities Act* during the Class Period?
3. Do each of the Impugned Documents filed by Telus constitute a “document” within the meaning of s. 140.1 of the *Securities Act*?
4. Do each of the Core Documents filed by Telus constitute a “core document” within the meaning of s. 140.1 of the *Securities Act*?
5. Do each of the Public Oral Statements constitute a “public oral statement” within the meaning of s. 140.1 of the *Securities Act*?

Misrepresentation (s.140.3(1))

6. Did the Core Documents, or some of them, contain a “misrepresentation” within the meaning of s. 1 of the *Securities Act*?
7. Did the Non-Core Documents, or some of them, contain a “misrepresentation” within the meaning of s. 1 of the *Securities Act*?
8. Did the Public Oral Statements, or some of them, contain a “misrepresentation” within the meaning of s. 1 of the *Securities Act*?
9. If the answer to Questions (6), (7), and/or (8) is “yes”, were the misrepresentations in the Impugned Documents and/or Public Oral Statements publicly corrected by one or more of the Public Corrections?
10. If the answer to Question (6) and/or (7) is “yes”, was each of the Director Defendants a director at the time when the Impugned Document(s) which contained a misrepresentation were released?
11. If the answer to Question (6) and/or (7) is “yes”, did each of the Officer Defendants who acted as an officer at the time when the Impugned Document(s) which contained a misrepresentation were released, authorize, permit, or acquiesce to the release of the Impugned Documents?
12. Based on the answers to Questions (7) and (9)-(11), did Telus and/or each of the Individual Defendants know, that at the time it was released, the Non-Core Document(s) contained a misrepresentation?

- a. If the answer to Question (12) is “no”, did those persons deliberately avoid acquiring knowledge that the Non-Core Document(s) contained a misrepresentation at or before the time they were released?
 - b. If the answer to Question (12(a)) is “no”, were those persons, through action or failure to act, guilty of gross misconduct in connection with the release of the Non-Core Document(s)?
13. If the answer to Question (8) is “yes”, did each of the Individual Defendants who acted as a director and/or an officer at the time when the Public Oral Statement(s) which contained a misrepresentation were made, authorize, permit, or acquiesce to the making of the Public Oral Statement(s)?
14. Based on the answers to Questions (8), (9), and (13), did Telus and/or each of the Individual Defendants know, that at the time the Public Oral Statement(s) was made, it contained a misrepresentation?
- a. If the answer to Question (14) is “no”, did those persons deliberately avoid acquiring knowledge that the Public Oral Statement(s) contained a misrepresentation at or before the time they were made?
 - b. If the answer to Question (14(a)) is “no”, were those persons, through action or failure to act, guilty of gross misconduct in connection with the making of the Public Oral Statement(s)?

Failure to Make Timely Disclosure (s.140.3(4))

15. Did the Defendants’ fail to make timely disclosure within the meaning of s. 140.1 of the *Securities Act*?
16. If the answer to Question (15) is “yes”, did the Public Corrections constitute a “subsequent disclosure of material change” under s. 140.3(4) of the *Securities Act*?
17. If the answer to Question (15) is “yes”, did each of the Individual Defendants authorize, permit, or acquiesce in the failure to make timely disclosure?
18. Based on the answers to Questions (15)-(17), did each of the Director Defendants know, at the time that the failure to make timely disclosure first occurred, of the change and that the change was material?
- a. If the answer to Question (18) is “no”, did each of the Director Defendants, at or before the time that the failure to make timely disclosure first occurred, deliberately avoid acquiring knowledge of the change or that the change was material?
 - b. If the answer to Question (18(a)) is “no”, were each of the Director Defendants, through action or failure to act, guilty of gross misconduct in connection with the failure to make material change?

Damages and Liability Limit

19. Did any of the Individual Defendants who authorized, permitted, or acquiesced in the making of a misrepresentation in one or more of the Impugned Documents and/or Public Oral Statements know that it was a misrepresentation such that the limitation on damages under s. 140.7(1) of the *Securities Act* does not apply pursuant to s. 140.7(2)?
20. Did any of the Individual Defendants who authorized, permitted, or acquiesced in the failure to make timely disclosure know that it was a failure to make timely disclosure such that the limitation on damages under s. 140.7(1) of the *Securities Act* does not apply pursuant to s. 140.7(2)?
21. Did any of the Individual Defendants who influenced the making of the misrepresentation in one or more of the Impugned Documents and/or Public Oral Statements know that it was a misrepresentation such that the limitation on damages under s. 140.7(1) of the *Securities Act* does not apply pursuant to s. 140.7(2)?
22. Did any of the Individual Defendants influence the failure to make timely disclosure while knowing that it was a failure to make timely disclosure such that the limitation on damages under s. 140.7(1) of the *Securities Act* does not apply pursuant to s. 140.7(2)?
23. Based on the answers to Questions (6) to (18), are the Class Members entitled to damages against the Defendants, or any of them, calculated pursuant to s. 140.5 of the *Securities Act*?
24. If the answer to Question (23) is yes, and based on the answers to Questions (19) to (22):
 - a. What is the proportionate liability of each liable defendant pursuant to s. 140.6 of the *Securities Act*?
 - b. Are those damages subject to the limits set out in s. 140.7 of the *Securities Act* and, if so, what are the amount of those limits?
 - c. Based on the answer to Questions (25(a) and (b)), what is the amount of damages payable by each of the Defendants to the Class Members?

Breaches of the *Business Corporations Act*

25. During the Class Period, were the affairs of Telus conducted, or the powers of the Director Defendants exercised, in a manner oppressive to one or more Class Members, within the meaning of section 227 of the *Business Corporations Act*?
26. If the answer to Question (27) is yes, should the Court make an order that Telus compensate the Class Members, or some of them, pursuant to s. 227(3)(m) of the *Business Corporations Act*? If yes, in what amount?
27. If the answer to Question (28) is yes, are there other remedies that should be ordered by the Court to rectify the harm caused by Telus to Class Members as a result of Telus' conduct which was oppressive to Class Members?

Negligent Misrepresentation

28. If the answers to Questions (1), (2), (3), and/or (14) is “yes”, did those same “misrepresentations” and/or “failure(s) to make timely disclosure” also constitute material misrepresentations at common law for the purpose of the tort of negligent misrepresentation?
29. If the answer to Question (28) “yes”, did the Defendants, or any of them, owe a duty of care to Class Members to ensure that the information set out in the Impugned Documents and/or Public Oral Statements did not contain a misrepresentation?
30. If the answer to Question (29) is “yes”, did those Defendants, or any of them, breach that duty of care?
31. If the answer to Question (32) is “yes”, would the misrepresentations have occurred if that duty of care had not been breached?

~~Breaches of the Securities Exchange Act~~

- ~~32. Do the Impugned Documents or Public Oral Statements contain any untrue statements that were untrue at the time the statement was made?
 - a. If the answer to Question (32) is “yes”, which ones?
 - b. Based on the answer to Question (32(a)), which Defendant disseminated or approved each of the Impugned Documents or Public Oral Statements?
 - c. Based on the answer Question (32(b)), which Individual Defendant had the power to influence, cause or control, directly or indirectly, Telus’ decisions, including the content and dissemination of these Impugned Documents or Public Oral Statements?~~
- ~~33. Do the Impugned Documents or Public Oral Statements contain any misleading half-truths, *i.e.*, did any of the Impugned Documents or Public Oral Statements omit facts that were necessary to make the statements made not misleading, in light of the circumstances under which those statements were made?
 - a. If the answer to Question (33) is “yes”, which ones?
 - b. Based on the answer to Question (33(a)), which Defendant(s) disseminated or approved each of these Impugned Documents or Public Oral Statements?
 - c. Based on the answer to Question (33(b)), which Individual Defendant(s) had the power to influence, cause or control, directly or indirectly, Telus’ decisions, including the content and dissemination of these Impugned Documents or Public Oral Statements~~
- ~~34. Based on the answers to Questions (32)–(33), were any of the false statements, misleading half-truths, or the information omitted from Defendants’ statements material to~~

~~a reasonable investor, i.e., omitted information would alter the total mix of information available to a reasonable investor?~~

~~35. Based on the answers to Questions (32) (33), were some or all of the statements made with scienter, i.e., did all or some of the Defendants know or recklessly disregard that the Impugned Documents issued and/or the Public Oral Statements made materially false statements, misleading half truths, or omitted to disclose information necessary to make those statements not misleading?~~

~~a. If the answer to Question (35) is yes, which ones?~~

~~36. Was the market for Telus' subordinate voting shares informationally efficient throughout the Class Period?~~

~~37. Did the Defendants' wrongdoing alleged herein cause the Foreign Subclass Members to suffer damages?~~

~~38. If the answer to Question (37) is "yes", what is the proper measure of damages?~~

Aggregate Damages

32. If the answer to Questions (23) and (24)) is "yes", can some or all of the damages payable to Class Members be aggregated pursuant to part 4, division 2 of the CPA? If so, in what amount?

SCHEDULE B – Proposed Litigation Plan

Case Management

1. The certified class proceeding will continue to be case managed to achieve efficiency for the parties and the courts.
2. Case management conferences shall be held every 6 to 8 weeks, or as otherwise directed by the Case Management Judge, irrespective of an appeal by the Defendants from the certification decision, unless the Court of Appeal orders otherwise.
3. In the event that there are no issues to be addressed at a scheduled Case Management Conference, the parties will advise the Court by letter and the Case Management judge may decide to adjourn the Case Management Conference.

Discovery

4. Within 21 days of the date of the decision certifying this action as a class proceeding (the “**Certification Decision**”), the Plaintiffs will deliver their initial list of documents and provide copies of those documents to the Defendants in electronic form. This and all other timelines in this litigation plan shall apply irrespective of an appeal by the Defendants from the Certification Decision, unless the Court or Court of Appeal orders otherwise.
5. Within 60 days of the Certification Decision, the Defendants shall deliver their initial list(s) of documents and provide copies of those documents to the Plaintiffs in electronic form.
6. Any additional production shall be made by the parties on an ongoing basis thereafter. For greater certainty and to achieve efficiency, the parties must respond to any demands for additional documents pursuant to Rule 7-1(10) and (11).
7. Within 120 days of the Certification Decision, a schedule for examinations for discoveries shall be set at a Case Management Conference. For greater certainty, examinations for discovery shall not have to await the completion of the document discovery process.
8. Examinations for discovery shall be completed by not less than 100 days before the common issues trial. For greater certainty, any outstanding requests made at the examination(s) for discovery must be answered by not less than 75 days before the trial.
9. Any interrogatories must be served in accordance with Rule 7-3 of the *Supreme Court Civil Rules*.
10. The parties are not required to seek leave of this Court to apply for or conduct depositions of witnesses in the United States under USC Rule 1782. It is up to the United States courts to determine the ability to conduct any Rule 1782 depositions. However, this Court will determine the admissibility of any evidence obtained through such depositions at an appropriate time.

Preservation of Evidence

11. The Defendants possess most if not all of the documents relating to this action. These documents are not only generated in the course of normal business activities, but in some instances, are required by the regulatory framework.
12. The Defendants must preserve and produce all relevant information and documents whether in electronic or paper form.
13. On July 3, 2025, the Plaintiff submitted a request for preservation of evidence to the Defendants further to Telus International (Cda) Inc.'s news release dated June 12, 2025 in which the Company indicated that it received a non-binding proposal from Telus Corporation to acquire all of its publicly traded voting shares. The Plaintiff reminded Defendants of their obligation to ensure the preservation of and future access to any evidence related to the facts and issues in dispute.
14. For greater clarity, the Defendants must preserve and produce all records in print and electronic format, or other formats maintained by the Defendants in the usual and ordinary course of its business which are relevant the present action. This extends to evidence in paper form and electronically stored evidence including, *inter alia*, servers, hard drives, e-mails, text messages, web/chat logs, and cache files as well as to information kept in personal devices or accounts of the Defendants.

Expert Reports

15. Any expert reports that the parties intend to rely upon at trial shall be delivered in accordance with the Supreme Court Civil Rules unless otherwise ordered by the Court as part of the case management process. For greater certainty and to achieve efficiency, the parties shall exchange lists of proposed experts and general subjects for reports by not later than 6 months before the common issues trial.

Interlocutory Applications

16. Pursuant to s. 14(1) of the *CPA*, the Case Management Judge shall hear all interlocutory applications either at regular case management conferences or on a date for hearing secured at a case management conference or through Trial Division as directed by the Case Management Judge.
17. All materials in support of an interlocutory application shall be delivered and filed in accordance with the *Supreme Court Civil Rules* unless otherwise directed by the Case Management Judge.
18. In view of the schedule for trial, no applications may be brought prior to trial under Rules 9-3, 9-4, 9-5, 9-6, 9-7, 18-2, 22-7, except with leave of the Court.

Mediation

19. The Plaintiff may deliver a Notice to Mediate under the *Notice to Mediate (General) Regulation*, BC Reg 4/2001 prior to any summary judgment application or trial.

20. The Plaintiff will participate in mediation if the Defendants are prepared to do so.

Common Issues Trial

21. The common issues trial will proceed on a date between 18 and 24 months from the Certification Decision, which date and the length of time for the trial shall be set at a Case Management conference held within 120 days of the Certification Decision.
22. The parties will exchange witness lists and trial briefs in accordance with the *Supreme Court Civil Rules*. A trial management conference will be held in accordance with the *Supreme Court Civil Rules*.

Individual Issues Determination and Claims Process

23. If the Defendants are wholly successful on the common issues, the case will be at an end and no individual issues will remain to be determined.
24. The Plaintiff proposes that if any or all of the common issues are resolved in favour of the Class, then the parties convene for argument under ss. 27 and 28 of the *CPA* to determine the appropriate course for resolving any remaining issues. At this time, the Plaintiff intends to propose the following procedure:
 - a) After determination of the common issues, the parties and the court will consider whether there are any issues remaining that may be determined as secondary common issues.
 - b) The Court shall appoint an assessor to determine any individual issues of liability that may remain after the common issues trial and assess the damages to which each claiming class member is entitled.
 - c) The claims process and the inquiry by the assessor shall be carried out in accordance with rules of procedure and proof as agreed by the parties or determined by the Court.
 - d) The specific protocol, for submitting, proving and reviewing claims, will depend on the nature of the individual issues remaining, if any, and be subject to the approval of the Court. As far as is practicable, the procedure should be electronic, use standardized claim forms and rely primarily, or entirely, on documentary evidence, such as trading account statements or trade confirmation slips which confirm the acquisition of securities in one of the Issuers during the relevant time period.
 - e) The claims protocol will include a deadline by which Class Members must file their claims and anyone who does not file a claim before the deadline will not be entitled to recover any damages without leave of the Court.
 - f) The assessor shall issue a report to the Court for each claim made and 30 days after the report is filed, the Court shall order that the claim be determined as set out in the assessor's report unless another party files a challenge in accordance with the procedure as agreed by the parties or determined by the Court.

- g) If challenges are made by any party to the assessor's reports, the Court shall hold one or more hearings to determine the challenges made and for each challenge made, shall either dismiss the challenge, revise the assessment made by the assessor, or direct that further inquiry and assessment be made.
- 25. The litigation plan may be amended from time to time by directions given at case management conferences or as otherwise ordered by the Court.
- 26. Following discovery, the parties are at liberty to apply to amend the Common Issues by way of formal application to the Case Management Judge under Rule 8-1.

SCHEDULE C – Proposed Notice Plan

Notice of Certification

1. Class Counsel shall post and regularly update information about the nature and status of the action on a dedicated website: [insert link] (the “**Website**”). The Website will include accessible copies of important publicly available court documents, court decisions, notices, documentation and other information relating to the action.
2. The Plaintiff will disseminate a notice of the certification of the class action substantially in the form and content set out below (the “**Notice of Certification**”). No later than 15 business days after the Order authorizing the Notice of Certification has been entered, the latter will be distributed and published as follows:
 - (i) Posted by Class Counsel on the Website;
 - (ii) Provided by Class Counsel to any Class Member who has contacted Class Counsel or to any person who requests the notice; and
 - (iii) Disseminated once across Canada NewsWire (distribution points in North American financial media, where possible).
3. To the extent the Plaintiff becomes aware of other means by which notice can or should be disseminated, the Plaintiff reserves the right to seek that the Notice of Certification be disseminated in such other form or means as may appear effective or necessary.
4. For purposes of disseminating the Notice of Certification, the Defendant will, not later than 21 days after the Order authorizing said notice, deliver to Class Counsel such lists as contain the names and mailing addresses of the non-objecting beneficial owners of their shares (“**NOBO Lists**”) that were used for their 2023, 2024, and 2025 Annual General Meetings (“**AGM**”).
5. Within 30 days of receiving the NOBO Lists from an Issuer, Class Counsel shall send the Notice of Certification by mail to the addresses of the non-objecting beneficial owners on the NOBO Lists.
6. The cost of mailing the Notice of Certification to the non-objecting beneficial owners on the NOBO Lists shall be paid by the Defendants.
7. The Plaintiff proposes that Class Members be allowed to opt out of the Class by completing and returning to Class Counsel an opt-out form within 60 days from the date that the Notice of Certification is first published.

Opting Out

8. The Notice of Certification shall advise Class Members of their right to opt out of the class action.

9. The Plaintiff proposes the following opt-out process:
- (i) A person seeking to opt-out of the class action must do so by sending a written election to opt-out, signed by the person or the person's designee, by pre-paid mail, courier, or email to Class Counsel at an address to be specified in the Notice of Certification;
 - (ii) The written election to opt-out must contain the following information in order to be valid:
 - a. The person and/or the person's designee's full name, current address and telephone number;
 - b. if the person seeking to opt-out is a corporation, the name of the corporation and the position of the person submitting the request to opt-out on behalf of the corporation; and
 - c. a statement to the effect that the person wishes to be excluded from the action.
 - (iii) Written elections to opt-out sent by mail or courier will only be valid if postmarked on or before the date that is sixty (60) days after the Notice of Certification is first published (the "**Opt-Out Deadline**"). Where the postmark is not visible or legible, the election to opt-out shall be deemed to have been postmarked seven (7) business days prior to the date that it is received by Class Counsel;
 - (iv) Any person who validly opts-out of the class action shall not be able to participate in the class action and no further right to opt-out of the class action will be provided; and
 - (v) Within thirty (30) days after the expiration of the Opt-Out Deadline, Class Counsel will provide a report to the Court regarding the number of persons who have opted-out of the class action.

Content of Bilingual Notices

TELUS INTERNATIONAL (CDA) INC. SECURITIES LITIGATION

NOTICE OF CERTIFICATION

Read this notice carefully, it may affect your legal rights.

This notice is for **anyone who purchased subordinate voting shares** of Telus International (Cda) Inc. (“Telus” or the “Company”) between February 16, 2023 and August 1, 2024, inclusive, and held all or a portion of these subordinate voting shares at any moment between May 9, 2024 and August 1, 2024, inclusive (the “Class Period”).

On [DATE], the B.C. Supreme Court certified a class action in *Middleton v. Telus International (Cda) Inc. et al*, S.C.B.C. No. S 248620.

The Court appointed Mr. Kayne Michael Middleton as representative for the class. The class includes anyone who purchased shares in Telus in accordance with the listed dates, except for Defendants; Telus’ past or present direct or indirect parents, subsidiaries, divisions, affiliates, partners, general partners, limited partners, partnerships, principals, shareholders, joint venturers, members, officers, directors, managers, managing directors, supervisors, employees, attorneys, including Defendants’ counsel, auditors, accountants, advisors, investment bankers, representatives, insurers and reinsurers, trusts, trustees, trustors, agents, predecessors, successors, estates, assigns, assignees, heirs, executors, and administrators in their capacities as such; all members of the immediate families of Telus’ directors and officers; and any entity in which any of Telus’ officers, directors, or their immediate families have or had a controlling interest.

The Defendants are: Telus International (Cda) Inc., Jeffrey Puritt, Vanessa Kanu, Gopi Chande, Michael Ringman, Beth Howen, Darren Entwistle, Josh Blair, Madhuri Andrews, Olin Anton, Navin Arora, Doug French, Tony Geheran, Sue Paish, Carolyn Slaski and Sandra Stuart.

What is the class action about?

This action arises from alleged misrepresentations and failures to make timely disclosure by Telus and certain of its officers and directors during the period between February 16, 2023, and August 1, 2024, inclusive. The action alleges that, in response to technological shifts in the customer experience solutions market, Telus sought to maintain its historical profit margins by shifting its business towards artificial intelligence-driven solutions to take advantage of AI developments. The Defendants promoted Telus’ strategic investment in AI as the key driver to maintain profitability, assuring investors (i) of the high customer demand for these services and the fact that the Company was uniquely positioned to meet this demand, and (ii) that these products could be utilized internally to keep down costs. It is alleged that Telus publicly emphasized the strength and profitability of its AI capabilities while concealing material facts about the financial impact of the transition, including that its AI offerings were generating lower margins than the Company’s other legacy offerings, were largely provided on a trial basis, and were cannibalizing the Company’s higher-margin legacy services.

It is further alleged that the Defendants failed to disclose a material change in Telus' business, operations and capital arising from its transition to AI, resulting in the artificial inflation of its share price during the Class Period. When the alleged truth was revealed through corrective disclosures, the price of Telus' subordinate voting shares declined significantly. The Plaintiff alleges that Class Members who purchased Telus subordinate voting shares during the Class Period suffered losses as a result of the Defendants' wrongful conduct.

The Defendants dispute the claims asserted against them.

Who are the Class Members?

The Class consists of:

All persons and entities who acquired one or more of Telus' subordinate voting shares between February 16, 2023 and August 1, 2024, inclusive, and held all or a portion of these subordinate voting shares at any moment between May 9, 2024 and August 1, 2024, inclusive, other than Excluded Persons, ~~including a subclass of all persons and entities who acquired one or more of Telus' subordinate voting shares listed on the NYSE while residing outside of Canada (the "Foreign Subclass" and "Foreign Subclass Members"), and a subclass of all persons and entities who acquired one or more of Telus' subordinate voting shares listed on the TSX (the "TSX Subclass" and "TSX Subclass Members")~~

"Excluded Persons" means: the Defendants; Telus' past or present direct or indirect parents, subsidiaries, divisions, affiliates, partners, general partners, limited partners, partnerships, principals, shareholders, joint venturers, members, officers, directors, managers, managing directors, supervisors, employees, attorneys, including Defendants' counsel, auditors, accountants, advisors, investment bankers, representatives, insurers and reinsurers, trusts, trustees, trustors, agents, predecessors, successors, estates, assigns, assignees, heirs, executors, and administrators in their capacities as such; all members of the immediate families of Telus' directors and officers; and any entity in which any of Telus' officers, directors, or their immediate families have or had a controlling interest,

(collectively, the "Class Members");

How do I participate?

You are automatically included in the class. You do not have to do anything to participate.

If you do **not** want to be part of the lawsuit, you must notify class counsel in writing at the address below by no later than [DATE], providing your full name, current address and telephone number and indicating that you wish to opt out. If the person requesting to opt-out is a corporation, you must indicate the corporation's name as well as the position of the person submitting the request to opt-out on the corporation's behalf. **You must opt out if you do not want to be bound by the class action.**

What are the financial consequences?

Judgment on the common issues, whether favourable or not, will bind all Class Members who do not opt out of the proceeding. If the class obtains recovery against the Defendants, then you will be entitled to share in the recovery. If you opt out of the class action, you do not have this right.

If the action is not successful on the common issues, no Class Member will be responsible for legal fees or costs. The representative plaintiff has entered into a contingency fee agreement with class counsel for the legal work on the common issues. Class counsel will be paid only if the action is successful. The court will determine the amount to be paid to class counsel for legal fees and disbursements. Class counsel's fee will be a maximum of 33% of the total amounts recovered under any judgments, orders or settlements.

For more information, please visit the class action website at: [insert] or contact class counsel, Slater Vecchio LLP or ~~Emilie B. Kokmanian~~ Kokmanian Law Corporation, at [insert dedicated email address].

This notice has been authorized by the B.C. Supreme Court. Do not contact the court.

TELUS INTERNATIONAL (CDA) INC. LITIGE EN VALEURS MOBILIÈRES

AVIS DE CERTIFICATION

Lisez attentivement cet avis, car il peut avoir une incidence sur vos droits légaux.

Cet avis s'adresse à **toute personne qui a acheté des actions à droit de vote subalterne** de Telus International (Cda) Inc. ("Telus" ou la "Société") entre le 16 février 2023 et le 1er août 2024, inclusivement (la "Période") et qui détenait la totalité ou une partie de ces actions à droit de vote subalterne à un quelconque moment entre le 9 mai 2024 et le 1er août 2024, inclusivement.

Le [DATE], la Cour suprême de la Colombie-Britannique a certifié une action collective dans *Middleton v. Telus International (Cda) Inc. et al*, S.C.B.C. No. S 248620.

La Cour a nommé M. Kayne Middleton à titre de représentant du groupe. Le groupe comprend toute personne qui a acheté des actions à droit de vote subalterne de Telus conformément aux dates mentionnées ci-haut, à l'exception des Défendeurs; les sociétés mères directes ou indirectes, filiales, divisions, affiliés, partenaires, commandités, commanditaires, sociétés en nom collectif, directeurs, actionnaires, coentrepreneurs, membres, dirigeants, administrateurs, associés directeurs, superviseurs, employés, avocats, passés ou présents de Telus, y compris les avocats des Défendeurs, leurs auditeurs, comptables, conseillers, banquiers d'affaires, représentants, assureurs et réassureurs, fiducies, fiduciaires, agents, prédécesseurs, successeurs, successions, assignés, cessionnaires, héritiers, exécuteurs testamentaires et administrateurs en leur qualité; tous les membres de la famille proche des administrateurs et dirigeants de Telus ; et toute entité dans laquelle l'un des dirigeants, administrateurs ou membres de leur famille proche a ou avait une participation majoritaire.

Les Défendeurs sont: Telus International (Cda) Inc., Jeffrey Puritt, Vanessa Kanu, Gopi Chande, Michael Ringman, Beth Howen, Darren Entwistle, Josh Blair, Madhuri Andrews, Olin Anton, Navin Arora, Doug French, Tony Geheran, Sue Paish, Carolyn Slaski et Sandra Stuart.

Quel est l'objet de l'action collective?

Cette action découle de représentations fausses et trompeuses et manquements à l'obligation d'information continue effectués par Telus et certains de ses dirigeants et administrateurs durant la période entre le 16 février 2023 et le 1er août 2024, inclusivement. L'action allègue qu'en réponse aux changements technologiques sur le marché des solutions d'expérience client, Telus a cherché à maintenir ses marges bénéficiaires historiques en orientant ses activités vers des solutions basées sur l'intelligence artificielle ("IA") afin de tirer profit des développements en IA. Les Défendeurs ont présenté l'investissement stratégique de Telus dans l'IA comme étant le principal élément permettant de maintenir la rentabilité de la Société, assurant les investisseurs (i) de la forte demande pour ces services et du fait que la Société était particulièrement bien placée pour répondre à cette demande et (ii) que ces produits pouvaient être utilisés à l'interne par Telus afin de réduire les coûts. L'action allègue que Telus a publiquement souligné la force et la rentabilité de ses capacités en matière d'IA tout en dissimulant des faits importants concernant l'impact financier de cette transition, notamment le fait que ses solutions basées sur l'IA généraient des marges inférieures à celles des autres

solutions de la Société, qu'elles étaient en grande partie fournies à titre d'essai et qu'elles cannibalisaient les marges plus élevées générées par les solutions traditionnelles de la Société.

Il est également allégué que les Défendeurs ont omis de divulguer un changement important dans l'activité, l'exploitation et le capital de Telus découlant de sa transition vers l'IA, ce qui a entraîné une inflation artificielle du prix de ses actions durant la Période. Lorsque la prétendue vérité a été révélée par l'entremise de rectifications, la valeur des actions à droit de vote subalterne de Telus a baissé de manière significative. Le Demandeur allègue que les membres du groupe qui ont acheté des actions à droit de vote subalterne de Telus durant la Période ont subi des pertes en raison du comportement frauduleux des Défendeurs.

Les Défendeurs contestent les réclamations formulées à leur égard.

Qui sont les Membres du Groupe ?

Le Groupe est composé de:

Toute personne ou entité qui a acquis une ou plusieurs actions à droit de vote subalterne entre le 16 février 2023 et le 1er août 2024, inclusivement et qui détenait la totalité ou une partie de ces actions à droit de vote subalterne à un quelconque moment entre le 9 mai 2024 et le 1er août 2024, inclusivement, à l'exception des Personnes Exclues, ~~incluant un sous-groupe formé de toute personne ou entité qui a acquis une ou plusieurs actions à droit de vote subalterne de Telus cotées à la Bourse de New York alors qu'elles résidaient à l'extérieur du Canada (le "Sous-groupe étranger" et les "Membres du Sous-groupe étranger") et un sous-groupe formé de toute personne ou entité qui a acquis une ou plusieurs actions à droit de vote subalterne de Telus cotées à la Bourse de Toronto (le "Sous-groupe TSX" et les "Membres du Sous-groupe TSX").~~

"Personnes Exclues" signifie: les Défendeurs; les sociétés mères directes ou indirectes, filiales, divisions, affiliés, partenaires, commandités, commanditaires, sociétés en nom collectif, directeurs, actionnaires, coentrepreneurs, membres, dirigeants, administrateurs, associés directeurs, superviseurs, employés, avocats, passés ou présents de Telus, y compris les avocats des Défendeurs, leurs auditeurs, comptables, conseillers, banquiers d'affaires, représentants, assureurs et réassureurs, fiducies, fiduciaires, agents, prédécesseurs, successeurs, successions, assignés, cessionnaires, héritiers, exécuteurs testamentaires et administrateurs en leur qualité; tous les membres de la famille proche des administrateurs et dirigeants de Telus ; et toute entité dans laquelle l'un des dirigeants, administrateurs ou membres de leur famille proche a ou avait une participation majoritaire.

(collectivement, les "Membre du Groupe");

Comment puis-je participer ?

Vous êtes automatiquement inclus dans le Groupe. Vous n'avez rien à faire pour y participer.

Si vous ne souhaitez **pas** participer au litige, vous devez en informer les avocats du Groupe par écrit à l'adresse ci-dessous au plus tard le [DATE], en indiquant votre nom complet, votre adresse actuelle et votre numéro de téléphone et en précisant que vous souhaitez vous exclure du litige. Si la personne qui souhaite s'exclure est une société, vous devez indiquer le nom de la société ainsi que la fonction de la personne qui soumet cette demande d'exclusion au nom de la

société [DATE]. **Vous devez vous exclure si vous ne voulez pas être lié par l'action collective.**

Quelles sont les conséquences financières ?

Le jugement sur les questions communes, qu'il soit favorable ou non, liera tous les Membres du Groupe qui ne s'excluent pas du litige. Si le Groupe obtient un recouvrement contre les Défendeurs, vous aurez le droit de participer à ce recouvrement. Si vous vous excluez de l'action collective, vous n'aurez pas de droit.

Si l'action échoue quant aux questions communes, aucun Membre du Groupe ne sera responsable des honoraires d'avocats ou débours. Le représentant du Groupe a conclu une entente d'honoraires avec les avocats du Groupe pour le travail juridique sur les questions communes. Les avocats du Groupe ne seront payés que si l'action est gagnée. La Cour déterminera le montant à verser aux avocats du Groupe pour leurs honoraires et débours. Les honoraires des avocats du Groupe seront un maximum de 33% des montants totaux recouvrés en vertu de jugements, d'ordonnances ou de règlements.

Pour de plus amples informations, veuillez consulter le site web de l'action collective à [insérer] ou contacter les avocats du Groupe, Slater Vecchio LLP et ~~Me Emilie B. Kokmanian~~ Kokmanian Law Corporation, à [insérer adresse courriel].

Cet avis a été autorisé par la Cour suprême de la Colombie-Britannique. Ne contactez pas la Cour.