

CONFLICTS OF INTEREST POLICIES AND PROCEDURES UNDER NI 31-103

National Instrument 31-103 sets out registration requirements and exemptions for firms and individuals. Under client relationships, sections 13.6 and 14.2 set out disclosure when recommending related or connected securities and relationship disclosure information.

CI Investments Inc. (“CI”) is registered in all provinces as an adviser in the category of portfolio manager, and as a dealer in the category of exempt market dealer and as a commodity trading manager and commodity trading counsel in Ontario. A wholly-owned subsidiary of CI, CI Fund Services Inc. (“CIFS”) is registered with the OSC as a dealer in the categories of mutual fund dealer and exempt market dealer. Assante Capital Management Ltd. (“ACM”), also a wholly owned subsidiary of CI, is registered nationally as a dealer in the category of investment dealer and member of the Investment Industry Regulatory Organization of Canada (“IIROC”). Assante Financial Management Ltd. (“AFM”), also wholly owned subsidiary of CI, is registered nationally as a dealer in the category of mutual fund dealer and in the category of exempt market dealer and a member of the Mutual Fund Dealers Association of Canada. CI Private Counsel LP (“CIPC”), controlled by CI, is registered nationally as an adviser in the category of portfolio manager and in the category of exempt market dealer. Perimeter Markets Inc. (“PMI”), controlled by CI, is registered in all provinces as a dealer in the category of investment dealer, as a derivative dealer in Quebec and as a futures commission merchant in Ontario and Manitoba and member of IIROC and the Bourse de Montreal Inc.

CI is primarily engaged in acting as an adviser to the investment funds managed by CI (the “Funds”). CI also acts as advisers to institutions. CIFS is primarily engaged in acting as a dealer for fund-on-fund trades and exempt trades. In general, CI’s advisory activities are carried on separate and apart from CIFS’s dealer activities. CIPC is primarily engaged in acting as advisers to high-net worth individuals and families. ACM is primarily engaged in acting as a dealer in securities, including but not limited to mutual funds, and is a member of the IIROC. AFM is primarily engaged in acting as a dealer of mutual fund securities for its clients. PMI is primarily engaged in trading in fixed income securities.

From time to time, certain officers and/or directors of CI may also be officers and/or directors of CIFS, ACM, AFM, CIPC and PMI.

Given the nature of each of the businesses of CI, CIFS, ACM, AFM CIPC and PMI, the potential for conflicts of interest affecting the clients of CI is minimal since, in general, the clients of CI are the Funds and the clients of CIFS are individuals, if any. With respect to CI, ACM, AFM CIPC and PMI, CI is operated as a separate business, distinct from the operations of ACM, AFM CIPC and PMI.

Policies and Procedures

The officers and directors of CI shall minimize the potential for conflicts of interest resulting from the relationship between CI, CIFS, ACM, AFM, CIPC and PMI by carrying on activities of CI, as much as possible, separate and apart from the activities of CIFS, ACM, AFM, CIPC and PMI. The officers and directors of CI will devote the time and effort required in the circumstances to the activities of CI. The potential for conflicts of interest is minimized through the CI Code of Ethics and Conduct (the “Code”) which applies to all officers and directors of CI (of which some of whom are also currently officers and directors of CI, CIFS, ACM, AFM, CIPC and PMI) and requires that the interests of clients be placed above personal interests through the application of the highest standards of integrity and ethical business conduct. CI maintains a board of governors for the Funds (the “Board of Governors”) which oversees governance and compliance issues, such as potential conflicts of interest, related to the Funds.

As the main clients of CI are the Funds, the clients shall be informed of the potential for conflicts of interest resulting from the relationship between CI, CIFS, ACM, AFM, CIPC and PMI through the distribution of these policies and procedures to all applicable directors and officers of CI, CIFS, ACM, AFM, CIPC and PMI and the Board of Governors. Adherence to the Code is enforced through the semi-annual certification and acknowledgment of employees, officers and directors of CI certifying compliance with the Code. The Board of Governors meets quarterly to discuss governance and compliance issues related to the Funds.

January 31, 2010