

**STATEMENT OF POLICIES CONCERNING RELATED AND CONNECTED ISSUERS
for Stonegate Private Counsel, a division of CI Private Counsel LP**

Stonegate Private Counsel (“Stonegate”) operates as a division of CI Private Counsel LP (“CIPC”) which is registered nationally as an adviser in the category of portfolio manager and as a dealer in the category of exempt market dealer, with the Ontario Securities Commission (“OSC”) as its primary regulator.

Canadian securities regulations require that we disclose information to you in a prescribed format. We understand that not all information presented will apply to your personal circumstance or account with CIPC.

Respect for the Law

CIPC, its officers, directors, agents and employees thereof, must observe, in letter and spirit, all applicable laws and regulations.

1. PRIVACY AND CONFIDENTIALITY

Your information and your business with us are kept in strict confidence. The Stonegate privacy policy can be found at www.stonegatepc.com Please note that:

- Stonegate collects personal information for the purposes of servicing your account(s) and to fulfill its regulatory obligations to you.
- The OSC or other regulatory authorities may require access to your personal information. Regulatory authorities collect, use or disclose such personal information to protect investors as required by law.
- Stonegate may disclose personal information about you to employees of related or affiliated entities and service providers for the purpose of servicing or administering your account(s).

1.2. Improper use of Confidential and Insider Information

The improper use of confidential information, or of any inside information not generally disclosed, for personal gain or for the benefit of another person, is prohibited and grounds for dismissal of an employee or advisor.

2. CONFLICTS OF INTEREST

The securities laws of the Province of Ontario require securities dealers and advisers, when they trade in or advise with respect to their own securities or securities in certain other issuers to which they, or certain other parties related to them, are related or connected, to do so only in accordance with particular disclosure and other rules. These rules require dealers and advisers, prior to trading with or advising their clients, to inform them of the relevant relationship and connections with the issuer of the securities. Clients and customers should refer to the applicable provisions of these

securities laws for the particulars of these rules and their rights or consult with a legal adviser.

3. BUSINESS ACTIVITIES

Through its Stonegate Private Counsel division, CIPC provides portfolio management, investment advisory and like wealth management advisory services and on occasion may deal with exempt purchasers and/or exempt investment products, under its Stonegate division, where authorized to do so. Accordingly, CIPC will provide a full range of services in respect of securities. Such services shall be carried on by CIPC in the ordinary course of its business as an adviser and exempt market dealer, in accordance with its usual practices and procedures and with all applicable disclosure and other regulatory requirements.

4. FAIRNESS IN ALLOCATIONS

CIPC confirms that in the event that securities are purchased for the accounts of more than one client of CIPC as part of a bulk trade, either as part of an Initial Public Offering or in the secondary market and an insufficient number of securities is available to satisfy the purchase order, the securities available will be allocated to the extent possible pro rata to the size of the clients' accounts taking into consideration the Investment Policy Statement of each client. **When trades are bulked, prices, and when applicable, trading commissions will be allocated on a pro rata basis so that each client receives the benefit of the same price and commission rate.**

5. STATEMENT OF POLICIES CONCERNING CONFLICT OF INTEREST WITH RELATED AND CONNECTED ISSUERS

Under certain circumstances, CIPC may advise you in securities transactions where the issuer of the Securities or the other party to the transaction is CIPC or related to CIPC. Since these transactions may create a conflict or the appearance of a conflict between CIPC's interests and yours, we are required by securities laws to disclose certain relevant information relating to the transactions. This statement contains a general description of the required disclosure.

5.1. Important Concepts

A **"related issuer"** means a person or company that influences, or is influenced by, another person or company.

A **"connected issuer"** is a company that has a business relationship with CIPC that, in connection with a distribution of securities of the issuer, is material to a prospective purchaser of the securities. Attached to this statement is a list of related issuers of CIPC that are reporting issuers, within the meaning of applicable securities laws, together with a concise statement of the relationship between them and CIPC.

An **"influential securityholder"** Generally, influential securityholder means a person, company or professional group that, on its own or together with its related issuers, exercises influence over an issuer by:

- being able to direct the voting of more than 20 percent of the votes to determine the directors of the issuer, or controlling or being a partner of the issuer if the issuer is a general partnership or is a general partner of the issuer if the issuer is a limited partnership; or

- being able to direct the voting of more than 10 percent of the votes to determine the directors of the issuer, and either
 1. being entitled to nominate at least 20 percent of the directors or having officers, directors or employees in common with and constituting at least 20 percent of the directors of the issuer or a related issuer; or
 2. being entitled to nominate at least 20 percent of the directors of the influential securityholder or having officers, directors or employees in common with and constituting at least 20 percent of the directors of the influential securityholder.

CIPC is required to make certain disclosures where we act as your dealer, advise you, or exercise discretion on your behalf with respect to securities issued or traded by us that are securities of a related issuer or, in the course of a distribution, a connected issuer.

5.2. Required Disclosure

- (i) Where a client deals in securities of a related issuer or, in the course of a distribution, of a connected issuer, whether or not CIPC has advised the client about the trade, the quarterly and/or monthly statement will indicate the relationship to CIPC;
- (ii) Where a client seeks to purchase securities during a distribution of securities where the issuer is either a related issuer or a connected issuer and where CIPC has participated as an underwriter or as a member of the selling group, whether or not CIPC has advised the client about the trade, CIPC will:
 - (a) either orally or in writing inform the client of the existence of the relationship before entering into a contract for the purchase of the securities. For this purpose, this notice is written confirmation of CIPC's relationship with CI Financial Corp. ("CI") and its subsidiaries including CI Investments Inc. ("CII") and the funds managed by such firms;
 - (b) ensure that all quarterly and monthly statements indicate the relationship to CIPC; and
 - (c) ensure that full, true and plain disclosure of the relationship is contained in the prospectus or other document(s) being used to qualify those securities.
- (iii) Where CIPC advises a client in respect of the securities of a related issuer or, in the course of a distribution, of a connected issuer, CIPC will:
 - (a) either orally or in writing inform the client of the existence of the relationship prior to advising the client. For this purpose, this notice is written confirmation of CIPC's relationship with CI and the products and services offered through CI and its subsidiaries including CII and the funds managed by such firms; and
 - (b) ensure that all quarterly and monthly statements indicate the relationship to CIPC.
- (iv) Where CIPC acts as a portfolio manager it will, before acquiring discretionary authority in respect of the securities of a related issuer or, in the course of a distribution, of a connected issuer and once within each 12-month period thereafter, provide the client with a copy of its current Statement of Policies Concerning Related and Connected Issuers and at the time of account opening, obtain the specific and informed written consent of the client to the exercise of the discretionary authority.

6. Conflict of Interest Statement for British Columbia Clients

Under certain circumstances, we may deal with or for you in securities transactions where the issuer of the securities or the other party to the transaction is CIPC or related to CIPC. Since these transactions may create a conflict or the appearance of a conflict between our interests and yours, we are required by securities laws to disclose certain relevant information relating to the transaction(s). This statement contains a general description of the required disclosure. A complete statement of the rules is set out in Division 11 of Part 5 of the British Columbia Securities Rules.

6.1 Required Disclosure

The following is a list of the time and manner in which these disclosures must be made.

(i) Where CIPC advises you with respect to the purchase or sale of securities, the disclosure must be made prior to its giving the advice.

(ii) Where CIPC exercises discretion under your authority in the purchase or sale of securities for your account, it may not exercise that discretion for the types of transactions described above unless it has obtained your prior specific and informed written consent. For this purpose, this notice is written confirmation of CIPC's relationship with CI and its subsidiaries, including the funds managed by such firms.

6.2. Revisions or Amendments

Revisions or amendments to this statement will be provided to each client in accordance with applicable law.

7. DISCLOSURE OF RELATED REGISTRANTS

Securities legislation requires a dealer or adviser to advise its clients if it has any principal shareholders, officers, partners or directors who are also principal shareholders, officers, partners or directors of another securities registrant. As well, the dealer or adviser must provide to its clients details of the policies and procedures adopted to minimize the potential for conflict of interest resulting from these relationships.

CI Investments Inc. ("CII") is the Limited Partner of CIPC and owns principally all of the capital of CIPC. CII is a wholly owned subsidiary of CI Financial Corp. ("CF"), a public company whose shares are traded on the TSX. A number of shares are held by employees and advisers who work within Stonegate and other members of the CI organization. CI is also a principal shareholder of the following dealers or advisors (individually, a "Related Registrant"):

Assante Financial Management Ltd.	CI Investments Inc.	CI Capital Markets Inc.
Assante Capital Management Ltd.	CI Fund Services Inc.	Perimeter Markets Inc.
	Castlerock Investments Inc.	Red Sky Capital Management Ltd.

A complete list all related and connected issuers, registrants and funds managed by these related registrants is attached to this statement.

CIPC may enter into or have arrangements with its related investment firms to utilize their back-office support, product, distribution services and client referrals. In addition, Related Registrants may include other dealers and advisers of which CI becomes a principal shareholder. CIPC may from time to time have officers or employees who are also directors and/or officers of a Related Registrant. Each of CI and the Related Registrants is a separate legal entity that carries on its business independently.

Conflicts of interest resulting from the above relationships described are minimized in a number of ways. Regulations, policies and procedures made by the industry regulating bodies restrict, and otherwise regulate the relationships among dealers, advisers and related registrants and govern their relationships with one another and clients. Compliance with both internal and external regulations, policies and procedures are monitored at all levels of the company under the guidance of CIPC's Compliance Department. For further information concerning these matters; please contact the Chief Compliance Officer at 1-416-681-7046.

7.1 LIST OF RELATED ISSUERS (ALL PROVINCES)

CIPC, from time to time, may be deemed to be related or connected to one or more issuers for purposes of disclosure. CIPC may have acted or is prepared to continue to act as an adviser or exempt market dealer with respect to securities of such related or connected issuers and to provide the full range of services customarily provided in respect of the securities of the issuer. CIPC will carry out such services in the ordinary course of its business in accordance with usual practices and procedures and with all applicable regulatory requirements.

January 25, 2012

**LIST OF RELATED AND CONNECTED ISSUERS OF
CI PRIVATE COUNSEL LP**

Related or Connected Company	Relationship to Registrant
CI Financial Corp.	A TSX listed corporation and holds 100% of the securities of CI Investments Inc.
CI Investments Inc.	Registered in all provinces as an adviser in the category of portfolio manager and as a dealer in the category of exempt market dealer in Ontario, commodity trading counsel and commodity trading manager in Ontario and investment fund manager in Ontario. Holds 100% voting securities of CI Fund Services Inc. and CI GP Limited. General Partner and 5% limited partner of CI Investments Services LP and the limited partner of CI Private Counsel LP.
CI Investments Services GP Ltd.	Wholly-owned subsidiary of CI Investments Inc. and acts solely as a general partner of CI Investments Services LP.
CI Investments Services LP	Limited partnership that provides services to CI Investments Inc. and its affiliates.
CI Fund Services Inc.	Registered in Ontario as a dealer in the categories of mutual fund dealer and exempt market dealer.
6428827 Canada Inc.	General Partner of CI Private Counsel LP.
CI Private Counsel LP	Registered nationally as an adviser in the category of portfolio manager and as a dealer in the category of exempt market dealer. Registered as a life insurance agency with applicable insurance regulators in British Columbia, Ontario, Manitoba, Nova Scotia and Saskatchewan.
Assante Wealth Management (Canada) Ltd.	Wholly-owned subsidiary of CI Investments Inc. and holds 100% of the voting securities of Assante Capital Management Ltd. and Assante Financial Management Ltd.
Assante Capital Management Ltd.	Registered nationally as a dealer in the category of investment dealer and member of the Investment Industry Regulatory Organization of Canada (IIROC) and a participating organization of the Toronto Stock Exchange.
Assante Financial Management Ltd.	Registered nationally as a dealer in the category of mutual

Related or Connected Company	Relationship to Registrant
	fund dealer and as a dealer in the category of exempt market dealer and a member of the Mutual Fund Dealers Association of Canada.
Assante Estate and Insurance Services Inc.	Registered as a life insurance agency with all applicable insurance regulators in all provinces and territories in Canada. Assante Estate and Insurance Services Inc. is owned by Assante Financial Management Ltd. and Assante Wealth Management (Canada) Ltd.
The Bank of Nova Scotia	The Bank of Nova Scotia is a TSX listed company. It holds approximately 36% of the voting securities of CI Financial Corp. and is an influential securityholder of CI Financial Corp.
CI GP Limited	Wholly owned subsidiary of CI Investments Inc. Acts as the general partner of CI Master Limited Partnership.
CI Master Limited Partnership	TSX listed limited partnership managed by CI GP Limited.
Perimeter Financial Corp.	Wholly-owned subsidiary of CI Financial Corp. and holds 100% voting securities of Perimeter Markets Inc. 95% limited partner of CI Investments Services LP.
Perimeter Markets Inc.	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 Investment Industry Regulatory Organization of Canada (IIROC) and the Bourse de Montreal Inc. Wholly-owned subsidiary of Perimeter Financial Corp.
Red Sky Capital Management Ltd.	Registered in British Columbia, Alberta and Quebec as an exempt market dealer and registered in Ontario as an investment fund manager, portfolio manager and exempt market dealer. CI Financial Corp. holds approximately 35% of the voting securities of Red Sky Capital Management Ltd.
Skylon Gold STAR General Partner Inc.	Wholly owned subsidiary of CI Investments Inc. Acts as the general partner of Skylon Gold STAR LP.
DDJ High Yield Fund Convertible & Yield Advantage Trust High Yield & Mortgage Plus Trust Signature Diversified Value Trust	TSX listed closed-end investment funds managed by CI Investments Inc.
Skylon Global Capital Yield Trust	

Related or Connected Company	Relationship to Registrant
Skylon Global Capital Yield Trust II Skylon Growth & Income Trust Skylon International Advantage Yield Trust Skylon All Asset Trust Yield Advantage Income Trust Trident Performance Corp. Trident Performance Corp. II	
CI Alpine Growth Equity Fund Cambridge American Equity Fund (formerly CI American Equity Fund) Cambridge American Equity Corporate Class (formerly CI American Equity Corporate Class) CI American Managers Corporate Class CI American Small Companies Fund CI American Small Companies Corporate Class CI American Value Fund CI American Value Corporate Class CI Canadian Investment Fund CI Canadian Investment Corporate Class CI Canadian Small/Mid Cap Fund CI Emerging Markets Fund CI Emerging Markets Corporate Class CI European Fund CI European Corporate Class CI Global Fund CI Global Corporate Class CI Global Health Sciences Corporate Class CI Global Managers Corporate Class CI Global Small Companies Fund CI Global Small Companies Corporate Class CI Global Science & Technology Corporate Class CI Global Value Fund CI Global Value Corporate Class CI International Fund CI International Corporate Class CI International Value Fund CI International Value Corporate Class CI Japanese Corporate Class CI Pacific Fund CI Pacific Corporate Class CI Value Trust Corporate Class CI International Balanced Fund CI International Balanced Corporate Class CI Money Market Fund CI US Money Market Fund CI Short-Term Corporate Class CI Short-Term US\$ Corporate Class CI Global Bond Fund	Investment funds managed by CI Investments Inc. ¹
CI Global Bond Corporate Class	

Related or Connected Company	Relationship to Registrant
CI Can-Am Small Cap Corporate Class CI Global High Dividend Advantage Fund CI Global High Dividend Advantage Corporate Class CI Short-Term Advantage Corporate Class CI Short-Term Advantage Trust Harbour Fund Harbour Corporate Class Harbour Foreign Equity Corporate Class Harbour Foreign Growth & Income Corporate Class Harbour Growth & Income Fund Harbour Growth & Income Corporate Class Harbour Voyageur Corporate Class Signature Canadian Resource Fund Signature Canadian Resource Corporate Class Signature Select Canadian Fund Signature Select Canadian Corporate Class Signature Canadian Balanced Fund Signature Dividend Fund Signature Dividend Corporate Class Signature High Income Fund Signature High Income Corporate Class Signature Corporate Bond Fund Signature Corporate Bond Corporate Class Signature Income & Growth Fund Signature Income & Growth Corporate Class Signature Global Income & Growth Fund Signature Global Income & Growth Corporate Class Signature Canadian Bond Fund Signature Short-Term Bond Fund Signature Mortgage Fund Signature Global Energy Corporate Class Signature Canadian Bond Corporate Class Signature Diversified Yield Fund Signature Diversified Yield Corporate Class Signature Diversified Yield Trust Signature Select Global Fund Signature Select Global Corporate Class Signature Gold Corporate Class Signature High Yield Bond Fund Signature High Yield Bond Corporate Class Signature High Yield Bond Trust Portfolio Series Conservative Balanced Fund Portfolio Series Balanced Growth Fund Portfolio Series Growth Fund Portfolio Series Maximum Growth Fund Portfolio Series Income Fund Portfolio Series Conservative Fund Portfolio Series Balanced Fund Synergy Canadian Corporate Class	
Synergy Global Corporate Class	

Related or Connected Company	Relationship to Registrant
<p>Synergy American Fund Synergy American Corporate Class Synergy Tactical Asset Allocation Fund Select Canadian Equity Managed Corporate Class Select U.S. Equity Managed Corporate Class Select International Equity Managed Corporate Class Select 80i20e Managed Portfolio Corporate Class Select 70i30e Managed Portfolio Corporate Class Select 60i40e Managed Portfolio Corporate Class Select 50i50e Managed Portfolio Corporate Class Select 40i60e Managed Portfolio Corporate Class Select 30i70e Managed Portfolio Corporate Class Select 20i80e Managed Portfolio Corporate Class Select 100e Managed Portfolio Corporate Class Select Staging Fund Select Canadian Equity Managed Fund Select U.S. Equity Managed Fund Select International Equity Managed Fund CI Income Advantage Fund (formerly Select Income Advantage Managed Fund) Select Income Advantage Managed Trust Select Income Advantage Managed Corporate Class Cambridge Canadian Equity Corporate Class Cambridge Global Equity Corporate Class Cambridge Canadian Asset Allocation Corporate Class Cambridge Income Fund Cambridge Income Corporate Class Cambridge Income Trust Black Creek Global Leaders Corporate Class Black Creek International Equity Corporate Class Black Creek Global Balanced Corporate Class Lakeview Disciplined Leadership Canadian Equity Fund Lakeview Disciplined Leadership U.S. Equity Fund Lakeview Disciplined Leadership High Income Fund Trident Global Opportunities Fund CI Global Opportunities Fund</p>	
<p>Cash Management Pool Short Term Income Pool Canadian Fixed Income Pool Global Fixed Income Pool Enhanced Income Pool Canadian Equity Value Pool Canadian Equity Growth Pool Canadian Equity Small Cap Pool US Equity Value Pool US Equity Growth Pool</p>	Investment funds managed by CI Investments Inc.
US Equity Small Cap Pool	

Related or Connected Company	Relationship to Registrant
International Equity Value Pool International Equity Growth Pool Emerging Markets Equity Pool Real Estate Investment Pool Short Term Income Corporate Class Canadian Fixed Income Corporate Class Global Fixed Income Corporate Class Real Estate Investment Corporate Class Canadian Equity Small Cap Corporate Class Canadian Equity Value Corporate Class Canadian Equity Growth Corporate Class US Equity Value Corporate Class US Equity Growth Corporate Class International Equity Value Corporate Class International Equity Growth Corporate Class Emerging Markets Equity Corporate Class Enhanced Income Corporate Class US Equity Small Cap Corporate Class Canadian Equity Alpha Corporate Class US Equity Value Currency Hedged Corporate Class US Equity Alpha Corporate Class International Equity Value Currency Hedged Corporate Class International Equity Alpha Corporate Class	
Castlerock Growth Portfolio Castlerock Balanced Growth Portfolio Castlerock Balanced Portfolio Castlerock Conservative Portfolio Castlerock Capital Appreciation Fund Castlerock Global Leaders Fund Castlerock International Equity Fund Castlerock U.S. Dividend Growth Fund Castlerock Canadian Dividend Fund Castlerock Canadian Dividend Growth Fund Castlerock Canadian Stock Fund Castlerock Canadian Value Fund Castlerock Canadian Balanced Fund Castlerock Global Balanced Fund Castlerock Canadian Bond Fund Castlerock Global High Income Fund Castlerock Canadian Money Market Fund Castlerock Canadian Growth Companies Fund Castlerock Enhanced Yield Fund Castlerock Total Return Fund Castlerock Pure Canadian Equity Fund	Investment funds managed by CI Investments Inc.
CI Signature Canadian Balanced Fund (formerly KBSH Balanced Fund)	Pools managed and advised by CI Investments Inc.
CI Signature Canadian Bond Plus Fund (formerly	

Related or Connected Company	Relationship to Registrant
KBSH Canadian Bond Fund) KBSH EAFE Equity Fund KBSH Global Equity Fund KBSH Money Market Fund KBSH U.S. Growth Equity Fund CI Signature Canadian Equity Plus Fund CI Cambridge Core Canadian Equity Fund	
Limited Partnerships: The North Front Limited Partnership 2100 Bloor Street West Limited Partnership	An affiliated company provides reporting and advisory services to the limited partnerships.

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¹ Additions, deletions or name changes of investment funds managed by CI Investments Inc. are not significant changes to the information in the statement of policies.