

CI FINANCIAL CORP.

**NOTICE OF MEETING
AND
MANAGEMENT INFORMATION CIRCULAR
for the
ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS
to be held on March 25, 2010**





NOTICE OF ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS

NOTICE IS HEREBY GIVEN that the annual and special meeting of holders of common shares of **CI Financial Corp.** (the “**Corporation**” or “**CI**”) will be held on Thursday March 25, 2010 at 2:00 p.m. (Toronto time) at Arcadian Court, 401 Bay Street, 8th Floor, Toronto, Ontario for the following purposes:

1. To receive the consolidated financial statements of CI Financial Corp. for the fiscal year ended December 31, 2009, together with the auditors’ report thereon;
2. To elect Directors for the ensuing year;
3. To appoint auditors for the ensuing year and authorize the Directors to fix the auditors’ remuneration;
4. To consider and, if thought fit, to approve a resolution in the form set forth in Schedule “A” of the accompanying Management Information Circular authorizing certain amendments to the Employee Incentive Stock Option Plan, as more particularly set forth in the accompanying Management Information Circular and ratifying certain option grants made under the amended plan; and
5. To transact such other business as may properly be brought before the meeting or any adjournment thereof.

The accompanying Management Information Circular provides additional information relating to matters to be dealt with at the meeting and is deemed to form part of this notice.

February 24, 2010

By Order of the Board of Directors of CI Financial Corp.

A handwritten signature in black ink that reads "Sheila A. Murray".

SHEILA A. MURRAY
Executive Vice-President and General Counsel
CI Financial Corp.

Your vote is important. If you are unable to attend the meeting in person please complete and return the accompanying proxy form in the envelope provided or otherwise arrange for delivery to Computershare Investor Services Inc., Attention: Proxy Department, or submit your instructions by telephone or Internet as described on the form of proxy, prior to 5:00 p.m. on March 23, 2010.

CI FINANCIAL CORP.

MANAGEMENT INFORMATION CIRCULAR

This management information circular is furnished in connection with the solicitation of proxies for use at the annual and special meeting (the “**Meeting**”) of holders of common shares (the “**Shares**”) of CI Financial Corp. (the “**Corporation**” or “**CI**”) to be held on Thursday March 25, 2010 at the time and place and for the purposes set forth in the accompanying notice of the Meeting.

It is expected that the solicitation will be made primarily by mail, but proxies may also be solicited personally or by telephone by employees of CI. The cost of solicitation will be borne by CI. CI will reimburse intermediaries such as clearing agencies, securities dealers, banks, trust companies or their nominees for reasonable expenses incurred in sending proxy material to beneficial Shareholders and obtaining your proxies.

In this document, *you, your* and *Shareholder* refer to the holders of Shares of CI. *We, us, our* and *CI* each refer to CI Financial Corp. or to its predecessor CI Financial Income Fund. Except as otherwise stated, the information contained in this circular is given as of February 24, 2010 and references to CI’s fiscal year are to the calendar year ended December 31, 2009.

HOW TO VOTE YOUR SHARES

Voting by Proxy

This is the easiest way to vote. Voting by proxy means that you are giving the person or people named on your proxy form (the “**Proxyholder**”) the authority to vote your Shares for you at the Meeting or any adjournment. A proxy form is included in this package.

You can choose one of the following five different ways to vote your Shares by proxy:

1. by telephone;
2. on the Internet;
3. by mail;
4. by fax; and
5. by appointing another person to go to the Meeting and vote your Shares for you.

The persons named in the accompanying proxy form are officers of CI. **These persons will vote your Shares for you, unless you appoint someone else to be your Proxyholder. If you appoint someone else, he or she must be present at the Meeting to vote your Shares.**

If you are voting your Shares by proxy, our transfer agent, Computershare Investor Services Inc. (“**Computershare**”), **must receive your completed proxy form by 5:00 p.m. (Toronto time) on March 23, 2010**, or not less than 48 hours (excluding Saturdays, Sundays and statutory holidays in Toronto, Ontario) before any adjournment(s) or postponement(s) of the Meeting.

You are a registered Shareholder if your name appears on your Share certificate. Your proxy form will indicate whether you are a registered Shareholder.

You are a non-registered (or beneficial) Shareholder if your bank, trust company, securities broker or other financial institution (your “**Nominee**”) holds your Shares for you. For most of you, your proxy form will indicate whether you are a non-registered (or beneficial) Shareholder.

If you are not sure whether you are a registered Shareholder, please contact Computershare:

Computershare Investor Services Inc.
 100 University Avenue
 9th Floor
 Toronto, Ontario
 M5J 2Y1

Telephone AnswerLine: 514-982-7555 or 1-800-564-6253 *(toll free in Canada and the United States)*

Fax 1-866-249-7775 *(toll free in Canada and the United States)* OR
 416-263-9524 *(outside Canada and the United States)*

E-mail www.service@computershare.com

How to Vote

If you are a Registered Shareholder

If you are a registered Shareholder you can attend the Meeting in person or, if you are not able to attend, you may vote by submitting your proxy before 5:00 p.m. (Toronto time) on March 23, 2010, in any of the following ways:

By Telephone	By Internet	By Mail	By Fax	By Appointing Another Person to Attend and Vote
Call 1-866-732-8683 <i>(toll free in Canada and the United States)</i>	Go to www.investorvote.com	Complete, sign and date the proxy and return it in the envelope provided or otherwise to: Computershare Investor Services Inc. Proxy Tabulation 100 University Avenue 9 th Floor, Toronto Ontario M5J 2Y1	Complete, sign and date the proxy and fax it to: 1-866-249-7775 <i>(toll free in Canada or the United States)</i> or 416-263-9524 <i>(outside Canada and the United States)</i>	Strike out the two names that are printed on the proxy form and write the name of the person you are appointing in the space provided. Complete your voting instructions, date and sign the proxy and return it to Computershare using one of the methods outlined here. <i>(The person does not have to be a Shareholder but please ensure that he or she knows that you have appointed them and they are available to attend the Meeting on your behalf)</i>

If you are a Non-Registered Shareholder

If you are a non-registered Shareholder we will not have any record of your ownership and so the only way that you can vote your Shares is by instructing your Nominee. Your Nominee is required to ask for your voting instructions before the Meeting. In most cases, you will receive a voting instruction form from your Nominee that allows you to provide your voting instructions by telephone, on the Internet, by mail or by fax. You should complete the voting instruction form, sign and return it in accordance with the directions on that form. Please contact your Nominee if you did not receive a request for voting instructions or a proxy form in this package. Less frequently, you may receive from your Nominee a proxy form that has already been signed by the Nominee, which is restricted to the number of Shares beneficially owned by you, but is otherwise not completed. If you have received this proxy form, you should complete it and return it to Computershare Investor Services Inc. before 5:00 p.m. (Toronto time) on March 23, 2010, using one of the methods set out above.

If you would like to attend the Meeting and vote in person, it will be necessary for you to appoint yourself as proxyholder of your Shares. You can do this by printing your name in the space provided on the voting instruction form and submitting it as directed. You will be asked to register your attendance at the Meeting.

Completing the Proxy Form

You can choose to vote “**FOR**” or “**WITHHOLD**” your vote in respect of the appointment of auditors and the election of each person nominated as a director and “**FOR**” or “**AGAINST**” the amendment to the Employee Incentive Stock Option Plan. The Shares represented by proxy will be voted or withheld from voting in accordance with your instructions on any ballot that may be called and if you specify a choice with respect to any matter to be acted upon, the Shares will be voted accordingly.

When you sign the proxy form, you authorize William T. Holland, the Chief Executive Officer or Sheila A. Murray, the Executive Vice-President and General Counsel, to vote your Shares for you at the Meeting according to your instructions. **If you return your proxy form and do not tell us how you want to vote your Shares, your Shares will be voted:**

- ! **FOR electing the nominated Directors who are listed in this circular;**
- ! **FOR appointing Ernst & Young LLP as auditors; and**
- ! **FOR the amendments to the Employee Incentive Stock Option Plan.**

Your Proxyholder will also be entitled to vote your Shares as he or she sees fit on any other matter that may properly come before the Meeting.

You have the right to appoint a person other than the persons designated in the proxy form to represent you at the Meeting. If you are appointing someone else to vote your Shares for you at the Meeting, strike out the two names that are printed on the proxy form and write the name of the person you are appointing in the space provided. **If you do not specify how you want your Shares voted, your Proxyholder will vote your Shares as he or she sees fit on any matter that may properly come before the Meeting.**

If you are an individual, you or your authorized attorney must sign the proxy form. If you are a corporation or other legal entity, an authorized officer or attorney must sign the proxy form. A proxy form signed by a person acting as attorney or in some other representative capacity (including a representative of a corporate Shareholder) should indicate that person’s capacity (following their signature) and should be accompanied by the appropriate instrument evidencing qualification and authority to act (unless such instrument has previously been filed with CI).

If you need help completing your proxy form, please contact Computershare Investor Services at 514-982-7555 or at 1-800-564-6253 (*toll free in Canada and the United States*) or by e-mail at www.service@computershare.com.

Changing your Vote/Revocation of Proxies

You can revoke a vote you made by proxy by:

- ! Voting again by telephone or on the Internet before 5:00 p.m. (Toronto time) on March 23, 2010;
- ! Completing a proxy form that is dated later than the proxy form you are changing, and sending it to Computershare Investor Services so that it is received before 5:00 p.m. (Toronto time) on March 23, 2010;
- ! Sending a notice in writing from you or your authorized attorney (or, if the Shareholder is a corporation, by a duly authorized officer) revoking your proxy to the General Counsel of CI so that it is received before 5:00 p.m. (Toronto time) on March 23, 2010;
- ! Giving a notice in writing from you or your authorized attorney (or, if the Shareholder is a corporation, by a duly authorized officer) revoking your proxy to the chair of the Meeting, at the Meeting or any adjournment; or
- ! Attending the Meeting in person and voting the Shares.

VOTING SECURITIES AND PRINCIPAL HOLDERS

CI is authorized to issue an unlimited number of Shares. As at February 19, 2010, the record date for establishing voting rights, 292,056,645 Shares were issued and outstanding. Each Share entitles the holder to one vote in respect of each matter to be voted on at the Meeting.

To the knowledge of the Directors and executive officers of CI, as of February 19, 2010, the record date for establishing voting rights, the only person or company beneficially owning, directly or indirectly, or exercising control or direction over Shares carrying more than 10% of the voting rights is The Bank of Nova Scotia, which beneficially owns 104,610,812 Shares representing approximately 35.8% of the outstanding Shares.

HOW THE VOTES ARE COUNTED

Only persons who were registered as holders of Shares as of the close of business on February 19, 2010, (the “**Record Date**”) are entitled to receive notice of, attend and vote at the Meeting. CI will prepare or cause to be prepared a list of the registered holders of Shares as of the close of business on the Record Date. At the Meeting, each holder of Shares named in that list will be entitled to vote the Shares shown opposite the holder’s name on the list.

Computershare counts and tabulates the votes. It does this independently of CI to make sure that the votes of individual Shareholders are confidential. Computershare refers proxy forms to management only when (i) it is clear that a Shareholder wants to communicate with management; (ii) the validity of the form is in question; or (iii) the law requires it.

BUSINESS OF THE MEETING

Financial Statements

The consolidated financial statements of CI for the year ended December 31, 2009 have been sent to Shareholders. The financial statements are also available on the System for Electronic Document Analysis and Retrieval (the “SEDAR”) website at www.sedar.com.

Election of Directors

The board of directors (the “**Board of Directors**” or the “**Board**”) presently consists of seven Directors. The term of office of each of the seven existing Directors will expire immediately prior to the election of Directors at the Meeting. Each of the nominees listed below has served as a Director (or prior to conversion of the Fund, a Trustee) since CI’s last annual meeting and is proposed to be elected as a Director of CI to serve until the termination of the next annual meeting of Shareholders or until his successor is elected or appointed.

It is the intention of the individuals named in the enclosed form of proxy to vote in favour of the election of each of Ronald D. Besse, G. Raymond Chang, Paul W. Derksen, William T. Holland, Stephen T. Moore, A. Winn Oughtred and David J. Riddle, as Directors, to hold office until the close of the next annual meeting of Shareholders or until their successors are duly elected or appointed, unless specifically instructed in the proxy to withhold such vote. Management does not contemplate that any of the nominees will be unable to serve as a Director, but should that occur for any reason prior to the Meeting, the persons named in the enclosed proxy form reserve the right to vote in their discretion for other nominees.

The following table sets out the name and municipality of residence of each of the Directors, his other position or office with CI (if applicable) or other principal occupation, the number of Shares beneficially owned by him or over which he exercises control or direction and the date on which he became a Director (or Trustee) of CI.

Name	Principal Occupation	Director of CI Since	Number of Shares Beneficially Owned, Controlled or Directed
Ronald D. Besse ⁽¹⁾⁽²⁾⁽³⁾ Toronto, Ontario, Canada	President, Besseco Holdings Inc. (private investment company); Director and Lead Director of CI	October 11, 1995	99,025 Shares
G. Raymond Chang ⁽²⁾⁽³⁾ Toronto, Ontario, Canada	President, G. Raymond Chang Ltd. (private investment company); Non-Executive Chairman and Director of CI	April 12, 1994	13,467,692 Shares
Paul W. Derksen ⁽²⁾⁽³⁾ Clarksburg, Ontario, Canada	Corporate director; Director of CI	July 25, 2002	16,148 Shares
William T. Holland Toronto, Ontario, Canada	Chief Executive Officer and Director of CI	April 12, 1994	12,449,446 Shares
Stephen T. Moore ⁽¹⁾ Toronto, Ontario, Canada	Managing Director, Newhaven Asset Management Inc. (wealth management company); Director of CI	August 2, 2007	17,721 Shares
A. Winn Oughtred ⁽¹⁾⁽³⁾ Toronto, Ontario, Canada	Retired Lawyer and Corporate director; Director of CI	April 12, 1994	19,925 Shares
David J. Riddle ⁽¹⁾⁽²⁾ Vancouver, B.C., Canada	President, C-MAX Capital Inc. (private investment company); Director of CI	October 7, 1997	1,406,541 Shares

Note:

- (1) Member of the Compensation Committee.
- (2) Member of the Audit Committee.
- (3) Member of the Governance Committee.

Further information about each Director is set out below.

Mr. Besse, 71, is President of Besseco Holdings Inc. In prior positions, Mr. Besse was Chairman, President and Chief Executive Officer of Gage Learning Corporation and related predecessor companies from 1978 until 2003. Mr. Besse is a director of several companies including Rogers Communications Inc. (since 1984) where he is the Chair of the Audit Committee. Mr. Besse was awarded the Ryerson University Alumni Award of Distinction, Business Administration (1998) and an Honorary Doctorate of Commerce (2004). Mr. Besse is a member of the World Presidents' Organization, and is a past president of the Canadian Book Publishers' Council.

Mr. Chang, 61, is President of G. Raymond Chang Ltd. Mr. Chang is a Chartered Accountant and holds his Chartered Financial Analyst designation. Mr. Chang is a Chancellor of Ryerson University and is a director of the Royal Ontario Museum, Toronto General & Western Hospital Foundation and Camilion Solutions, is a chairman of Jameson Bank and is on the board of GraceKennedy Limited.

Mr. Derksen, 59, is a Corporate Director. Prior to March, 2007, Mr. Derksen was Executive Vice-President and Chief Financial Officer of Sun Life Financial Inc., where he was responsible for Sun Life Financial's Actuarial, Investment and Risk Management functions and for Mergers & Acquisitions and Investor Relations. Mr. Derksen was Executive Vice-President and Chief Financial Officer of CT Financial Services Inc. and Canada Trustco Mortgage Company, Chairman of Truscan Property Fund, Canada Trustco's real estate investment subsidiary, and Executive Vice-President of Merrill Lynch Canada Inc. Mr. Derksen is a Chartered Accountant.

Mr. Holland, 51, is Chief Executive Officer of CI. Since joining CI Group in 1989, he has held positions of increasing responsibility and was appointed Chief Executive Officer in November 1999. Mr. Holland is on the board of directors of Bloorview Kids Rehab Foundation and NEXJ Systems Inc.

Mr. Moore, 56, is a Managing Director and a Portfolio Manager for Newhaven Asset Management Inc. Prior to January 2006, Mr. Moore held a number of senior positions in the financial services industry focused in the areas of investment research, institutional sales, corporate finance and private equity. He is a trustee of the Advantaged Preferred Share Trust.

Mr. Oughtred, 67, is a Corporate Director. Between December 31, 2008 and May 31, 2009 Mr. Oughtred was a counsel to Borden Ladner Gervais LLP and prior to December 31, 2008 a partner with that firm. Mr. Oughtred practised corporate and securities law for over 40 years. He is a director of Oppenheimer Holdings Inc., State Bank of India (Canada) and Belmont House.

Mr. Riddle, 54, has been President of C-MAX Capital Inc. since 2000. In prior positions, Mr. Riddle has over 20 years' experience in the financial services industry with major Canadian investment dealers and as a senior executive in the mutual fund industry.

Corporate Cease Trade Orders or Bankruptcies

To the knowledge of CI, except as set forth below, none of the persons proposed for election as Directors (a) are, as at the date hereof, or have been, within the 10 years before the date of this Information Circular, a director, chief executive officer or chief financial officer of any company that, (i) was subject to a cease trade order, an order similar to a cease trade order or an order that denied the relevant company access to any exemption under securities legislation that was in effect for a period of more than 30 consecutive days (an “**Order**”) that was issued while the person was acting in the capacity as director, chief executive officer or chief financial officer; or (ii) was subject to an Order that was issued after the person ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer, (b) are, as at the date of this Information Circular, or have been within 10 years before the date of this Information Circular, a director or executive officer of any company that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets, or (c) have, within the 10 years before the date of this Information Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of that person.

Stephen Moore was, prior to January 26, 2010, a trustee of Impax Energy Services Income Trust. On December 14, 2009, Impax Energy Services Income Trust filed for creditor protection in order to facilitate an orderly sale and wind-up of operations. On January 26, 2010, all of the trustees and directors of the Trust resigned following the sale of substantially all of the assets of the Trust. Upon the resignations of the trustees and directors, trading in the units of the Trust was suspended for failure to maintain a minimum number of directors as required under the rules of the TSX Venture Exchange.

Penalties and Sanctions

To the knowledge of CI, none of the persons proposed for election as Directors of CI nor any personal holding company owned or controlled by any of them (i) has been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority, or (ii) has been subject to any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor in making an investment decision.

Appointment of Auditors

It is proposed that Ernst & Young LLP, the present auditors of CI, be reappointed as the auditors of CI, to hold office until the termination of the next annual meeting of Shareholders, and that the Directors be authorized to fix the auditors’ remuneration. The Audit Committee has recommended to the Board of Directors and the Board has approved the nomination of Ernst & Young LLP for such reappointment. Ernst & Young LLP have been the auditors of CI since it first offered securities to the public in 1994.

It is the intention of the individuals named in the enclosed form of proxy to vote in favour of the reappointment of Ernst & Young LLP as auditors of CI to hold office until the close of the next annual meeting of Shareholders and in favour of authorizing the Directors of CI to fix their remuneration, unless specifically instructed in the proxy to withhold such vote.

See the heading “Audit Committee Information” in CI’s 2010 Annual Information Form dated February 26, 2010 available on SEDAR at www.sedar.com for further details regarding the services of the auditors provided to CI, the fees paid to the auditors for those services and information regarding the Audit Committee of CI.

Amendments to the Employee Incentive Stock Option Plan

At the Meeting, Shareholders are being asked to consider and if thought fit, to pass the resolution, with or without variation which appears as Schedule “A” to this Information Circular, confirming a resolution which was passed by the Board of Directors on February 24, 2009, subject to regulatory and Shareholder approval, which amended the Employee Incentive Stock Option Plan (the “**Plan**”) to: (i) stipulate that in no event will the Subscription Price for an Option be less than Fair Market Value of the Shares which would be determined as the weighted average trading price per Share on The Toronto Stock Exchange on the Grant Date; (ii) to permit the Board to exercise discretion to permit early vesting of options in the event of a change of control; and (iii) to amend the amendment provisions of the Plan to permit the Board to amend the Plan to make changes to the definition of Fair Market Value for the purposes of determining the Subscription Price and any other amendment not requiring shareholder approval under applicable law and the policies of the Toronto Stock Exchange. The Board of Directors has also subsequently approved some amendments of a housekeeping nature which do not require Shareholder approval. For a description of the Plan, which reflects the proposed amendments, see “Statement of Executive Compensation” below.

Amendment to determination of Minimum Subscription Price

The Plan as adopted in May 2007, provided that the Subscription Price payable for Shares purchased upon exercise of an Option would be fixed by the Board on the Grant Date and would not in any event be less than the weighted average trading price of the Shares on The Toronto Stock Exchange for the five trading days preceding the grant. The Board does not believe that this five trading day look back is necessarily the appropriate formula for determination of the minimum subscription price as, particularly in times of extreme market volatility such as has been experienced this past year, this may not in fact be reflective of the fair market value of the Shares. The Board believes that the Subscription Price should reflect the fair market value of the Shares at the date of the grant and has approved an amendment to the Plan which provides the Board with flexibility to determine fair market value, with reference, and to be no lower than the volume weighted average price of the Shares on the Toronto Stock Exchange on the date of the grant.

Amendment to the Change of Control Provisions of the Plan

The Plan as adopted in May 2007 provided that all unvested options would immediately vest and become exercisable in the event of an Acquisition of Control. An **Acquisition of Control** is defined in the Plan as any change in holdings of Shares, as a result of which any person, or group of persons acting jointly or in concert, hold Shares in excess of the number which would entitle the holders to cast 50.1% of the votes attached to the Shares. The Board believes that it may not be appropriate or desirable to have the options automatically vest in all circumstances in which a party acquires control and for that reason has authorized an amendment to the Plan to provide the Board with discretion to determine whether to permit the outstanding options to vest in the event of an Acquisition of Control.

Amendment to the Amendment Provisions of the Plan

The Plan currently permits the Board to make the following amendments to the Plan without shareholder approval:

- (a) amendments of a “housekeeping” nature;
- (b) a change to the vesting provisions of any Option;
- (c) a change to the termination provisions of any Option that does not entail an extension beyond the original expiration date;
- (d) the introduction of a cashless exercise feature payable in Shares on certain conditions;
- (e) the addition of a form of financial assistance and any amendment to a financial assistance provision, which is adopted;
- (f) a change to the eligible Participants of the Plan; and
- (g) the addition of a deferred or restricted share unit or any other provision which results in Participants receiving securities while no cash consideration is received by CI.

The Board has approved the inclusion of two additional types of amendments which could be made without shareholder approval. These are:

- (a) changes to the definition of Fair Market Value provided that such amended definition is consistent with applicable regulatory requirements including those of the Toronto Stock Exchange; and
- (b) any other amendment, whether fundamental or otherwise, not requiring shareholder approval under applicable law, including, without limitation, the rules, regulations and policies of the Toronto Stock Exchange.

Conditional Option Grants

In anticipation of Shareholder approval of the above amendments to the Plan, the Board conditionally granted options (the “**Conditional Options**”) to purchase Shares to certain officers and employees as set forth below:

Option Holder	Date of Grant	Options	Exercise Price	Expiry Date
Employees (excluding Executive Officers)	February 24, 2009	2,681,670	\$11.60	February 24, 2014
Executive Officers	February 24, 2009	1,330,340	\$11.60	February 24, 2014
18 Employees including one Named Executive Officer	April 14, 2009	359,420	\$15.59	April 14, 2014
Employees (excluding Executive Officers)	February 24, 2010	1,295,872	\$21.27	February 24, 2015
Executive Officers	February 24, 2010	710,000	\$21.27	February 24, 2015

At the Meeting, Shareholders will be asked to approve and ratify the grant of the Conditional Options. In the event that the Conditional Options are not ratified, they will be cancelled; however as these options constituted an important component of compensation for the employees and executive officers concerned, the Board will have to compensate these individuals for the cancelled options on a tax adjusted basis.

The text of the ordinary resolution authorizing the amendments to the Plan is set forth in Schedule “A” to this circular. To be effective, the ordinary resolution amending the Plan must be passed by a majority of the votes cast by Shareholders present in person or represented by proxy at the Meeting. The executive officers of CI who have received Conditional Options will be excluded from voting on this resolution. **The persons named in the enclosed form of proxy intend to vote at the Meeting in favour of this resolution, unless the Shareholder has specified in the form of proxy that his or her Shares are to be voted against this resolution.**

STATEMENT OF EXECUTIVE COMPENSATION

Unless otherwise stated, the information in this Statement of Executive Compensation is stated as of December 31, 2009 and all references to CI’s fiscal year are to the fiscal year of CI ended December 31, 2009.

All dollar amounts in this Statement of Executive Compensation are expressed in Canadian dollars unless otherwise indicated.

Compensation Discussion and Analysis

Executive Compensation Philosophy

The Corporation’s compensation philosophy for executive officers is based on four fundamental objectives:

- (i) to provide compensation packages that encourage, motivate and reward performance;
- (ii) to foster a sense of teamwork and fairness;
- (iii) to be competitive with other companies of similar size and scope of operations so as to attract and retain talented executives; and
- (iv) to align the interests of its executive officers with the long-term interests of the Corporation and its shareholders through share-based compensation.

When determining individual compensation levels for the Corporation’s executive officers, the Compensation Committee of the Board of Directors (the “**Compensation Committee**”) takes into consideration a variety of factors. These factors include the overall financial and operating performance of the Corporation, recommendations of the Chief Executive Officer and the President and an assessment of the following matters which the compensation program is designed to reward:

- (i) the individual performance and contribution made by each executive officer to the success of the Corporation with reference to the annual financial performance of the Corporation; the total assets under management during the financial year; and achievement of stated corporate objectives;
- (ii) the responsibilities of each executive officer, including leadership and mentoring;

- (iii) the expertise and length of service of each executive officer.

The Compensation Committee also takes into account the compensation paid to executive officers of the Corporation's competitors.

Competitive Market Review

The Compensation Committee was provided with market data, including a comparison of CI's equity performance relative to publicly traded fund companies in Canada and compensation information for the named executive officers of Canadian financial institutions, including:

- ! Power Financial Corporation ! Sun Life Financial Inc. ! AGF Management Limited
- ! IGM Financial Inc. and ! Dundee Wealth Inc.
Investors Group
- ! Mackenzie Financial Corporation ! Dundee Corporation

The compensation information contained in the most recent proxy circulars for the above corporations was considered in determining the appropriate compensation for the Chief Executive Officer and other Named Executive Officers (as defined below).

Process

Each year, the President prepares a compensation report for the Compensation Committee and to the Board of Directors with the assistance of the Corporation's Human Resources and Finance departments. This report includes:

- (i) a general review of CI's operations for the year including any special projects and strategic initiatives;
- (ii) a comparison of CI's equity performance relative to major indices and publicly traded fund companies in Canada;
- (iii) a review of CI's asset growth and summary financial results;
- (iv) comparative compensation information for other financial institutions;
- (v) a summary of senior executive compensation at CI for the preceding five years; and
- (vi) compensation data concerning the fifty most senior employees of CI.

With the benefit of the information provided in the report, the Chief Executive Officer makes recommendations to the Compensation Committee regarding the compensation for senior executives other than the Chief Executive Officer. The Chair of the Compensation Committee meets with Chief Executive Officer to discuss these recommendations. The Compensation Committee then meets to consider these recommendations and also to review and propose compensation for the Chief Executive Officer. The Compensation Committee makes its recommendations to the Board with respect to the compensation of Messrs. Holland, MacPhail and Anderson, being the senior executive team at CI.

Compensation Mix

In keeping with CI's compensation philosophy, executive compensation has the following three key components:

Base Salary	Annual Cash Bonus	Long-Term Incentives ⁽¹⁾ (Stock Options/DEUs)
<ul style="list-style-type: none">! Not performance based! To attract and retain talented executives! Reflects skill and level of responsibility and takes into account market conditions and amounts paid by competitors	<ul style="list-style-type: none">! Performance based! Rewards contribution to achievement of financial and non-financial goals! Fosters teamwork	<ul style="list-style-type: none">! Performance based! Designed to encourage, motivate, retain and reward executives for achieving long term results! Aligns interests of executive officers to shareholder interests

Note:

(1) Issued under CI's Option Plan and DEU Plan (each as defined below). See "--Long-Term Incentives" below for a description of these plans.

This is the only compensation paid to executive officers of CI other than standard employment benefits. CI does not fund pensions for any of its employees, including the executives, nor do the executives receive any other perquisites.

Base Salary

Base salaries are established with reference to the individual's position and responsibilities as well as his or her contribution, experience and seniority. Competitive market data is taken into account. The Corporation's compensation policy is to pay its senior executives relatively modest base salaries and reward personal and enterprise performance through the payment of annual cash bonuses and non-cash long-term incentives. Base salaries are reviewed annually and adjusted if appropriate. The base salaries for the Named Executive Officers have not been increased for the past five fiscal periods, other than the base salary for the Chief Financial Officer, which increased from \$225,000 to \$260,000 during that time.

Annual Cash Bonus

The purpose of this component of compensation is to reward the executives for their contribution to the success of the business. CI's operations, financial results and equity performance are assessed in determining the aggregate amount available for distribution as a bonus. In addition, each senior executive's contribution to the success of the business is considered, including achievement of objectives such as cost controls, strategic initiatives, risk management and enhancement of corporate reputation. From time to time special bonuses may be paid for performance in connection with significant projects or acquisitions.

Long-Term Incentives

The Corporation has long-term incentive plans which are designed to reward executives and key employees for their contribution to the financial success of CI and to encourage and motivate them to create shareholder value. Participation in these incentive plans is limited to executives and key employees whose roles and responsibilities directly influence the success of the Corporation and those people who management have identified as having long-term succession potential. The Corporation has two long-term incentive plans which are described below.

Deferred Equity Plan

When the Corporation operated as an income trust, it provided long-term incentives to its employees in the form of deferred equity units (the “**DEUs**”). These DEUs were issued pursuant to a plan, which was amended and restated as of February 1, 2008 and again effective February 23, 2010 (as amended and restated, the “**DEU Plan**”). The DEU Plan provides for the grant of DEUs to employees to promote the long-term success of the business carried on by CI and to encourage employees to acquire a proprietary interest in CI. Grants have been made based on the employee’s current and anticipated contribution to the success of CI. The number of DEUs granted to an individual in the past was based on the dollar value of the bonus award being made and the prevailing market prices of Shares or the units of CI Financial Income Fund (the “**Fund**”) at the time of the grant. The DEUs typically vest in equal annual instalments over the three calendar years beginning one year from the date of grant. This year, the DEU Plan was amended to provide for a cash settlement alternative similar to the cash settlement rights under the Stock Option Plan. This cash settlement alternative provides holders of DEUs with the right to elect to receive the cash value of the DEUs rather than Shares, on vesting of the DEUs.

Stock Option Plan

The Corporation has an Employee Incentive Stock Option Plan (the “**Plan**”) which was amended and restated as at February 23, 2010, subject to Shareholder approval. The amendments are described above under “Amendments to the Employee Incentive Stock Option Plan”. The Plan was last approved by Shareholders in connection with the conversion of CI from an income trust to a corporation effective January 1, 2009.

A maximum of 13,996,802 Shares of the Corporation (representing less than 5% of the outstanding Shares) may be issued upon exercise of options granted under the Option Plan. As of February 24, 2010, a total of 7,906,766 Shares were issuable upon exercise of outstanding options (representing 2.7% of outstanding Shares).

The Option Plan is designed to promote the long-term interests of the Corporation and its shareholders by fostering a proprietary interest in the Corporation among the executives and key employees of CI. The Option Plan is also used to attract and retain qualified executives and key employees. CI considers equity ownership by management to be an integral component of its compensation scheme and for that reason option grants under the Option Plan are an important element of overall compensation.

Options are granted by the Board or a committee of the Board or any other officer of CI designated by the Board. The options may have a term of up to 10 years although CI generally grants options with terms of five years. The exercise price of the options is fixed at the date of grant and may not be less than the volume weighted average trading price of the Shares of the Corporation on the date of the grant. Other key terms of the options such as vesting dates, forfeiture events and conditions to exercise are also established at the date of grant. Generally, options vest in equal annual amounts on each of the first, second and third anniversaries of the date of the grant, although some of the options granted in

February 2010 do not vest until January 1, 2013. During the lifetime of the optionee, an option may be exercisable only by the optionee or if the optionee is incapacitated, by the optionee's guardian, committee or other authorized legal representative, and except upon death of an optionee, an option may not be assigned or transferred in any way or otherwise disposed of (whether by operation of law or otherwise) except where the Board permits a transfer of the option in compliance with applicable securities regulation and the rules or policies of The Toronto Stock Exchange. The Plan includes a cash settlement alternative which permits the holder of the option to elect to receive the in-the-money value of the option in lieu of purchasing Shares on exercise of the option. Most options are cash settled.

The Board of Directors may at any time suspend or terminate the Plan, provided that no such suspension or termination adversely affects the rights under any outstanding options without the consent of the individuals who are holding unexercised options. The Board of Directors may at any time and from time to time amend the Plan to make amendments, including amendments which are of a "housekeeping" nature; to amend the definition of Fair Market Value, used in determining the exercise price; to amend the vesting provisions of any option; or, to change the termination provisions of any option that does not entail an extension beyond the original expiration date. Shareholder approval is required for any amendment other than the ones listed in the Plan which the Board is specifically empowered to make without shareholder approval.

The Plan is subject to the following restrictions with respect to grants of options and the issuance of Shares to insiders of the Corporation:

- (a) the number of Shares that may, at any time, be reserved for issue pursuant to options granted to insiders shall not in the aggregate exceed 10% of the then issued and outstanding Shares of the Corporation;
- (b) the number of Shares of the Corporation that may, within a one year period, be issued to insiders on the exercise of options or pursuant to other security based compensation arrangements of the Corporation shall not exceed 10% of the then issued and outstanding Shares;
- (c) the number of Shares of the Corporation that may, within any one year period, be issued to any one insider (including associates of the insider) on the exercise of options or issued pursuant to other security based compensation arrangements of the Corporation shall not exceed 5% of the issued and outstanding Shares of the Corporation on the date of grant; and
- (d) the number of Shares that may be reserved for issue to any one person pursuant to options granted under the Plan shall not exceed 5% of the issued and outstanding Shares of the Corporation on the date of grant.

Copies of the Plan are available for inspection by shareholders at the Corporation's head office.

In February 2009, management recommended, and the Board of Directors approved, the grant of options to 400 employees (excluding Mr. Holland, Mr. MacPhail and Mr. Anderson) to purchase an aggregate of 2,817,010 Shares at a price of \$11.60 per Share. These grants were made as bonuses for the fiscal year ended December 31, 2008 and as incentives for retention and continued service. These grants were made, subject to shareholder ratification of the amendments to the Plan. None of these options has vested and they may not vest unless and until the shareholders ratify the amendments made by the Board. The Compensation Committee recommended to the Board of Directors, and the Board of Directors approved, a grant of options to each of Mr. Holland, Mr. MacPhail and Mr. Anderson in the following amounts:

Name	Number of Options	Exercise Price	Value of Options ⁽¹⁾ (at February 24, 2009)
William T. Holland	575,000	\$11.60	\$862,500
Stephen A. MacPhail	335,000	\$11.60	\$502,500
Peter W. Anderson	285,000	\$11.60	\$427,500

Note:

- (1) The following assumptions were made for purposes of calculating the Value of Options Granted: an expected option term of 4.0 years to exercise; a dividend projected to grow 10% per annum; projected stock price volatility of 17%; and a risk-free interest rate of 3.5%. The options have been valued using Black-Scholes methodology and on that basis ascribed a value of \$1.50 per option.

All of the options granted in February 2009 have a five year term and vest as to 1/3rd on the later of January 1, 2010 and the date on which the Shareholders approve the amendments to the Plan and ratify the grant and as to a further 1/3rd on each of January 1, 2011 and January 1, 2012, assuming Shareholder approval of the amendments and ratification of the grants.

In April 2009, the Board authorized a special grant of options to 18 individuals, including one Named Executive Officer, Stephen MacPhail, to purchase an aggregate of 359,420 Shares. These options were awarded to individuals whose options had expired unexercised. The exercise price for the new options was set at the greater of \$15.59, which had been the exercise price on the expired options, and the market price prevailing at the date of the grant. The options were granted with an exercise price of \$15.59 and have a five year term. The options vest as to 1/3rd on the later of April 14, 2010 and the date on which the Shareholders approve the amendments to the Plan and ratify the grant and as to a further 1/3rd on each of April 14, 2011 and April 14, 2012, assuming Shareholder approval of the amendments and ratification of the grants.

In February 2010, management recommended, and on February 24, 2010 the Board of Directors approved, the grant of options to 255 employees (excluding Mr. Holland, Mr. MacPhail and Mr. Anderson) to purchase an aggregate of 1,485,872 Shares of the Corporation at a price of \$21.27 per Share. These grants were made as bonuses for the fiscal year ended December 31, 2009 and as incentives for retention and continued service. These grants were made, subject to shareholder ratification of the amendments to the Plan. None of these options has vested and they may not vest unless and until the shareholders ratify the amendments made by the Board.

The Compensation Committee recommended to the Board of Directors, and in February 2010, the Board of Directors approved a grant of options to each of Mr. Holland, Mr. MacPhail and Mr. Anderson in the following amounts:

Name	Number of Options	Exercise Price	Value of Options ⁽¹⁾ (at February 24, 2010)
William T. Holland	250,000	\$21.27	\$937,500
Stephen A. MacPhail	150,000	\$21.27	\$562,500
Peter W. Anderson	120,000	\$21.27	\$450,000

Note:

- (1) The following assumptions were made for purposes of calculating the Value of Options Granted: an expected option term of 4.0 years to exercise; a dividend projected to grow 15% per annum; projected stock price volatility of 28%; and a risk-free interest rate of 2.40%. The options have been valued using Black-Scholes methodology and on that basis ascribed a value of \$3.75 per option.

All of the options granted in February 2010 have a five year term and most vest as to 1/3rd on the later of January 1, 2011 and the date on which the Shareholders approve the amendments to the Plan and ratify the grant and as to a further 1/3rd on each of January 1, 2012 and January 1, 2013, assuming Shareholder approval of the amendments and ratification of the grants. Certain of these options have a deferred vesting whereby none of the options vest until January 1, 2013.

Chief Executive Officer Compensation

The components of the compensation awarded to the Chief Executive Officer are the same as those which apply to the other senior executive officers of the Corporation, namely base salary, cash bonus and long-term equity incentives. The Compensation Committee presents its recommendations to the Board of Directors with respect to the Chief Executive Officer's compensation. In setting the recommended salary of the Chief Executive Officer, the Compensation Committee takes into consideration Mr. Holland's responsibilities and experience as well as his performance in leading the executive team and directing the strategic initiatives of the Corporation. The Compensation Committee also considers the base salaries being paid to chief executive officers at other leading Canadian financial institutions. In setting the salary, performance bonus and long-term incentives for the Chief Executive Officer, the Compensation Committee evaluates the performance of the Chief Executive Officer in light of his impact on the performance of the Corporation and the achievement of the Corporation's goals and objectives.

In February, 2010, in keeping with CI's policy of maintaining the base salaries of the Chief Executive Officer and other senior executives relatively low and retrospectively rewarding executive contribution to corporate performance by paying bonuses and making long term compensation awards, the Compensation Committee recommended that Mr. Holland's base salary for 2010 remain at \$625,000.

At the same time, in recognition of Mr. Holland's leadership of and contribution to CI in 2009 the Compensation Committee recommended to the Board the payment of a \$1,000,000 cash bonus for 2009 and the award to him of options to purchase 250,000 Shares at \$21.27 per Share pursuant to the Plan. As set out below, these options were valued at \$3.75 per Share bringing Mr. Holland's total compensation to \$2,562,500 for 2009.

On February 23, 2010 the Board of Directors approved the Compensation Committee's recommendations.

In setting Mr. Holland's bonus and long term compensation the Compensation Committee and the Board, in accordance with CI's compensation policy, considered a number of factors including:

- ! Compensation paid to the chief executive officers of certain of CI's competitors.
- ! CI's financial and operating performance in 2009 as reported in the annual audited financial statements and the annual report.
- ! For the sixth year in a row CI and United Financial had net sales of more than \$1 billion (\$1.5 billion in 2009) maintaining a commission and trailer fee structure that continues to

generate economic margins to CI. In 2009 CI ranked third in net sales among the 10 largest independent fund companies.

- ! In 2009 CI continued to be the third largest asset manager in Canada increasing its market share from 9.1% to 9.5%.
- ! According to Morningstar, CI led the Canadian mutual fund industry in 2009 with the most 5-star rated funds. CI won seven Canadian Investment Awards in 2009, more than any other fund group.
- ! In 2009 CI continued its strategic focus on segregated funds and was the dominant player among all Canadian asset managers in the segregated fund business capitalizing on its life insurance company relationships. CI had net sales of \$1.0 billion in segregated funds in 2009 with segregated funds under management reaching \$11.6 billion at December 31, 2009. Segregated funds have a superior earnings profile relative to most mutual fund products.
- ! CI's distribution channels continued in 2009 to produce strong sales of CI funds which continue to be enhanced by the development of new fund products.
- ! Selling, general and administrative expenses constitute a controllable portion of CI's operating margins and in 2009 despite average assets being 8% lower than 2008, CI's continuing cost controls successfully reduced S,G&A expenses from 37.2 basis points in 2008 to 34.6 basis points in 2009. Controlling employee head count permitted CI to achieve positive operating leverage during the 2009 market recovery.
- ! During 2009, CI successfully refinanced its bank debt reducing bank debt service costs and refinancing \$550 million in bank debt with two public debt issues with lower interest costs.

The compensation reported for the Chief Executive Officer under "Total Compensation" in the Summary Compensation Table below is the only compensation provided to the Chief Executive Officer other than standard employment benefits. The Corporation does not fund a pension for the Chief Executive Officer or provide any other perquisites.

Share Ownership by Executive Officers and Directors

The Corporation has adopted a policy that requires the Chief Executive Officer of the Corporation to beneficially own that number of Shares the market value of which is at least five times his current base salary and for each other executive officer to own the number of Shares the market value of which is at least two times his or her current base salary. This policy currently applies to the Named Executive Officers, each of whom, other than Sheila Murray, holds Shares well in excess of his or her minimum requirement. As a new executive officer, Ms. Murray has been provided with additional time to acquire at least the minimum number of Shares required to be held.

As part of this policy, each director (except directors who are also officers of the Corporation) is required to beneficially own that number of Shares the market value of which is at least three times the annual directors' fees paid to such director. At year end, each director held Shares with a market value exceeding the minimum requirement.

Members of the Compensation Committee

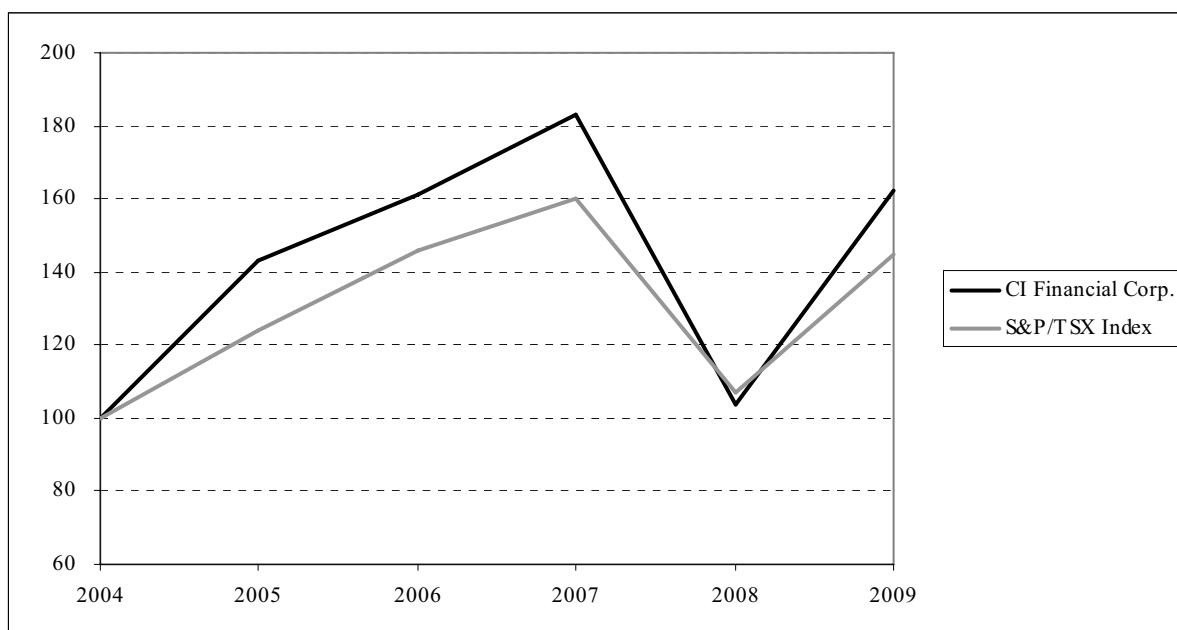
The members of the Compensation Committee are Messrs. Ronald D. Besse, Stephen T. Moore, A. Winn Oughtred (Chair), and David J. Riddle, all of whom are “independent” directors of the Corporation. Mr. Riddle was an officer of a subsidiary of the Corporation prior to July 1997.

Performance Graph

The Corporation’s Shares began trading on the Toronto Stock Exchange on January 2, 2009. From July 2, 2006 to December 31, 2008, the Units of the Corporation’s predecessor, CI Financial Income Fund, were traded on the Toronto Stock Exchange, and prior to July 2, 2006 the common shares of CI Financial Inc. were traded on the Toronto Stock Exchange.

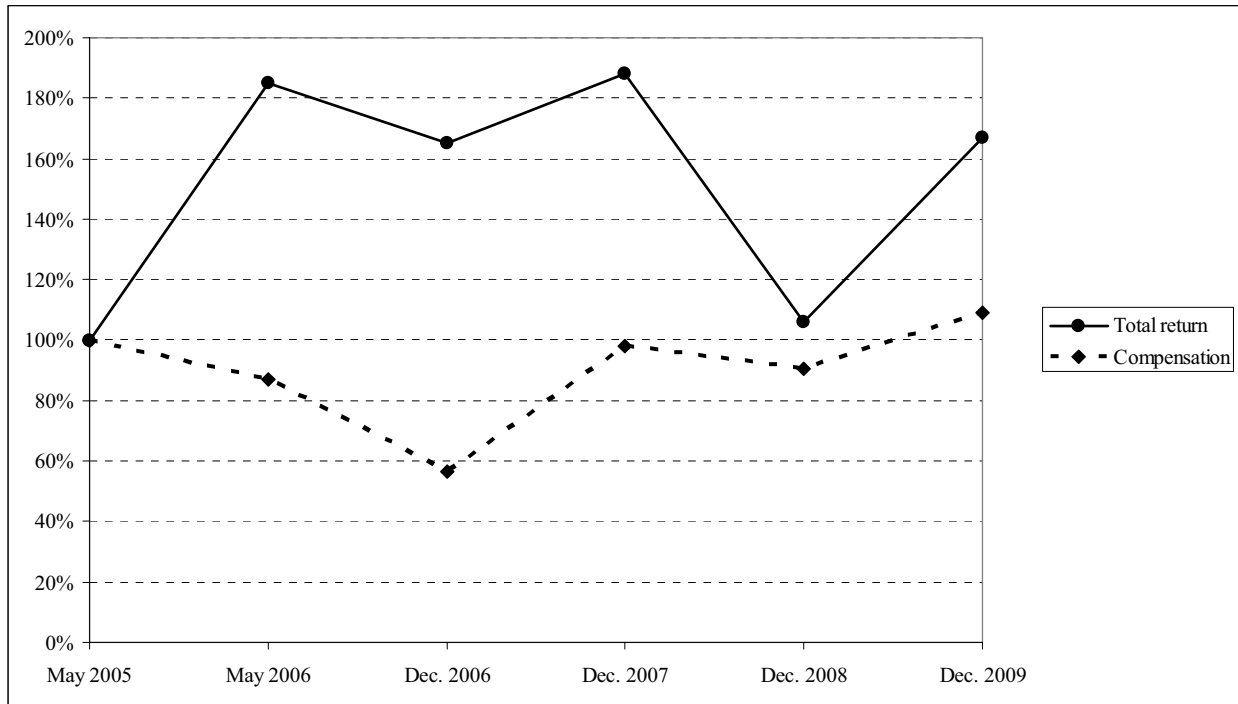
The following graph compares the yearly percentage change in the cumulative total return on the Shares of CI and voting securities of its predecessors, with the cumulative total return of the S&P/TSX Composite Index (the “S&P/TSX Index”) over the period from December 31, 2004 to December 31, 2009. The graph illustrates the cumulative return on a \$100 investment in CI Shares made on December 31, 2004 as compared with the cumulative return on a \$100 investment in the S&P/TSX Index made on December 31, 2004. Distributions and dividends of CI and its predecessors are assumed to be reinvested. The performance as set out in the graph does not necessarily indicate future price performance.

Cumulative Total Return



	31-Dec-04	31-Dec-05	31-Dec-06	31-Dec-07	31-Dec-08	31-Dec-09
CI Financial Corp., or its predecessors	100	143	161	183	104	162
S&P/TSX Index	100	124	146	160	107	145

The table below sets out the trend in aggregate total compensation awarded to the Named Executive Officers for each of the last five fiscal years compared to the Corporation's reported return on investment over that same period.



Summary Compensation Table

The following table sets out information concerning the compensation earned from the Corporation and any of the Corporation's subsidiaries during the financial year ended December 31, 2009 and two previous years by the Corporation's Chief Executive Officer, Chief Financial Officer and the Corporation's other three most highly compensated executive officers (collectively, the "Named Executive Officers") as at December 31, 2009.

Name and principal position	Year	Salary (\$)	Share-based awards ⁽¹⁾⁽²⁾ (\$)	Option-based awards ⁽¹⁾⁽⁴⁾ (\$)	Non-equity incentive plan compensation (\$)		Pension value (\$)	All other compensation ⁽⁸⁾ (\$)	Total compensation (\$)
					Annual incentive plans	Long-term incentive plans			
William T. Holland Chief Executive Officer	2009	625,000	--	937,500	1,000,000	--	--	--	2,562,500
	2008	625,000	--	862,500	400,000	--	--	--	1,887,500
	2007	625,000	1,800,000	--	--	--	--	--	2,425,000
Douglas J. Jamieson Chief Financial Officer	2009	260,000	--	144,000 ⁽⁵⁾	300,000	--	--	--	704,000
	2008	250,000	--	95,655	300,000	--	--	--	645,655
	2007	250,000	175,000	--	175,000	--	--	--	600,000
Stephen A. MacPhail President	2009	425,000	--	704,025 ⁽⁶⁾	750,000	--	--	--	1,879,025
	2008	425,000	--	502,500	350,000	--	--	--	1,277,500
	2007	425,000	1,200,000	--	--	--	--	--	1,625,000
Peter W. Anderson Executive Vice-President	2009	425,000	--	450,000	600,000	--	--	--	1,475,000
	2008	425,000	--	427,500	300,000	--	--	--	1,152,500
	2007	425,000	1,200,000	--	--	--	--	--	1,625,000
Sheila A. Murray Executive Vice-President, General Counsel and Secretary	2009	300,000	--	325,500 ⁽⁷⁾	500,000	--	--	--	1,125,500
	2008	300,000	644,889 ⁽³⁾	112,500	400,000	--	--	--	1,457,389
	2007	--	--	--	--	--	--	--	--

Notes:

- (1) Long-Term Compensation Awards reflect aggregate amounts awarded in respect of the relevant year.
- (2) In respect of the fiscal period ended December 31, 2007, William T. Holland was granted 82,200 DEUs, Stephen A. MacPhail and Peter W. Anderson were each granted 54,800 DEUs and Douglas J. Jamieson was granted 8,000 DEUs. Mr. Jamieson along with all other employees except for Messrs. Holland, MacPhail and Anderson was permitted to elect to vest all unvested DEUs in November 2008. On that date the market price of the Shares was \$13.28.
- (3) Ms. Murray joined the Corporation in January 2008 and was awarded 25,000 DEUs upon commencement of employment.

- (4) The following assumptions were made for purposes of calculating the Value of Options Granted in February 2010: an expected option term of 4.0 years to exercise; a dividend projected to grow 15% per annum; projected stock price volatility of 28%; and a risk-free interest rate of 2.40%. These options have been valued using Black-Scholes methodology and on that basis ascribed a value of \$3.75 per option. The options granted in respect of fiscal 2008 were valued using Black-Scholes methodology and on that basis ascribed a value of \$1.50 per option. The actual value realized, if any, on option exercises will be dependent on overall market conditions and the future performance of the Corporation and its Shares. The Corporation cannot be certain that the actual value realized will approximate the amount calculated under the valuation model.
- (5) Mr. Jamieson was awarded 20,000 options in February 2010 which have been valued at \$3.75 per option using the Black-Scholes methodology described in note (4) and a further 20,000 options which do not vest for 3 years and for that reason have been valued at \$3.45 per option using Black-Scholes methodology.
- (6) Mr. MacPhail was awarded 62,900 options on April 14, 2009. These options have been valued at \$2.25 per option using Black-Scholes methodology. Mr. MacPhail received 150,000 options in February 2010 which have been valued at \$3.75 per option using the Black-Scholes methodology described in note (4).
- (7) Ms. Murray was awarded 50,000 options in February 2010 which have been valued at \$3.75 per option using the Black-Scholes methodology described in note (4) and a further 40,000 options which do not vest for 3 years and for that reason have been valued at \$3.45 per option using Black-Scholes methodology.
- (8) In all cases, the value of perquisites and other personal benefits is less than \$50,000 and 10% of the total of the annual salary and bonus

Incentive Plan Awards

Outstanding Option-Based and Share-Based Awards

The following table sets out for each Named Executive Officer, information concerning all option-based and share-based awards outstanding as of December 31, 2009.

Name	Option-based Awards				Share-based Awards	
	Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options (\$)	Number of shares or units that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)
William T. Holland Chief Executive Officer	575,000	11.60	Feb. 24, 2014	5,980,000	122,600	2,697,200
Douglas J. Jamieson Chief Financial Officer	14,137	12.57	Nov. 27, 2013	133,312	0	0
	42,670	11.60	Feb. 24, 2014	443,768		
Stephen A. MacPhail President	263,281	18.15	Jul. 10, 2010	1,013,632	81,800	1,799,600
	335,000	11.60	Feb. 24, 2014	3,484,000		
	62,900	15.59	Apr. 13, 2014	403,189		
Peter W. Anderson Executive Vice-President	285,000	11.60	Feb. 24, 2014	2,964,000	50,034	1,100,748
Sheila A. Murray Executive Vice-President, General Counsel and Secretary	16,750	12.57	Nov. 27, 2013	157,953	0	0
	50,000	11.60	Feb. 24, 2014	520,000		

Value Vested or Earned During the Year

The following table sets out for each Named Executive Officer, information concerning the value of incentive plan awards—option-based and share-based awards as well as non-equity incentive plan compensation—vested or earned during the financial year ended December 31, 2009.

Name	Option-based awards – Value vested during the year (\$)	Share-based awards – Value vested during the year (\$)	Non-equity incentive plan compensation – Value earned during the year (\$)
William T. Holland Chief Executive Officer	358,060	--	1,000,000
Douglas J. Jamieson Chief Financial Officer	46,652	166,833	300,000
Stephen A. MacPhail President	710,000	--	750,000
Peter W. Anderson Executive Vice-President	206,345	368,486	600,000
Sheila A. Murray Executive Vice-President, General Counsel and Secretary	65,503	375,750	500,000

Equity Compensation Plan Information

The following table sets out information concerning the number and price of securities to be issued under equity compensation plans to employees and others as at December 31, 2009.

Plan Category	Number of Securities to be Issued upon Exercise of Options, Warrants and Rights (a)	Weighted – Average Exercise Price of Outstanding Options, Warrants and Rights (b)	Number of Securities Remaining Available for Future Issuance Under Equity Compensation Plans (excluding securities reflected in (a)) (c)
Equity Compensation Plans Approved by Securityholders	6,394,099	13.11	7,602,703

Termination and Change of Control Benefits

There are no employment agreements currently in effect for the Named Executive Officers and there are no arrangements providing for payments to a Named Executive Officer at, following or in connection with any termination of employment (whether voluntary, involuntary or constructive), any resignation, retirement or termination of employment on a change of control.

Director Compensation

During the financial year ended December 31, 2009, directors of the Corporation who were not officers or employees of the Corporation were paid an annual fee of \$82,500. The Chairman of the Audit Committee was paid an annual fee of \$102,500 inclusive of his director's fee in recognition of the additional responsibilities which that position entails. The Non-Executive Chairman of the Board was paid an annual fee of \$100,000 inclusive of his director's fee. Directors are entitled to be reimbursed for expenses incurred by them in their capacity as directors. Directors who are also officers or employees of the Corporation were not paid any amount as a result of their serving as directors of the Corporation.

Director Compensation Table

Name	Fees earned (\$)	Share-based awards (\$)	Option-based awards (\$)	Non-equity incentive plan compensation (\$)	Pension value (\$)	All other compensation (\$)	Total (\$)
Ronald D. Besse	82,500	--	--	--	--	--	82,500
G. Raymond Chang	100,000	--	--	--	--	--	100,000
Paul W. Derksen	102,500	--	--	--	--	--	102,500
William T. Holland	--	--	--	--	--	--	--
Stephen T. Moore	82,500	--	--	--	--	--	82,500
A. Winn Oughtred	82,500	--	--	--	--	--	82,500
David J. Riddle	82,500	--	--	--	--	--	82,500

Outstanding Option-Based and Share-Based Awards

None of the directors has any outstanding option-based and share-based awards other than William T. Holland and such information is described above.

Directors' and Officers' Liability Insurance and Indemnification

CI has purchased directors' and officers' liability insurance for the benefit of the Directors and officers of CI Group. The policy has an aggregate limit of \$25 million per policy year. A premium of \$176,000 was paid by CI for the 12-month term which began on June 15, 2009. No part of this premium was paid by the Directors or officers of CI. Any deductible payable by any Director or officer making a claim under the policy is payable by CI and a \$500,000 deductible is also payable by CI.

CI will indemnify Directors and officers in accordance with its specific indemnification agreements and to the maximum extent permitted under applicable law.

Indebtedness of Directors and Executive Officers

The following table summarizes the aggregate indebtedness to CI, as at January 31, 2010, of all executive officers, Directors, employees and former executive officers, Directors, Trustees and employees of CI:

Aggregate Indebtedness	
Purpose	To CI or its Subsidiaries
Security Purchases	\$17,307,266
Other	—

CI maintains an Employee Share Purchase Loan Program (the “**Program**”) pursuant to which CI lends money to qualified key employees to purchase Shares of CI in the market. The Program encourages long term equity investment by such employees. Loans may be made for one year terms, renewable at the option of CI for up to four additional one year terms, and bear interest at prescribed rates. Interest payments are made out of participants’ salaries, and principal payments are generally made from the proceeds of any sale of such Shares. Unsold Shares are held by CI as security against repayment of the loans. To the extent that the value of the Shares held as collateral falls below the amount of the loan, the participant must post additional security or repay the loan. Each participant has agreed that his or her loan is to be repaid in accordance with its terms without exception.

Indebtedness of Directors and Executive Officers under Securities Purchase Programs						
Name and Principal Position	Involvement of Company or Subsidiary	Largest Amount Outstanding During December 31, 2009 (\$)	Amount Outstanding as at January 31, 2010 (\$)	Financially Assisted Securities Purchases During December 31, 2009 (#)	Security for Indebtedness (common shares/\$ value at December 31, 2009)	Amount Forgiven During December 31, 2009 ⁽¹⁾ (\$)
Securities Purchase Programs						
Douglas J. Jamieson Chief Financial Officer	CI	2,225,000	2,225,000	0	190,000 shares \$4,180,000	0
David C. Pauli Executive Vice-President and Chief Operating Officer	CI	2,000,000	1,800,000	0	200,000 shares \$4,400,000	0
Steven J. Donald President and Chief Executive Officer	Assante Wealth Management (Canada) Ltd.	534,187	534,187	0	27,800 shares \$611,600	0

Note:

(1) The Program does not permit loan forgiveness.

STATEMENT OF GOVERNANCE PRACTICES

The Board of Directors and senior management of CI consider good governance to be central to the effective and efficient operation of CI. As such, Directors of the Corporation are committed to thorough and effective governance arrangements. The Board and management are committed to maintaining a high standard of governance and compliance with the governance guidelines of the Canadian securities administrators.

Description of the Board

Board Composition and Independence

The Board of Directors is currently comprised of seven members. The Board considers its size and composition on a regular basis and has determined that both the current size and composition are appropriate in view of its responsibilities and the risks and strategic direction of CI. This relatively small number of Directors permits the Board to operate in an efficient and cohesive manner. The Board believes that a diversity of views and experience enhances the ability of the Board as a whole to fulfill its responsibilities to CI and that the members of the Board collectively possess a broad range of skills, expertise, industry and other knowledge, and business and other experience useful to the effective oversight of CI's business. Directors are not required to be specialists in the business of CI but rather to provide the benefit of their business experience, judgment and vision. Pursuant to governance guidelines adopted by the Board, the Governance Committee will consider each Director's continued service on the Board at least every three years. This process also allows each Director the opportunity to confirm his or her desire to continue as a member of the Board.

In determining the "independence" of Directors, the Board applies the standards of applicable legal and regulatory requirements and recommendations. In particular, the Board views an individual as independent if he has no direct or indirect relationship with CI which could, in the view of the Board, be reasonably expected to interfere with the exercise of that individual's independent judgment. Based upon information provided by each of the Directors and the discussion below, the Governance Committee and the Board have affirmatively determined that the following six Directors, being the majority, are independent: Ronald D. Besse, G. Raymond Chang, Paul W. Derksen, Stephen T. Moore, A. Winn Oughtred, and David J. Riddle. The Governance Committee and the Board have determined that the remaining Director, William T. Holland, is not independent as a result of his position as the Chief Executive Officer of CI.

The Board of Directors believes that the fact that six of the seven current Directors of the Corporation are "independent" under applicable legal and regulatory requirements and regulations is an important factor in assuring the ability of the Board to act independently of management. While Mr. Chang maintains an office in CI's head offices, he is not in any way involved in or privy to the management of CI other than as the Non-Executive Chairman of the Board and as a Director. It is the Board's current determination that because of the amount of time that has now elapsed since Mr. Chang ceased to be an employee and a member of management, he may now be considered an independent Director. Notwithstanding such determination, the Board has continued to appoint another independent Director to the position of Lead Director. As Lead Director of the Board since 1999, Mr. R.D. Besse, an independent Director, is responsible for ensuring that the Board of Directors properly discharges its responsibilities and maintains its independence from management. Mr. Besse, as Lead Director, is responsible for chairing all Board meetings.

Certain members of the Board serve as directors of other reporting issuers. In particular, Mr. Besse is a director of Rogers Communications Inc.; Mr. Chang is Chairman of Jameson Bank and a director of the Royal Ontario Museum, Toronto General & Western Hospital Foundation and Camilion Solutions and is on the Board of Grace Kennedy Limited; Mr. Moore is a Trustee of Advantaged Preferred Share Trust and Mr. Oughtred is a director of Oppenheimer Holdings Inc. and a director and member of the Audit Committee and Chair of the Risk and Conduct Review Committees of State Bank of India (Canada). The Board believes that this experience on other public company boards is of benefit to CI.

Board Meetings

Four quarterly meetings of the Board are scheduled for each fiscal year, and special meetings are called as necessary. The frequency of meetings and the nature of agenda items depend on the state of CI's affairs and particular opportunities or risks that CI faces.

As part of each Board meeting, the independent Directors meet alone in the absence of management for some part of the meeting, to independently assess the performance of senior management and to discuss issues involving CI.

The charts below illustrate the number of Board and committee meetings held during the fiscal year ended December 31, 2009 and the meeting attendance record for each Director.

Board and Committee Meetings Held

Board 6

Audit Committee 4

Compensation Committee 2

Governance Committee 4

<u>Name</u>	<u>Board Meetings Attended</u>	<u>Committee Meetings Attended</u>
Ronald D. Besse	5 of 6	7 of 10
G. Raymond Chang	6 of 6	8 of 8
Paul W. Derksen	6 of 6	8 of 8
William T. Holland	6 of 6	--
Stephen T. Moore	6 of 6	2 of 2
A. Winn Oughtred	6 of 6	6 of 6
David J. Riddle	6 of 6	6 of 6

Mandate of the Board

The mandate of the Board is to supervise the management of the business and affairs of the Corporation acting in the best interests of the Corporation. In addition to dealing with and approving major transactions and matters legally requiring Board involvement, the Board is consulted regularly by senior management on significant business developments in the affairs of CI and its subsidiaries. The Board has adopted a written charter, a copy of which is contained in Schedule "B" to this Management Information Circular.

Position Descriptions

The Board has not developed a written position description for the Chairman of the Board or the Chair of any of the Board committees. The Board is of the view that these roles and responsibilities are

well understood by the Board and the individuals holding these positions. The most important role it to lead the particular Board or Committee and to ensure that the responsibilities of the Board or committee are carried out. The Directors review the performance of the individuals who occupy these positions on at least an annual basis and use this opportunity to assess and update the responsibilities as described below under “Board, Committee and Director Assessment”.

The Board has not developed a written position description for the Chief Executive Officer of CI and is of the view that there is no present need for a specific written mandate for the role of the Chief Executive Officer.

The Board has delegated certain responsibilities to its committees and requires that each of them perform certain advisory functions and make recommendations to the Board in accordance with written charters. See “Committees” below.

Orientation and Education

CI provides an orientation program for newly elected Directors and provides information for all Directors on the activities of the CI Group on an ongoing basis. Directors are offered the opportunity on a regular basis, and new Directors are required, to tour CI’s head office operations and to meet and make inquiries of the CI Group’s senior managers. Regular communications between senior management and the Directors also assist in the ongoing education of the Directors.

Ethical Business Conduct

In November 2006, the Board adopted a written code of business conduct and ethics (the “Code”), which constitutes written standards that are designed to promote integrity and to deter wrongdoing. The Code addresses, among other things, the following issues:

- (a) compliance with laws, rules and regulations;
- (b) conflicts of interest;
- (c) protection of confidential information;
- (d) opportunities belonging to CI;
- (e) protection and proper use of CI assets;
- (f) competition and fair dealing, including with CI’s competitors;
- (g) gifts and entertainment and payments to government personnel;
- (h) discrimination and harassment;
- (i) health and safety;
- (j) accuracy of CI records and reporting; and
- (k) use of email and internet services.

Personnel are expected and encouraged to talk to supervisors, department heads or other appropriate personnel about observed illegal or unethical behaviour and when they have any doubt about the best course of action in a particular situation. It is the policy of CI not to allow retaliation for reports

of misconduct by others. The Code also outlines compliance procedures and procedures in respect of the reporting of any illegal or unethical behaviour, including in respect of accounting and auditing matters. The compliance department of CI monitors compliance with the Code and requires each employee to certify annually that they have read the Code and agree to comply with it.

To ensure that the Directors exercise independent judgment in considering transactions, agreements or decisions in respect of which a Director or executive officer has declared a material personal interest (in accordance with relevant provisions of corporate law), the Board follows a practice whereby any such Board member must be absent during any Board discussion pertaining thereto and not cast a vote on any such matter.

Under the Code, any waivers from the requirements in the Code that are to be granted for the benefit of Directors or executive officers are to be granted by the Board only (or a committee of the Board to whom that authority has been delegated) and will be promptly disclosed as required by law or regulation. No waivers of the Code have been granted to date.

The Code can be viewed on CI's website at www.ci.com or at www.sedar.com.

Committees

There are currently three standing committees of the Board - the Audit Committee, the Governance Committee and the Compensation Committee. The Board has delegated certain authority and responsibilities to each of these committees and has mandated that each of them perform certain advisory functions and make recommendations to the Board. Each committee has a written charter, copies of which are contained in Appendices "A" to "C" in the 2010 Annual Information Form of the Corporation available on SEDAR at www.sedar.com. Each committee is required to reassess its charter at least annually and report to the Board thereon.

Audit Committee

The Audit Committee currently has four independent Directors as its members: Messrs. R.D. Besse, G.R. Chang, P.W. Derksen (Chair) and D.J. Riddle. The Audit Committee is responsible for reviewing quarterly financial statements, annual financial statements and other financial disclosure documents prior to their approval by the full Board. The committee is also responsible for making recommendations to the Board regarding the appointment and compensation of the external auditors, reviewing CI's financial reporting process, internal controls and the performance of CI's external auditors, and approving non-audit services by the external auditors. The external auditors report directly to the Audit Committee. The Audit Committee has direct access to management and to CI's internal and external auditors in order to review specific issues, and meets quarterly with the auditors without management present. Additional information regarding the Audit Committee, including its written charter, composition, and the relevant education and experience of its members, is contained under the heading "Audit Committee Information" below.

Governance Committee

The Governance Committee currently has four independent Directors as its members: Messrs. R.D. Besse (Chair), G.R. Chang, P.W. Derksen and A.W. Oughtred. The committee is responsible for developing CI's approach to governance issues, ensuring the Board functions independently of management, assessing the effectiveness of the Board as a whole and the committees of the Board and the contribution and performance of each incumbent Director, and overseeing various matters in connection with the nomination of Director candidates, including making recommendations to the Board on the size

and composition of the Board, Director succession planning and recruitment of new Directors, and the orientation and education of the Directors.

Compensation Committee

The Compensation Committee has the following four independent Directors as its members: Messrs. R.D. Besse, S.T. Moore, A.W. Oughtred (Chair) and D.J. Riddle. The committee is responsible for making recommendations to the Board regarding the remuneration of the Directors and the executive officers of the CI Group, reviewing the design and competitiveness of the CI Group's overall compensation plan, monitoring CI's Stock Option Plan and Deferred Equity Unit Plan, reviewing and approving corporate goals and objectives relevant to the compensation of the Chief Executive Officer of CI, evaluating the Chief Executive Officer's performance in light of such goals and objectives and determining the Chief Executive Officer's compensation levels based on such evaluation, reviewing executive compensation disclosure, reporting to securityholders on remuneration and related matters, reviewing CI's succession planning for the Chief Executive Officer and other senior executive officers of the CI Group, and reporting to the Board and performing such other compensation related duties as may be required by the Board or the Chief Executive Officer of CI, from time to time.

Board, Committee and Director Assessment

The Governance Committee is responsible for assessing the effectiveness of the Board as a whole, the committees of the Board and the contribution and performance of each Director. Each fiscal year every Director is required to complete an evaluation of the Board as a whole, each Board committee, the contribution of each Director, and the Lead Director. The Lead Director annually is required to conduct informal interviews and meetings with each Director to review the results of the Directors' assessments and other pertinent matters with respect to the Board and the contribution and performance of the individual Director. The Chairman of the Board reviews the Lead Director assessments and is required to review the results with the Lead Director.

Directors' Compensation

The Board, acting on the recommendations of the Compensation Committee, reviews the adequacy and form of the Directors' compensation annually and ensures that it reflects the workload, responsibilities and risks of the Directors. The Board, on the recommendation of the Compensation Committee has approved annual compensation for the Directors of \$82,500. This fee will be payable in cash. The Chairman of the Audit Committee will receive an enhanced fee of \$102,500 per annum in recognition of the additional responsibilities which that position entails and the Non-Executive Chairman of the Board receives an annual fee of \$100,000 inclusive of his director's fee.

Retention of Outside Advisors

The Board of Directors or any committee thereof is authorized to, subject to prior consultation with the Chief Executive Officer or the President of CI (except in unusual circumstances), engage independent counsel and other advisors it determines necessary to carry out its duties and responsibilities, and set and require CI to pay the compensation and charged expenses for any such advisors.

Securityholder Relations and Communications

The Board approves all of CI's major communications, including annual and quarterly reports, circulars, and financial press releases. CI communicates with its securityholders through a number of channels including its website, www.ci.com. Securityholders can provide feedback to CI in a variety of ways, including by sending an e-mail to investorrelations@ci.com or calling a toll-free telephone number.

The President of CI is responsible for receiving and addressing securityholder inquiries and concerns and referring securityholder issues to the Chief Executive Officer and, where appropriate, to the Board. CI's policy is that management seek to respond to securityholder's questions and concerns on a prompt basis, subject to limitations imposed by law and by the confidentiality of certain information.

SHAREHOLDER RIGHTS PLAN

CI entered into an agreement (the "**Rights Plan Agreement**") dated as of January 1, 2009 with Computershare Investor Services Inc., as rights agent, in connection with the adoption of a shareholder rights plan. The Rights Plan Agreement supersedes and replaces the rights plan agreement of the Fund dated as of October 28, 2008 and was ratified and approved at a meeting of voting unitholders of the Fund held December 19, 2008.

The Rights Plan Agreement was summarized in the Notice of Meeting and Management Information Circular of the Fund dated November 20, 2008 and the complete text may be found on SEDAR at www.sedar.com.

NORMAL COURSE ISSUER BID

Effective May 29, 2009, the TSX accepted CI's notice of intention to commence a normal course issuer bid (the "**Notice**") through the facilities of the TSX. Under the bid, CI may purchase up to 15,677,022 Shares at the prevailing market price. Purchases under the bid will terminate no later than May 28, 2010. As of February 19, 2010, CI has acquired an aggregate of 1,578,903 Shares under the normal course issuer bid at an average price of \$20.04 per Share. Shareholders may obtain a copy of the Notice, without charge, by contacting the Corporate Secretary of CI.

ADDITIONAL INFORMATION

Additional information relating to CI is available on SEDAR at www.sedar.com and on CI's website at www.ci.com under the "CI Financial" section. Detailed financial information is provided in CI's comparative financial statements and management's discussion and analysis ("**MD&A**") for its most recently completed financial year.

Securityholders may request copies of CI's financial statements, MD&A, Annual Information Form and Annual Report for the most recent fiscal year upon request to the Corporate Secretary of CI at the head office of CI, or obtain them on CI's website at www.ci.com.

OTHER BUSINESS

Management of CI currently knows of no matter to come before the Meeting other than the matters referred to in the accompanying notice of the Meeting.

DIRECTORS' APPROVAL

The contents and sending of this circular have been approved by the Board of Directors of CI.

Toronto, Ontario
February 24, 2010

By Order of the Board of CI Financial Corp.

Handwritten signature of Sheila A. Murray in black ink.

SHEILA A. MURRAY
Executive Vice-President and General Counsel
CI Financial Corp.

SCHEDULE "A"

RESOLUTION TO AMEND EMPLOYEE INCENTIVE STOCK OPTION PLAN

RESOLVED as an ordinary resolution, that:

1. the amendment of the Employee Incentive Stock Option Plan and the issuance of options thereunder, in each case as described in the Management Information Circular and approved by the Board of Directors, is hereby ratified, approved and authorized; and
2. any director or executive officer of CI be and is hereby authorized for an on behalf of CI, to execute, deliver and file all such documents and to do all such acts or things that may be necessary or desirable to give effect to the foregoing.

SCHEDULE “B”

CI FINANCIAL CORP.

BOARD OF DIRECTORS’ CHARTER

As of January 1, 2010

1. Introduction

This charter (the “**Charter**”) has been adopted to govern the composition, mandate, responsibilities and authority of the Board of Directors (the “**Board**”) of CI Financial Corp. (the “**Company**”).

2. Composition

The composition and organization of the Board, including: the number, qualifications and remuneration of Directors; the number of Board meetings; Canadian residency requirements; quorum requirements; meeting procedures and notices of meetings are required by the *Business Corporations Act* (Ontario), the *Securities Act* (Ontario) (the “**Act**”) and the articles and by-laws of the Company, subject to any exemptions or relief that may be granted from such requirements.

The Board shall consist of a minimum of three and no more than fifteen Directors, with the number of Directors from time to time within such range being fixed by resolution of the Directors. A majority of Directors shall be “independent”. “Independent” shall have the meaning, as the context requires, given to it in National Policy 58-201 – *Corporate Governance Guidelines*, as may be amended from time to time.

The Board shall consider its size and composition on a regular basis, in view of its responsibilities and the risks and strategic direction of the Company. The number of Directors to be elected each year at the annual meeting of securityholders of the Company shall be determined by the Board.

The Board believes that a diversity of views and experience enhances the ability of the Board as a whole to fulfill its responsibilities to the Company. Directors are not required to be specialists in the business of the Company but rather to provide the benefit of their business experience, judgment and vision. In addition, the professional and personal competencies and characteristics expected of Board members include:

- ! proven track record of sound business judgment and good business decisions;
- ! demonstrated integrity and high ethical standards;
- ! financial literacy;
- ! appropriate knowledge of business and industry issues;
- ! specific knowledge and experience to support the development and/or implementation of business strategy;
- ! communication and influencing skills;
- ! ability to contribute to the Board’s effectiveness and performance;
- ! availability for Board and committee work and advance review of meeting materials;
- ! having sufficient time to carry out duties and not being subject to responsibilities that would materially interfere with, or be incompatible with, Board membership; and

- ! advising the chair of the Governance Committee of significant changes in their personal circumstances, including a change in their principal occupation.

Each Director shall be expected to advise the Chair of the Governance Committee of significant changes in his or her personal circumstances which may affect his or her ability to carry out the responsibilities of a director, including a change in principal occupation

The Chair of the Board shall be an independent Director. The Board also may find it desirable to appoint a Lead Director to assist the Chairman. If, as a result of exceptional circumstances, the roles of Chairman and Chief Executive Officer are held by the same individual, a Lead Director must be appointed by the Board from its independent members.

3. Mandate and Responsibilities

Responsibilities

The mandate of the Board is to supervise the management of the business and affairs of the Company acting in the best interests of the Company. In addition to dealing with and approving major transactions and matters legally requiring Board involvement, the Board shall be consulted regularly by senior management on significant business developments in the affairs of the Company and entities controlled by the Company (together, the “**Company Group**”). In fulfilling its mandate, the Board’s responsibilities include:

1. Monitoring and overseeing a strategic plan for the Company and at least annually, reviewing and, if advisable, approving the Company’s strategic planning process and the Company’s annual strategic plan. In discharging this responsibility, the Board shall review the plan in light of management’s assessment of emerging trends, the competitive environment, the opportunities for the business of the Company, risk issues, and significant business practices and products;
2. At least annually, reviewing reports provided by management of principal risks associated with the Company’s business and operations, reviewing the implementation by management of appropriate systems to manage these risks, and reviewing reports by management relating to the operation of, and any material deficiencies in, these systems;
3. Monitoring systems for audit, internal control and information management systems;
4. Developing, together with the Chief Executive Officer, a clear position description for the Chief Executive Officer, which includes delineating management’s responsibilities and developing or approving the corporate goals and objectives that the Chief Executive Officer is responsible for meeting, and at least annually, reviewing a report of the Compensation Committee reviewing this position description and such corporate goals and objectives;
5. Monitoring the performance of senior management, including the Chief Executive Officer;
6. Satisfying itself as to the integrity of the Chief Executive Officer and other senior management and ensuring that they create a culture of integrity throughout the organization;
7. At least annually, reviewing the succession plans for senior management and Directors, including appointment, training and monitoring of such persons;
8. At least annually, reviewing the report of the Compensation Committee concerning the Company’s approach to human resource management and executive compensation and reviewing general compensation policies for the Company and its subsidiaries;

9. At least annually, reviewing a report of the Governance Committee concerning the Company's approach to corporate governance, including composition and effectiveness of the Board and selection of Board nominees;
10. At least annually, reviewing a report of the Governance Committee that evaluates the director independence standards established by the Board and the Board's ability to act independently from management in fulfilling its duties;
11. At least annually, reviewing the report of the Governance Committee relating to compliance with, or material deficiencies from, the Code of Business Conduct and Ethics (the "**Code**") adopted by the Board, and approving changes it considers appropriate, as well as reviewing reports from the Governance Committee concerning investigations and any resolutions of complaints received under the Code; and
12. Considering and approving, if determined by the Board to be advisable, any waiver from the Code granted to Directors or senior management of the Company Group.

Committees

Subject to applicable laws and the articles and by-laws of the Company governing the Company, the Board shall delegate certain authority and responsibilities to its committees and require that each of them perform certain advisory functions and make recommendations to the Board in accordance with written charters. The Board has approved charters for each Board committee and shall approve mandates for each new Board committee. There shall be the following standing committees of the Board: the Audit Committee, the Compensation Committee, the Governance Committee. Subject to applicable law, the Board may establish other Board committees or merge or dispose of any Board committee. Each committee is required to reassess its written charter at least annually and report to the Board thereon. To facilitate communication between the Board and each Board committee, each committee chair shall provide a report to the Board on material matters considered by the committee at the first Board meeting after the committee's meeting.

Meetings

The Board shall schedule four regular meetings in each fiscal year of the Company, and special meetings shall be called as necessary. The frequency of meetings and the nature of agenda items shall depend on the state of the Company's affairs and particular opportunities or risks that the Company faces. In its discretion, the Board may elect to conduct all or any part of its meetings in the absence of management and/or the non-independent Directors.

- (a) Secretary and Minutes

The Corporate Secretary, his or her designate or any other person the Board requests shall act as secretary of Board meetings. Minutes of Board meetings shall be recorded and maintained by the Corporate Secretary and subsequently presented to the Board for approval.

- (b) Meetings Without Management

The independent members of the Board shall hold regularly scheduled meetings, or portions of regularly scheduled meetings, at which non-independent Directors and members of management are not present.

(c) Directors' Responsibilities

Each Director is expected to attend all meetings of the Board and any committee of which he or she is a member. Directors will be expected to have read and considered the materials sent to them in advance of each meeting and to actively participate in the meetings.

Service on Other Boards and Committees

Directors may serve on the boards of other public companies so long as these commitments do not materially interfere and are compatible with their ability to fulfill their duties as a member of the Board. No Director should serve on the board of a competitor or of a regulatory body with oversight of the Company Group. Each Director should, when considering membership on another board or committee, make every effort to ensure that such membership will not impair the Director's time and availability for his or her commitment to the Company Group. Directors should advise the chair of the Governance Committee and the Chief Executive Officer before accepting membership on other boards of directors (or similar bodies) or any audit committee or other significant committee assignment on any other board of directors (or similar body), or establishing other significant relationships with businesses, institutions, governmental units or regulatory entities, particularly those that may result in significant time commitments or a change in the Director's relationship to the Company Group.

Continuation of Board Members

When a Director's principal occupation or business association changes substantially from the position he or she held when originally invited to join the Board (determined by reference to factors such as country of principal residence, principal occupation, industry affiliation, other boards on which the Director serves etc.), the Board shall, considering the recommendation of the Governance Committee and in light of all the circumstances, determine whether the Board should request that the Director resign.

Authority of the Board

The Board shall have unrestricted access to management and employees of the Company.

Subject to prior consultation with the Chief Executive Officer (except in unusual circumstances), the Board is authorized to:

1. retain and terminate external legal counsel, consultants and other advisors it determines necessary to carry out the Board's duties and responsibilities; and
2. set and require the Company to pay the compensation and charged expenses for any advisors engaged by the Board.

Annual Review of the Charter

At a Board meeting prior to the annual general meeting of securityholders of the Company, the Board shall review and reassess the Charter for adequacy and make changes as it deems necessary.

Board, Committee and Director Assessment

Prior to each fiscal year end of the Company, each Director shall be required to complete an evaluation of the Board as a whole, each Board committee, and the contribution of each Director and the Lead Director, in a form acceptable to the Board. The Lead Director (an independent Director of the Board) annually is required to conduct informal interviews and meetings with each Director to review the results of the Directors' assessments and other pertinent matters with respect to the Board and the contribution and performance of the individual Director. The Chairman of the Board reviews the Lead Director assessments and is required to review the results with the Lead Director. The Chairman and the Lead Director are required to report their findings to the full Board.

Securityholder Relations and Communications

At least annually, the Board, in conjunction with the Chief Executive Officer, shall review the Company's overall Disclosure Policy, including measures for receiving feedback from the Company's stakeholders, and management's compliance with such policy. The Board shall, if advisable, approve material changes to the Company's Disclosure Policy.

The Board shall approve all of the Company's major communications, including annual and quarterly reports, circulars, and financial press releases. Securityholders of the Company can provide feedback to the Company in a variety of ways, including by sending an e-mail to investorrelations@ci.com or calling a toll-free telephone number.

4. Term

The term of office of each Director shall expire at the termination of the next annual meeting of securityholders or until his successor is elected or appointed.

5. Compensation of Directors

The Board, acting on the recommendations of the Compensation Committee, shall review the adequacy and form of the Directors' compensation annually and ensure that it reflects the workload, responsibilities and risks of the Directors.

Except as provided below regarding the fees payable to the Non-Executive Chairman of the Board and the Chairman of the Audit Committee, currently, annual Directors' fees for each of the Directors who is not an employee of the Company or its subsidiaries shall be \$82,500 per annum payable in quarterly instalments of \$20,625 in cash. The Non-Executive Chairman of the Board shall receive a fee in the amount of \$100,000, payable in cash quarterly. The Chairman of the Audit Committee shall receive a fee in the amount of \$102,500, payable in cash in equal quarterly instalments.

6. Orientation and Education

The Company shall provide an orientation program for newly elected Directors and provides information for all Directors on the activities of the Company and its subsidiaries on an ongoing basis. Directors shall be offered the opportunity on a regular basis, and new Directors are required, to tour the Company's head office operations and to meet and make inquiries of senior management.

7. Security Ownership by Directors

Each Director (except Directors who are officers of the Company) is required to beneficially own that number of securities of the Company the market value of which is at least three times the annual Directors' fees paid to such Director. Each Director who is a member of management of the Company is required to beneficially own that number of securities of the Company the market value of which is at least five times his current base salary.

8. Expectations of Management

The Board expects management to perform its duties in an efficient, professional and ethical manner in the best interests of the Company and its securityholders.

9. No Rights Created

This Mandate is a statement of broad policies and is intended as a component of the flexible governance framework within which the Board, assisted by its committees, directs the affairs of the Company. While it should be interpreted in the context of all applicable laws, regulations and listing requirements, as well as in the context of the Company's Articles and By-laws, it is not intended to establish any legally binding obligations.



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