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**CI FINANCIAL CORP.**  
**ANNUAL INFORMATION FORM**  
**March 1, 2018**

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## EXPLANATORY NOTES

Unless otherwise stated, the information in this annual information form is presented as of December 31, 2017 and all references to the Corporation's fiscal year are to the year ended December 31, 2017.

In this annual information form, unless the context otherwise requires, all references to the **Corporation** are to CI Financial Corp. and, as applicable, its predecessors, CI Financial Income Fund and CI Financial Inc. and references to **CI** or the **CI Group** are to the Corporation and its predecessors together with the entities and subsidiaries controlled by it and its predecessors.

## FORWARD-LOOKING INFORMATION

This annual information form contains forward-looking statements concerning anticipated future events, results, circumstances, performance or expectations with respect to CI and its products and services, including its business operations, strategy and financial performance and condition. When used in this annual information form, such statements use such words as “may”, “will”, “expect”, “believe”, and other similar terms. These statements are not historical facts but instead represent management's beliefs regarding future events, many of which, by their nature are inherently uncertain and beyond management control. Although management believes that the expectations reflected in such forward-looking statements are based on reasonable assumptions, such statements involve risks and uncertainties. Factors that could cause actual results to differ materially from expectations include, among other things, general economic and market conditions, including interest and foreign exchange rates, global financial markets, changes in government regulations or in tax laws, industry competition, technological developments and other factors described under “Risk Management” or discussed in other materials filed by the Corporation with applicable securities regulatory authorities from time to time, including Management's Discussion and Analysis of the Corporation's interim and annual financial statements. The material factors and assumptions applied in reaching the conclusions contained in these forward-looking statements include that the investment fund industry will remain stable and that interest rates will remain relatively stable. The reader is cautioned against undue reliance on these forward-looking statements. For a more complete discussion of the risk factors that may impact actual results, please refer to the “Risk Management” section of the Management's Discussion and Analysis accompanying the Corporation's annual financial statements.

Except as otherwise stated, these statements are made as of the date of this document and, except as required by applicable law, management and the board of directors of the Corporation (the “**Board of Directors**” or “**Board**”) undertake no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events or otherwise.

## CORPORATE STRUCTURE

### **Name, Address and Formation**

The Corporation is the successor to CI Financial Income Fund (the “**Fund**”), following the completion of the conversion of the Fund from an income trust to a corporate structure by way of a court-approved plan

of arrangement under the *Business Corporations Act* (Ontario) (the “**OBCA**”) on January 1, 2009 (the “**Conversion**”). The Fund had been created effective June 30, 2006 when CI Financial Inc. converted to an income trust. The Conversion effectively reversed this income trust conversion.

The Corporation was incorporated under the OBCA on November 12, 2008 and did not carry on any active business prior to the Conversion, other than executing the arrangement agreement pursuant to which the Conversion was implemented.

On April 20, 2017, at the Annual and Special Meeting of Shareholders, shareholders confirmed the adoption of By-Law No. 2 of the Corporation, previously approved by the Board on February 16, 2017, amending the Corporation’s By-Law No. 1 to increase the quorum requirement for meetings of Shareholders to two persons present in person or by proxy holding or representing not less than 25% of the outstanding Shares of the Corporation entitled to vote at the meeting;

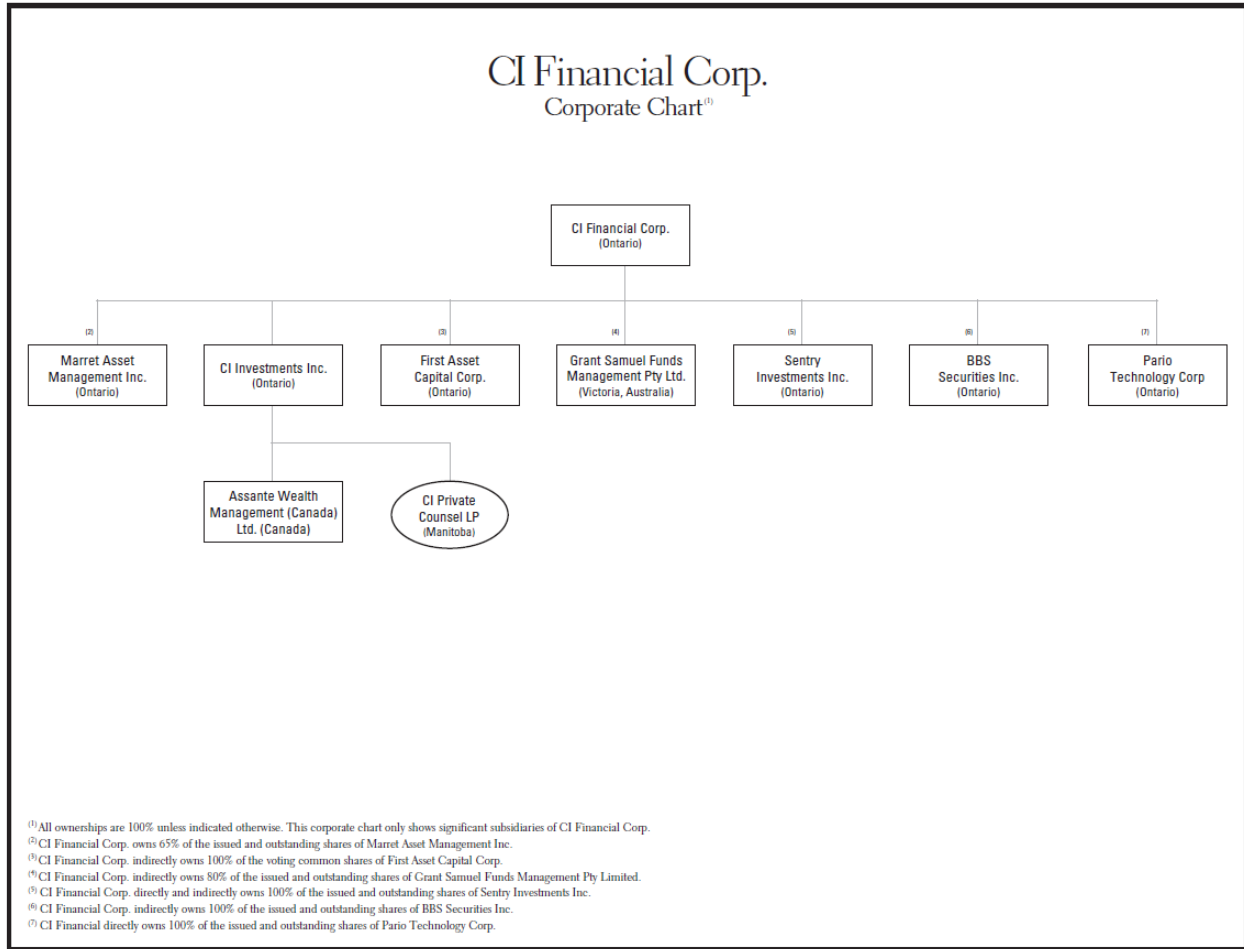
The registered and head office of the Corporation is 2 Queen Street East, Twentieth Floor, Toronto, Ontario, Canada M5C 3G7.

### **Intercorporate Relationships**

The principal business of the Corporation is carried on through its subsidiaries, CI Investments Inc. (“**CI Investments**”), First Asset Capital Corp. (“**First Asset**”), Marret Asset Management Inc. (“**Marret**”), Assante Wealth Management (Canada) Ltd. (“**AWM**”), CI Private Counsel LP (“**CIPC**”), and Grant Samuel Funds Management Pty Limited (“**GSFM**”), Sentry Investments Inc. (“**Sentry**”) and BBS Securities Inc. and associated entities, including Pario Technology Corp. (collectively, “**BBS**”).

The table below shows the principal entities controlled by the Corporation as at December 31, 2017, including (i) the percentage of votes attaching to all voting securities of the entity beneficially owned, controlled or directed by the Corporation, and (ii) the jurisdiction of incorporation or formation:

<b>Entity</b>	<b>Jurisdiction</b>	<b>Ownership %</b>
CI Investments Inc.	Ontario	100%
First Asset Capital Corp.	Ontario	100%
Marret Asset Management Inc.	Ontario	65%
Assante Wealth Management (Canada) Ltd.	Canada	100%
CI Private Counsel LP	Manitoba	100%
Grant Samuel Funds Management Pty Limited	Victoria, Australia	80%
Sentry Investments Inc.	Ontario	100%
BBS Securities Inc.	Ontario	100%
Pario Technology Corp.	Ontario	100%



## GENERAL DEVELOPMENT OF THE BUSINESS

### *Three Year History*

The Corporation is a diversified wealth management firm and one of Canada’s largest independent investment management companies. Over the last three years CI has continued to execute on its strategy to maintain and grow its position as one of Canada’s largest independent investment fund companies. CI has invested in key aspects of the business to drive further growth and build on our competitive advantages. As a result, CI has been able to benefit from the continued resurgence of investor confidence over the past three years, with assets under management increasing 39% from \$103 billion to \$143 billion at December 31, 2017 and assets under administration at CI’s subsidiary AWM increasing 32% to \$39 billion.

CI’s success over the past three years is due in large part to the scale and diversity of its product line-up, the strength of its portfolio management teams and strategic acquisitions. As the industry has become increasingly competitive, CI has responded by committing resources to those areas that are critical to our growth. CI has recruited top-ranked portfolio management talent to ensure that it can offer a comprehensive range of investment approaches and expertise in specific areas giving our clients a wide choice of styles and products all within the CI brand.

## ***Recent Developments***

### *Acquisition of BBS*

On November 1, 2017, the Corporation acquired 100% of the shares of BBS Securities Inc. and associated entities (the “**BBS Acquisition**”), including Pario Technology Corp., a financial technology company, and Virtual Brokers Wealth Management Inc. (“**Virtual Brokers**”), a top-ranked online brokerage. BBS provides a wide range of services to retail and institutional investors using a proprietary system that is one of the most technologically advanced and efficient brokerage platforms in the Canadian market. Virtual Brokers will continue to operate under its current name.

### *Acquisition of Sentry*

On October 2, 2017 the Corporation directly and indirectly acquired 100% of the shares of Sentry and Sentry Investments Corp. (the “**Sentry Acquisition**”). Sentry offers a diverse range of investment products and solutions through financial advisors and investment dealers, as well as portfolio management services to a variety of institutional clients. At closing, Sentry managed a lineup of over 45 mutual fund mandates and other investment solutions with approximately \$19 billion in assets (as of October 2, 2017). CI intends to maintain Sentry as a standalone brand within the CI Investments lineup of portfolio managers and funds.

### *Industry Recognition*

CI Investments and its portfolio managers continued to receive extensive industry recognition for their performance and expertise. From 2015-17, CI Investments and its portfolio managers have received 87 FundGrade A+ Awards, nine Lipper Fund Awards and four Morningstar Awards.

### *CI Financial Debt Offerings*

On September 27, 2017, the Corporation completed an offering of debt securities with an aggregate principal amount of \$250,000,000, bearing an interest rate of 3.904% per annum and maturing on September 27, 2027 (“**2027 Debentures**”).

On November 25, 2016, the Corporation completed an offering of debt securities with an aggregate principal amount of \$200,000,000, bearing an interest rate of 2.775% per annum and maturing on November 25, 2021 (“**2021 Debentures**”).

On December 7, 2015, the Corporation completed an offering of debt securities with an aggregate principal amount of \$450,000,000, bearing an interest rate of 2.645% per annum and maturing on December 7, 2020 (“**2020 Debentures**”).

For more information about the 2020 Debentures, 2021 Debentures, and 2027 Debentures (collectively, the “**Debentures**”), please refer to the “Description of Capital Structure – Debentures” section of this annual information form.

*Acquisition of First Asset Capital Corp.*

On November 30, 2015, the Corporation purchased 100% of the issued and outstanding shares of First Asset. First Asset, which operates through its subsidiary First Asset Investment Management Inc. (“**FAIMI**”), is a Toronto-based, investment management company firm with approximately \$4.6 billion in assets under management as at December 31, 2017. FAIMI is a leader in providing actively managed and factor-based exchange-traded funds to the Canadian marketplace, and it also offers a suite of mutual funds and closed-end funds.

## **DESCRIPTION OF THE BUSINESS**

### **General**

CI is an independent Canadian company offering global asset management and wealth management advisory services. CI is well diversified with a strong presence in both the Canadian asset management and advisory businesses. CI is also diversified internationally through its subsidiary GSFM, an investment fund manager operating in Australia and New Zealand.

Within the Canadian asset management industry, CI’s strengths include a wide selection of portfolio management teams that operate independently of one another and offer distinct investment approaches. This multi-manager model is a key factor distinguishing CI within the Canadian marketplace. CI also offers a comprehensive product lineup diversified by portfolio manager, asset class, geographic region, investment approach, and by platform, including various classes of mutual funds, segregated funds and exchange-traded funds. CI distributes its products to Canadian investors through multiple channels, including the institutional investment market and through retail dealers and advisors across Canada.

Within asset administration, CI offers a strong value proposition. AWM focuses on providing clients with an integrated approach to wealth planning that includes financial planning, wealth management, estate and succession planning and insurance services in addition to investment management.

CI’s asset management operations are conducted through its subsidiaries CI Investments, Sentry, Marret, CIPC, FAIMI, and, in Australia, through GSFM. Asset administration is conducted through its subsidiary AWM..

The asset management segment provides the majority of CI’s income and derives its revenues principally from the fees earned on the management of several families of mutual, segregated, pooled, exchange-traded, and closed-end funds, structured products and discretionary accounts. The asset administration segment derives its revenues principally from commissions and fees earned on the sale of mutual funds and other financial products, and ongoing service to clients and capital market activities.

CI Investments is an investment fund management company engaged in the business of sponsoring, managing, distributing and administering investment funds in Canada. These products are distributed primarily through brokers, independent financial planners and insurance advisors, including AWM financial advisors. CI Investments is also a portfolio manager and exempt market dealer.



AWM's subsidiaries include financial services distribution companies engaged in the business of providing financial planning, investment advice, wealth management, estate and succession planning and insurance services.

As at December 31, 2017, CI, through its subsidiaries, managed over 200 core mutual/pooled funds and over 50 exchange-traded funds, closed-end investment funds or limited partnerships which are sold under various fund family names including Black Creek Funds, Cambridge Funds, CI Funds, CI Guaranteed Retirement Cash Flow Series, CI Hedge Funds, CI LifeCycle Portfolios, Corporate Class, First Asset Funds, Grant Samuel Funds, Harbour Funds, Marret Funds, Portfolio Series, Portfolio Select Series, Sentry Funds, Signature Funds, Synergy Funds, and United Funds. All the CI funds, with the exception of the Grant Samuel Funds, are collectively hereafter referred to as the "**Managed Funds**". For more information about GSFM and the Grant Samuel Funds, please refer to the "International Operations" section of this annual information form. CI Investments also manages or administers segregated funds, and acts as portfolio sub-advisor to other institutions.

At December 31, 2017, CI Investments had \$143 billion assets under management.

As at December 31, 2017, AWM, through its subsidiaries Assante Capital Management Ltd., Assante Financial Management Ltd. and Assante Estate and Insurance Services Inc., administered approximately \$39.2 billion in mutual funds, stocks, bonds, GIC's, insurance products and other investments for its clients.

CI Investments is committed to responsible investing. It is a signatory to the United Nations-supported Principles for Responsible Investment, as well as an Associate Member of the Responsible Investment Association, Canada's membership association for responsible investment. CI Investments has a formal Responsible Investment Policy that addresses the integration of environmental, social and governance factors into its decision-making process when making investments for the Managed Funds.

CI's financial results are driven primarily by the level of its assets under management, which are in turn driven by the returns earned by its funds and the net sales of the funds. As at December 31, 2017, the CI Group managed and advised on approximately \$185.7 billion in client assets and there were approximately two million unitholder accounts under management of CI Investments.

## **Asset Management Segment**

### *Summary*

The Asset Management segment is comprised of CI Investments, Sentry, Marret, and FAIMI (collectively, "**Fund Managers**"), CIPC and GSFM. The Managed Funds are offered primarily through investment dealers, mutual fund dealers, and insurance advisors, including AWM financial advisors, in all jurisdictions in Canada. GSFM offers investment products to investors in Australia and New Zealand. Financial information regarding the Asset Management segment is provided in the Corporation's annual financial statements for the fiscal year ended December 31, 2017 and related Management's Discussion and Analysis, which are available on SEDAR at [www.sedar.com](http://www.sedar.com).

## *Products and Services*

### Managed Funds

As at December 31, 2017, the Fund Managers managed over 250 Managed Funds. The Managed Funds are sold or available for sale in all provinces and territories of Canada. CI Investments also manages or administers segregated funds.

The CI Group offers Canadian investors a wide range of Canadian investment products through a network of investment dealers, mutual fund dealers, and insurance agents, which include AWM financial advisors. The vast majority of the Managed Funds are managed by five separate groups of in-house portfolio managers who are all employees of CI Investments. Certain other Managed Funds are managed by Marret, Sentry, FAIMI, or third-party investment advisory firms. All of the portfolio managers are supported by a team of marketing, administrative and technical specialists. The diversity of the Managed Funds allows CI to take advantage of the expected continued growth in the Canadian investment fund industry.

### Management of the Managed Funds

The Fund Managers are promoters and managers of all of the Managed Funds. The Fund Managers provide all of the management services required by the Managed Funds, including managing or arranging for the management of investment portfolios, marketing of the Managed Funds, keeping of securityholder records and accounts, reporting to securityholders and processing transactions relating to the purchase, transfer and redemption of securities of Managed Funds.

The Fund Managers have each entered into management agreements with each of their respective Managed Funds. For the management and administrative services provided to the Managed Funds, the Fund Managers are generally paid a fee based on the average daily net asset value of each of the Managed Funds. The net asset value of a Managed Fund depends primarily on the market value of its portfolio investments. The management fees paid to the Fund Managers are comparable to other management fees charged in the Canadian investment fund industry.

In general, the Managed Funds are responsible for their own administrative and operating expenses including, without limitation, audit and legal fees, registry and transfer agency fees, custodian fees, portfolio and investment costs, expenses relating to communication with securityholders, all costs imposed by statute or regulation, and applicable Goods and Services Tax and Harmonized Sales Tax, where applicable. CI Investments has agreed to bear all of the operating expenses of the open-end mutual funds managed by CI Investments (other than certain taxes, borrowing costs, new governmental fees and forward contract costs) in return for fixed annual administration fees.

### Portfolio Managers

The Fund Managers currently use in-house and third-party investment managers to provide investment advice regarding the investment portfolios of the Managed Funds. Pursuant to investment advisor agreements between the Fund Managers and certain investment management firms, the Fund Managers

have retained third-party investment management firms to provide advice regarding the investment portfolios of certain Managed Funds. In general, the Fund Managers pay third-party investment management firms an annual fee equal to a percentage of the net asset value of the Managed Funds. Generally, these rates are reduced as the net asset value exceeds certain specified levels.

#### Distribution and Marketing of the Managed Funds

Like other asset management companies not affiliated with financial institutions, the Fund Managers rely on investment dealers and mutual fund dealers for the sale of securities of the Managed Funds. CI also has relationships with life insurance agents who are licensed to sell mutual funds and who sold individual variable annuity contracts and variable annuity policies (segregated funds) offered by CI.

The management of CI believes that the following factors are responsible for increasing and retaining assets in the Managed Funds: diversity of products offered by the CI Group; experience and acknowledged success of the investment managers of the Managed Funds; service levels provided to the dealer and the investor; and performance of the Managed Funds. CI Investments focuses on service and assistance to dealers and agents who are selling the Managed Funds, including providing materials to communicate the important features of the Managed Funds to investors and providing access to the investment managers.

The Fund Managers generally pay trailer fees to assist dealers in providing ongoing service to clients. These fees are payable to dealers in respect of their sales representatives who have client assets in qualifying Managed Funds throughout a calendar month. Payment is made either monthly or quarterly and is equal to a percentage of the total client assets of such sales representatives throughout the month.

CI Investments will also assist dealers and their representatives in marketing the Managed Funds. This marketing assistance is subject to regulatory requirements and may be discontinued or modified at any time.

#### Sales Charges Relating to the Distribution of the Managed Funds

For certain Managed Funds, investors may choose to purchase securities under the deferred sales charge method or under the initial sales commission method.

In general, if the investor purchases under the deferred sales charge method, no initial commission is paid, the entire investment is invested in securities and, upon redemption within seven years of purchase, a redemption fee will be deducted from the proceeds of redemption. On redemption, the redemption fee is calculated as a percentage of the net asset value at the time of the issue of the securities, which percentage decreases, for the standard deferred sales charge option, over a seven-year period from 5.5% in the first year to nil at the end of the period, and for the low-load sales charge option, over a three-year period from 3.0% in the first year to nil at the end of the period. The redemption fee will be deferred in respect of redemptions of securities of a Managed Fund up to a maximum established by the Fund Managers from time to time.

In general, if the investor purchases securities of the Managed Funds under the initial sales commission method, a sales commission is paid at the time of purchase and no commission is charged at the time of redemption. For purchases of securities of the Managed Funds under the initial sales commission method,

the commission is negotiable between the dealer and the investor, with the maximum generally ranging from 1% to 5%. No fees or charges are otherwise deducted by the Managed Funds on redemption except for applicable short-term trading fees and in the case of a registered plan or on a transfer to other Managed Funds.

### *Specialized Skill and Knowledge*

The Fund Managers have highly skilled and experienced employees necessary to meet the challenges of the evolving asset management industry. CI has the expertise to continue to meet the investment needs of its clients, develop new products, increase market share penetration through targeting of knowledgeable, successful investment dealers, mutual fund dealers and life insurance agents and other alternative distribution channels, and enhance investor awareness. CI's objective is to continue to offer a wide range of investment products that are managed by a diversified group of investment advisors and build on its strength in both international and domestic equity, income and balanced fund products. CI Investments' experienced sales and marketing teams have been instrumental in enabling CI Investments to achieve market share growth through the investment dealer and mutual fund dealer network and life insurance agents.

To handle future growth, CI will continue, as appropriate, to upgrade its advanced information systems and increase internal training and development, all with the objective of ensuring that it provides accurate and timely service to registered dealers and agents selling the Fund Managers' products and to investors. As a result of these investments and other efficiencies, CI believes that the Fund Managers will not have to increase their personnel in the same proportion as the growth in assets of the Managed Funds under their management.

### *Competitive Conditions*

The Canadian mutual fund industry has grown from \$3.6 billion to \$1.5 trillion of mutual fund assets during the period from December 1980 to December 2017 (according to The Investment Funds Institute of Canada ("IFIC")).

The long-term growth in the mutual fund industry is attributable to many factors, including a decline in inflation, lower interest rates, increased marketing of mutual funds and demographic trends. Government policies, at both the federal and provincial levels, also are contributing significantly to this growth by encouraging Canadians to save for retirement by increasing contribution limits.

The growth in the mutual fund industry has resulted in increased competition. Over time, the market has developed into two distinct segments: mutual fund groups owned by chartered banks and insurance companies versus the independent mutual fund groups. According to data from IFIC, as at December 31, 2017, mutual fund companies owned by chartered banks and insurance companies have significantly increased their market share over the past decade. Several foreign-owned mutual fund groups also operate in Canada and the presence of well-capitalized foreign mutual fund groups in the Canadian fund industry has also increased competition.

More recently, the industry has been affected by the rapid growth of exchange-traded funds (“ETFs”) and the entrance of automated investment platforms or “robo-advisors.” Assets held in Canadian-listed ETFs have increased from \$63 billion in December 2013 to \$146 billion as of October 31, 2017, according to research firm Strategic Insight. In addition, there were 28 firms sponsoring ETFs in Canada, an increase from 18 a year earlier, according to the Canadian ETF Association. Sponsors now includes a number of Canadian banks and investment firms, as well as foreign-owned asset managers. While ETFs can be the vehicle for a variety of investment mandates, they have significantly lower management fees overall when compared to mutual funds. As noted above, CI entered the ETF market in 2015 with the purchase of FAIMI.

Automated investment platforms are online platforms that typically offer low-cost investment portfolios that are automatically rebalanced. They generally reduce costs by investing in ETFs and by minimizing the range of wealth management services they offer. These platforms are relatively new to the Canadian market, with the number of providers growing to 14 as of October 2017 (*Globe and Mail*). CI acquired automated investment platform technology with the acquisition of BBS and continues to develop its capabilities in this area.

A discussion on competitive conditions affecting CI also appears under the heading “Risk Management – Competition” in the Management’s Discussion and Analysis for the year ended December 31, 2017, available on SEDAR at [www.sedar.com](http://www.sedar.com).

There has been significant consolidation among Canadian mutual fund management companies, driven by a desire to achieve economies of scale in marketing, distribution and administration. The consequences of this consolidation include:

- (a) a decline in the number of mutual fund and institutional asset management companies listed on the Toronto Stock Exchange (“TSX”);
- (b) a segmentation of the industry into two distinct parts: mutual fund management groups owned in whole or in part by chartered banks, insurance companies, or other large domestic and foreign groups, and independent mutual fund management companies; and
- (c) an increasing concentration of the larger industry participants in terms of mutual fund assets under management. As at December 31, 2017, the 10 largest Canadian mutual fund management companies controlled approximately 75% of the total industry mutual fund assets under management, according to IFIC.

The mutual fund industry is facing public and regulatory pressure to improve the transparency of fees paid by investors. The Canadian Securities Administrators has published Client Relationship Model Phase 2 (“CRM2”) amendments to National Instrument 31-103 *Registration Requirements, Exemptions and Ongoing Registrant Obligations*. The CRM2 amendments introduced new requirements for dealers for client statements, charges and compensation disclosure, and performance reporting, with the final phase having come into effect on July 15, 2016.

The following table sets forth the aggregate net asset value for the Canadian mutual fund industry and CI Investments’ aggregate relative position in the Canadian mutual fund industry.

**Mutual Fund Assets**

**As at December 31, 2017**

**(in billions of dollars except percentages)**

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Total Canadian mutual fund industry <sup>(1)</sup>	\$1,477
CI Investments' total assets	\$143
CI Investments' total assets under management as an aggregate % of total industry	10%

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Notes:

(1) Source: IFIC and CI Financial.

In Canada, the investment management industry, and in particular the mutual fund segment, is a highly-regulated industry. Applicable securities legislation imposes restrictions on, among other things, incentives that may be offered to dealers and the forms of advertising which may be used by mutual fund managers, and also imposes disclosure and reporting requirements on the Managed Funds. A discussion of regulatory and legal risks affecting CI appears under the heading “Risk Management – Regulatory and Legal Risk” in the Management’s Discussion and Analysis for the year ended December 31, 2017, available on SEDAR at [www.sedar.com](http://www.sedar.com).

***New Products***

On May 1, 2017, CI Investments introduced the CI Preferred Pricing™ and CI Private Wealth™ programs, providing eligible investors with the benefit of automatically applied fee discounts for larger accounts. CI Preferred Pricing and CI Private Wealth make use of the same pricing model. Once an investor's qualifying assets reach various thresholds, assets in CI's Class A (ISC) and F, as well as Evolution Private Managed Accounts' Class E (ISC) and F (United Funds), will be automatically switched to the appropriate fee tier to receive the discount. Weekly market value assessments will ensure discounted pricing is applied in a timely manner, positive market value changes will influence fee tier levels, and investors will not be penalized for negative fund performance.

In the year ended December 31, 2017, CI Investments introduced the following new funds: CI Black Creek International Equity Pool, Signature Canadian Bond Pool, Signature Corporate Bond Pool, Signature Global Income & Growth Pool, CI Signature Long Bond Fund, CI Cambridge Large Cap Canadian Equity Fund, and CI Global Private Real Estate Fund.

In the year ended December 31, 2017, FAIMI introduced the following new exchange-traded funds: First Asset U.S. Trendleaders Index ETF, First Asset MSCI International Low Risk Weighted ETF, First Asset Enhanced Short Duration Bond ETF, and First Asset Cambridge Global Dividend ETF.

### ***International Operations***

CI acquired GSFM on November 15, 2016. GSFM offers investment products to investors in Australia and New Zealand in partnership with investment managers in Australia and around the world, further adding to the suite of products offered by CI. GSFM specializes in marketing investment products managed by Australian and global managers to Australian and New Zealand investors. GSFM enters into exclusive relationship agreements with fund managers and provides marketing, distribution and client relations services for investment funds and mandates in Australia and New Zealand in exchange for fees. GSFM currently manages six funds, distributes six others, and had A\$6.5 billion in assets under management at December 31, 2017.

### ***Intangible Properties***

CI Investments owns a number of registered and unregistered trade-marks such as CI Investments, CI Funds, Synergy Funds, Harbour Funds, Signature Funds, United Pools, Optima Strategy, and Cambridge. These trade-marks are important elements in differentiating the Managed Funds from CI Investments' competitors and marketing the Managed Funds to clients and advisors.

### **Asset Administration Segment**

#### ***Summary***

The Asset Administration segment, carried on by AWM and its subsidiaries, along with CIPC, offers clients in Canada a wide range of products and services, which encompass a multidisciplinary approach to financial planning, investment advice, wealth management, estate and succession planning and insurance services. Financial information regarding the Asset Administration segment is provided in the Corporation's annual financial statements for the fiscal year ended December 31, 2017 and related Management's Discussion and Analysis, which are available on SEDAR at [www.sedar.com](http://www.sedar.com). Results of CIPC are not included as part of the Asset Administration segment for financial reporting purposes.

#### ***Products and Services***

The principal businesses of AWM and CIPC are the provision of products and services tailored to meet the specific objectives and the financial planning and financial management needs of their clients. These products and services are developed and/or distributed through AWM and its subsidiaries, which include a securities dealer, a mutual fund dealer and insurance agents.

AWM's affiliates provide a wide range of products and services, including portfolio management, investment advisory services, distribution of securities (including mutual funds), insurance products and banking services and wealth management, including financial, tax and estate planning services.

AWM's unique distribution strategy and operating platform distinguish it in its sector. Its distribution network provides AWM direct access to experienced advisors with an established and growing base of clients. Through these advisors, many of those clients are electing to delegate responsibility for portfolio

management, manager selection and monitoring, and wealth management to AWM's core group of investment and wealth management professionals.

AWM's operating platform is designed to allow the advisor to work with a team of professionals to provide best-in-class advice and one-stop solutions for many of the increasingly complicated and sophisticated needs of its clients.

AWM's products and services are built on a foundation of some combination of portfolio management, investment advice, distribution of securities, insurance products, banking products and financial, tax, succession, wealth and estate planning. The principal markets for AWM's products and services are affluent and high net-worth individuals residing in Canada.

CIPC provides discretionary investment counsel services on a referral basis through its Assante Private Client division and directly to investors through its Stonegate Private Counsel division.

### ***Specialized Skill and Knowledge***

AWM and CIPC have highly-skilled and experienced advisors and employees necessary to meet the challenges of the evolving investment advisory industry. AWM and CIPC believe they have the expertise to continue to meet the specific objectives and the financial planning and financial management needs of their clients, to increase market share penetration through targeting mass affluent and affluent segments of the Canadian investor landscape, and to enhance investor understanding of the elements necessary to provide financial well-being. AWM and CIPC's objectives are to continue to offer a complete suite of wealth management services to their clients to assist them in achieving their financial goals.

To handle future growth, AWM and CIPC will continue, as appropriate, to upgrade their advanced information systems and increase training and development for their advisors and employees, as well as continuing to enhance their compliance infrastructure to promote stronger governance, all with the objective of ensuring that they provide accurate and timely service to their advisors and clients.

### ***Competitive Conditions***

The financial services industry is very competitive with many institutions and companies such as banks, trust companies, insurance companies, portfolio managers, security brokerage companies and mutual fund dealers all competing for the business of affluent clients. In addition, foreign-based mutual fund companies and banks have also established operations in Canada. The financial services industry in Canada has also moved toward offering comprehensive fee-based investment management services for clients.

AWM believes that it is well-positioned in terms of its competitors in the marketplace. While there is a large number of organizations providing financial advisory and financial management services or manufacturing investment products, very few of them are similar to AWM in providing financial product manufacturing integrated with the delivery of a full menu of products and services (including proprietary products) through their own distribution network. The operation of a unified financial advisory business in Canada is designed to provide synergies and economies of scale for AWM's wealth management programs and financial advisor network. A discussion of competitive conditions affecting AWM also appears under



the heading “Risk Management – Competition” in the Management’s Discussion and Analysis for the year ended December 31, 2017, available on SEDAR at [www.sedar.com](http://www.sedar.com).

### ***Intangible Properties***

AWM, through CI Investments, owns certain registered and unregistered trade-marks such as Assante and Assante Wealth Management. These trade-marks are important elements in differentiating AWM’s services from those offered by its competitors.

### **Cycles**

Generally, revenues are consistent throughout the year, with a slight increase in the first quarter due to increased investment activity during the Canadian RRSP season.

### **Employees**

As at December 31, 2017, 1,726 people were employed by the CI Group.

## **RISK MANAGEMENT**

There is risk inherent in the conduct of a wealth management business. Some factors which introduce or exacerbate risk are within the control of management and others are, by their nature, outside of CI’s direct control but must still be managed. Effective risk management is a key component to achieving CI’s business objectives and protecting CI and client assets. It is an on-going process involving the Board of Directors, CI’s Risk Management Committee, comprised of senior executives representing CI’s business units, and CI’s Risk Management Team, comprised of the Chief Risk Officer and the Vice-President, Risk Management and Corporate Responsibility. The Board has delegated primary responsibility for oversight of risk management to the Governance and Risk Committee of the Board of Directors.

Monitoring, evaluating and managing risk is a shared responsibility at CI. The Risk Management Committee and Risk Management Team work together to manage risk and ensure that business strategies and activities are consistent with CI’s risk appetite. Regular reports are provided to the Governance and Risk Committee of CI’s Board.

As noted above, the Risk Management Committee is comprised of senior executives from each core business unit and operating area at CI. CI has developed an enterprise wide approach to monitoring, evaluating and managing risk. The members of the Risk Management Committee identify and evaluate specific and material risks, applying both a quantitative and a qualitative analysis and then assess the likelihood of occurrence of a particular risk event. Once risks have been identified and rated, strategies and procedures are developed to minimize or avoid negative consequences and these risk mitigation processes are implemented and monitored with each business unit to bring risks to an acceptable risk level.

A discussion of the risks affecting CI appears under the heading “Risk Management” in the Management’s Discussion and Analysis for the year ended December 31, 2017 and is incorporated by reference and available on SEDAR at [www.sedar.com](http://www.sedar.com).

## **DESCRIPTION OF CAPITAL STRUCTURE**

The following is a brief summary of the Corporation’s authorized share capital and its outstanding debt securities. The authorized share capital is established in the Corporation’s articles of incorporation, as amended. This summary may not be complete and is subject to, and qualified in its entirety by reference to, CI’s articles of incorporation, as amended, and to the CI Financial Trust Indenture (as defined below) pursuant to which the Debentures are created and outstanding.

The Corporation’s authorized share capital consists of an unlimited number of common shares and an unlimited number of preference shares, issuable in series. As at March 1, 2018 there were 269,937,079 common shares issued and outstanding. No preference shares have been issued by the Corporation.

### **Common Shares**

Holders of common shares are entitled to one vote per share at meetings of shareholders of the Corporation, to receive dividends if, as and when declared by the Board (subject to the rights of shares, if any, having priority over the common shares) and to receive *pro rata* the remaining property and assets of the Corporation upon its dissolution or winding up, subject to the rights of shares, if any, having priority over the common shares.

### **Preference Shares**

Each series of preference shares shall consist of such number of shares and have such rights, privileges, restrictions and conditions as may be determined by the Board prior to the issuance thereof. Holders of preference shares, except as required by law or as provided in the rights, privileges, restrictions and conditions of a particular series, will not be entitled to vote at meetings of shareholders of the Corporation. With respect to the payment of dividends and distribution of assets in the event of the liquidation, dissolution or winding-up of the Corporation, whether voluntary or involuntary, the preference shares of each series shall rank on a parity with the preference shares of every other series and are entitled to preference over the common shares and any other shares ranking junior to the preference shares from time to time and may also be given such other preferences over the common shares and any other shares ranking junior to the preference shares as may be determined at the time of creation of such series.

### **Debentures**

#### *2027 Debentures*

On September 27, 2017, the Corporation completed an offering of \$250,000,000 principal amount of debentures due September 27, 2027. The offering was made on an agency basis and issued under a prospectus supplement dated September 21, 2017 to the Corporation’s short form base shelf prospectus

dated December 21, 2015. Interest on the 2027 Debentures is paid semi-annually in arrears on March 27 and September 27 each year, commencing on March 27, 2018, at a rate of 3.904% per annum.

#### *2021 Debentures*

On November 25, 2016, the Corporation completed an offering of \$200,000,000 principal amount of debentures due November 25, 2021. The offering was made on an agency basis and issued under a prospectus supplement dated November 22, 2016 to the Corporation's short form base shelf prospectus dated December 21, 2015. Interest on the 2021 Debentures is paid semi-annually in arrears on May 25 and November 25 each year, commencing May 25, 2017, at a rate of 2.775% per annum.

#### *2020 Debentures*

On December 7, 2015, the Corporation completed an offering of \$450,000,000 principal amount of debentures due December 7, 2020. The offering was made on an agency basis and issued under a prospectus supplement dated December 2, 2015 to the Corporation's short form base shelf prospectus dated January 6, 2014. Interest on the 2020 Debentures is paid semi-annually in arrears on December 7 and June 7 in each year, commencing June 7, 2016, at a rate of 2.645% per annum.

The Debentures were created and issued pursuant to the provisions of a trust indenture, as amended and supplemented from time to time, dated December 16, 2009 between the Corporation and Computershare Trust Company of Canada (the "**CI Financial Trust Indenture**"), providing for the creation and issuance of up to \$2,000,000,000 aggregate principal amount of debt securities.

The Corporation may elect to redeem the Debentures prior to their stated maturity dates, provided certain notice is given and applicable premium to principal amounts are paid. For more information about the Corporation's early redemption rights, please refer to the applicable supplemental indenture to the CI Financial Trust Indenture, available on SEDAR at [www.sedar.com](http://www.sedar.com). The Debentures are not redeemable at the election of the holders thereof.

If a Change of Control Triggering Event occurs, the Corporation will be required to make an offer to repurchase the Debentures at a price payable in cash equal to 101% of the outstanding principal amount of the applicable Debenture together with accrued and unpaid interest, to the date of purchase. A "**Change of Control Triggering Event**" occurs if there is both a Change of Control of the Corporation and a Rating Event. A "**Change of Control**" occurs if there is a sale of all or substantially all of the assets of the Corporation or the acquisition of beneficial ownership of more than 50% of the votes attaching to the shares of the Corporation that ordinarily have voting power for the election of directors of the Corporation. A "**Rating Event**" occurs for a particular Debenture if, following a Change of Control or announcement of a Change of Control, the rating of the particular Debenture is lowered to below investment grade rating (below BBB- for Standard & Poor's Ratings Services, a division of the McGraw-Hill Companies, Inc., ("**S&P**") and BBB (low) for DBRS Limited ("**DBRS**")) by each of the rating agencies who rate the particular Debenture, if there are two or less than two such agencies, and by two out of three of the agencies, if the particular Debenture is rated by three agencies.

Reference is made to the CI Financial Trust Indenture for a full description of the terms of the Debentures. The CI Financial Trust Indenture, amendments, and supplements are available on SEDAR at [www.sedar.com](http://www.sedar.com).

### **Ratings**

The Debentures are rated A (low) with a “Stable” trend by DBRS. The “A (low)” rating assigned to the Debentures represents the third highest of the ten rating categories available from DBRS for long-term debt. Under the DBRS system, debt securities rated A (low) are of satisfactory credit quality and protection of interest and principal is considered substantial. While this is a favourable rating, entities in the A (low) category are considered to be more susceptible to adverse economic conditions and have greater cyclical tendencies than higher-rated companies. A reference to “high” or “low” reflects the relative strength within the rating category, while the absence of either a “high” or “low” designation indicates the rating is placed in the middle category. According to DBRS, the “Stable” trend helps give investors an understanding of DBRS’s opinion regarding the outlook for the rating.

The Corporation has received a corporate credit rating from S&P of A- with a “Negative” outlook. In addition, the Debentures are rated A- by S&P. The “A-” rating is the third highest of the ten major rating categories for long-term debt and indicates S&P’s view that the Corporation’s capacity to meet its financial commitment on the obligations is strong, but the obligations are somewhat susceptible to adverse effects of changes in circumstances and economic conditions than obligations in higher rated categories. S&P uses “+” or “-” designations to indicate the relative standing of securities within a particular ratings category. According to S&P, the “Negative” rating outlook means that the rating may be lowered in the intermediate term.

The Corporation paid customary rating fees to DBRS and S&P in connection with the ratings. Other than in the ordinary course of customary ratings fees as aforesaid, in the past two years, the Corporation did not make any payments to either DBRS or S&P in respect of any other services provided by either DBRS or S&P to the Corporation.

Credit ratings are intended to provide investors with an independent assessment of the credit quality of an issue or issuer of securities and do not speak to the suitability of particular securities for any particular investor. A security rating is therefore not a recommendation to buy, sell or hold securities and may be subject to revision or withdrawal at any time by the rating agency.

### **SHAREHOLDER RIGHTS PLAN**

The Corporation entered into an agreement (the “**Rights Plan Agreement**”) dated as of May 1, 2014 with Computershare Investor Services Inc., as rights agent, in connection with the adoption of a shareholder rights plan (the “**Rights Plan**”). The Rights Plan Agreement superseded and replaced the rights plan agreement of the Corporation dated as of January 1, 2009 and was ratified and approved at the annual and special meeting of shareholders on June 11, 2014.

The Rights Plan terminated at the close of the Annual and Special Meeting of Shareholders held on April 20, 2017.

## DIVIDENDS

### Current Dividend Policy

The Corporation pays a monthly cash dividend. At its February 2018 meeting, the Board declared dividends of \$0.1175 per Common Share to be paid to shareholders of record on each of February 28, 2018, March 31, 2018 and April 30, 2018. Dividends are paid at the discretion of the Board and the dividend rate will be reviewed from time to time by the Board after giving consideration to CI's cash flow, financial position, net earnings, sales outlook and other relevant factors.

### Historical Dividend Record

#### 2017

During 2017 the Corporation declared dividends to shareholders as follows:

<u>Record Date</u>	<u>Payment Date</u>	<u>Dividend per Common Share (\$)</u>
January 31, 2017	February 15, 2017	0.115
February 28, 2017	March 15, 2017	0.115
March 31, 2017	April 13, 2017	0.115
April 30, 2017	May 15, 2017	0.115
May 31, 2017	June 15, 2017	0.1175
June 30, 2017	July 14, 2017	0.1175
July 31, 2017	August 15, 2017	0.1175
August 31, 2017	September 15, 2017	0.1175
September 30, 2017	October 13, 2017	0.1175
October 31, 2017	November 15, 2017	0.1175
November 30, 2017	December 15, 2017	0.1175
December 31, 2017	January 15, 2018	0.1175
	Total	<b>1.400</b>

**2016**

During 2016 the Corporation declared dividends to shareholders as follows:

<b>Record Date</b>	<b>Payment Date</b>	<b>Dividend per Common Share (\$)</b>
January 31, 2016	February 12, 2016	0.110
February 29, 2016	March 15, 2016	0.110
March 31, 2016	April 15, 2016	0.110
April 30, 2016	May 13, 2016	0.110
May 31, 2016	June 15, 2016	0.115
June 30, 2016	July 15, 2016	0.115
July 31, 2016	August 15, 2016	0.115
August 31, 2016	September 15, 2016	0.115
September 30, 2016	October 14, 2016	0.115
October 31, 2016	November 15, 2016	0.115
November 30, 2016	December 15, 2016	0.115
December 31, 2016	January 13, 2017	0.115
	Total	<b>1.360</b>

**2015**

During 2015 the Corporation declared dividends to shareholders as follows:

<b>Record Date</b>	<b>Payment Date</b>	<b>Dividend per Common Share (\$)</b>
January 31, 2015	February 13, 2015	0.105
February 28, 2015	March 13, 2015	0.105
March 31, 2015	April 15, 2015	0.105
April 30, 2015	May 15, 2015	0.105
May 31, 2015	June 15, 2015	0.110
June 30, 2015	July 15, 2015	0.110
July 31, 2015	August 14, 2015	0.110
August 31, 2015	September 15, 2015	0.110
September 30, 2015	October 15, 2015	0.110
October 31, 2015	November 13, 2015	0.110
November 30, 2015	December 15, 2015	0.110
December 31, 2015	January 15, 2016	0.110
	Total	<b>1.300</b>

## MARKET FOR SECURITIES


### Trading Price and Volume

The common shares are listed and posted for trading on the TSX under the trading symbol “CIX”. The price ranges and volume traded of the common shares on the TSX for each month for the fiscal year ended December 31, 2017 are set out below.


	Price (\$)		
<u>Month</u>	<u>High</u>	<u>Low</u>	<u>Trading Volume</u>
January	\$29.45	\$27.03	9,485,539
February	\$28.40	\$26.80	8,549,333
March	\$27.58	\$26.06	10,871,297
April	\$27.57	\$26.16	8,158,522
May	\$27.13	\$26.04	12,193,484
June	\$27.77	\$26.58	13,635,042
July	\$28.19	\$26.85	6,969,868
August	\$27.55	\$25.79	10,395,134
September	\$27.62	\$26.39	9,506,203
October	\$29.01	\$27.32	7,328,063
November	\$29.15	\$27.83	9,057,167
December	\$29.78	\$28.48	10,943,007


**DIRECTORS AND OFFICERS**


The following table sets out important information regarding each of the Directors at March 1, 2018.


	<p>Mr. Anderson was appointed Chief Executive Officer of CI Financial in 2016. He has over 30 years' experience in senior management positions in the Canadian investment industry. Mr. Anderson first joined CI in 1997 as Executive Vice-President and head of Sales and Marketing after working at ScotiaMcLeod Inc., where he held positions that included Managing Director and Branch Manager.</p> <p>In 1999, Mr. Anderson became President of CI Investments, a position he held until 2006. From 2003-2010, he was Chief Executive Officer of CI Investments. From 2010-2012, Mr. Anderson was head of CI Institutional Asset Management and Chief Investment Officer, a role in which he focused on development of CI's portfolio management teams. He was also a member of the Board of Directors from 2010-2011.</p> <p>Prior to his appointment as Chief Executive Officer in 2016, Mr. Anderson was Interim Chief Executive Officer of Aston Hill Financial Inc. from August 2015 to February 2016 and a director of the company from 2014-2016. He holds a business degree from the University of New Brunswick.</p>								
<p><b>Peter W. Anderson</b>                  Toronto, Ontario Canada                  Director Since 2016  <b>Not Independent</b>                  Age: 60  <b>Areas of Expertise:</b>                  Financial Services;                  Mutual Funds;                  CEO Experience;                  Strategic Leadership;                  Wealth Management; Risk                  Management</p> <p>2017 votes in favour: 99.50%</p>	<table border="1"> <tr> <td data-bbox="576 924 1055 1081" style="text-align: center;"> <b>CI Shares owned or controlled</b> </td> <td data-bbox="1055 924 1469 1081" style="text-align: center;">                     442,600                 </td> </tr> <tr> <td data-bbox="576 1081 1055 1228" style="text-align: center;"> <b>(\$ value based on closing price of CI shares on March 1, 2018)</b> </td> <td data-bbox="1055 1081 1469 1228" style="text-align: center;">                     \$12,645,082                 </td> </tr> <tr> <td colspan="2" data-bbox="576 1228 1469 1413" style="text-align: center;"> <b>Other Board Directorships</b> </td> </tr> <tr> <td colspan="2" data-bbox="576 1413 1469 1413"> <p>Our Chief Executive Officer may not sit on the board of directors of an outside public company.</p> </td> </tr> </table>	<b>CI Shares owned or controlled</b>	442,600	<b>(\$ value based on closing price of CI shares on March 1, 2018)</b>	\$12,645,082	<b>Other Board Directorships</b>		<p>Our Chief Executive Officer may not sit on the board of directors of an outside public company.</p>	
<b>CI Shares owned or controlled</b>	442,600								
<b>(\$ value based on closing price of CI shares on March 1, 2018)</b>	\$12,645,082								
<b>Other Board Directorships</b>									
<p>Our Chief Executive Officer may not sit on the board of directors of an outside public company.</p>									





 <p><b>Sonia A. Baxendale</b> Toronto, Ontario Canada Director Since 2013 <b>Independent</b> Age: 55 <b>Areas of Expertise:</b> Financial Services; Mutual Funds; CEO Experience; Strategic Leadership; Wealth Management</p> <p>2017 votes in favour: 99.90%</p>	<p>Ms. Baxendale was a senior executive at Canadian Imperial Bank of Commerce for almost 20 years and was most recently the President of Retail Banking and Wealth Management at that bank until 2011. She has experience leading significant line and support operations, executing acquisitions, joint ventures and strategic partnerships globally. Prior to joining CIBC, Ms. Baxendale had experience in marketing, brand and product management at American Express and prior to that at Saatchi &amp; Saatchi Advertising. Ms. Baxendale has an Honours B.A. from the University of Toronto.</p>
	<p style="text-align: center;"><b>CI Shares owned or controlled</b></p> <p style="text-align: center;">2,500</p>
	<p style="text-align: center;"><b>(\$ value based on closing price of CI shares on March 1, 2018)</b></p> <p style="text-align: center;">\$71,425</p>
	<p style="text-align: center;"><b>Board Committees</b></p> <p style="text-align: center;">Human Resources and Compensation (Chair)</p>
	<p style="text-align: center;"><b>Other Board Directorships</b></p> <p>Ms. Baxendale is a director of Laurentian Bank of Canada, a public financial institution whose activities extend across Canada, and Foresters Insurance.</p>

 <p><b>Paul W. Derksen</b> Clarksburg, Ontario Canada Director Since 2002 <b>Independent</b> Age: 67 <b>Areas of Expertise:</b> Business Administration; Accounting and Finance; Financial Services; Risk Management</p> <p>2017 votes in favour: 99.26%</p>	<p>Mr. Derksen is the Lead Director of the Corporation. Mr. Derksen was the Executive Vice-President and Chief Financial Officer of Sun Life Financial Inc. until March 2007, where he was responsible for Sun Life Financial's Actuarial, Investment and Risk Management functions and for Mergers &amp; Acquisitions and Investor Relations. Prior to joining Sun Life, Mr. Derksen was Executive Vice-President and Chief Financial Officer of CT Financial Services Inc. and Canada Trustco Mortgage Company and 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 and holds an Honours B.A. in Business Administration from the Ivey School of Business at the University of Western Ontario.</p>
	<p style="text-align: center;"><b>CI Shares owned or controlled</b></p> <p style="text-align: center;">16,148</p>
	<p style="text-align: center;"><b>(\$ value based on closing price of CI shares on March 1, 2018)</b></p> <p style="text-align: center;">\$461,348</p>
	<p style="text-align: center;"><b>Board Committees (<i>Ex Officio</i>)</b></p> <p style="text-align: center;">Audit; Human Resources and Compensation; Governance and Risk</p>

 <p><b>William T. Holland</b>          Toronto, Ontario Canada          Director Since 1994  <b>Not Independent</b>          Age:59  <b>Areas of Expertise:</b>          Financial Services; Mutual Funds; CEO Experience; Strategic Leadership; Wealth Management</p> <p>2017 votes in favour: 98.55%</p>	<p>Mr. Holland is the Chairman of the Corporation. He has been employed by the Corporation or its predecessors since 1989 holding increasingly senior positions. Prior to September 2010 he had been the Chief Executive Officer of the Corporation, a position he held for more than 10 years.</p>
	<p style="text-align: center;"><b>CI Shares owned or controlled</b></p> <p style="text-align: center;">7,904,667</p>
	<p style="text-align: center;"><b>(\$ value based on closing price of CI shares on March 1, 2018)</b></p> <p style="text-align: center;">\$225,836,336</p>
	<p style="text-align: center;"><b>Other Board Directorships</b></p> <p>Mr. Holland is a director of NEXJ Systems Inc., a public company which provides enterprise client relationship management solutions for the financial services, insurance and healthcare industries and Infor Acquisition Corp., a public special purpose acquisition corporation organized for the purpose of effecting an acquisition of one or more business assets. He is also on the board of directors of Real Matters Inc.</p>

 <p><b>David P. Miller</b>          Toronto, Ontario Canada          Director Since 2013  <b>Independent</b>          Age: 68  <b>Areas of Expertise:</b>          Business Administration; Legal/Governance Matters; Risk Management</p> <p>2017 votes in favour: 99.49%</p>	<p>Mr. Miller is Chief Legal and Corporate Affairs Officer and Secretary of Rogers Communications Inc. He has been with Rogers for over 25 years in increasingly senior roles, and has extensive experience in acquisitions and public and private financing. Mr. Miller holds a BCL and LLB from McGill University.</p>
	<p style="text-align: center;"><b>CI Shares owned or controlled</b></p> <p style="text-align: center;">5,700</p>
	<p style="text-align: center;"><b>(\$ value based on closing price of CI shares on March 1, 2018)</b></p> <p style="text-align: center;">\$162,849</p>
	<p style="text-align: center;"><b>Board Committees</b></p> <p style="text-align: center;">Governance and Risk (Chair), Human Resources and Compensation</p>
	<p style="text-align: center;"><b>Other Board Directorships</b></p> <p>Mr. Miller is the Chairman of the Advisory Board of Atlantic Packaging Ltd.</p>

 <p><b>Stephen T. Moore</b> Toronto, Ontario Canada Director Since 2007 <b>Independent</b> Age: 64 <b>Areas of Expertise:</b> Accounting and Finance; Financial Services; Wealth Management  2017 votes in favour: 99.91%</p>	<p>Mr. Moore is the Managing Director of Newhaven Asset Management Inc., a wealth management company. 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. Mr. Moore was a member of the Board of Governors of CI Investments Inc. until July 2007 which has responsibility for addressing any actual or perceived conflicts of interest that may arise in connection with management of the mutual funds managed by CI Investments Inc. Mr. Moore holds a B.A. in Economics and a Masters of Business Administration from Queen’s University.</p>
	<p style="text-align: center;"><b>CI Shares owned or controlled</b></p> <p style="text-align: center;">19,671</p>
	<p style="text-align: center;"><b>(\$ value based on closing price of CI shares on March 1, 2018)</b></p> <p style="text-align: center;">\$562,000</p>
	<p style="text-align: center;"><b>Board Committees</b></p> <p style="text-align: center;">Audit, Governance and Risk</p>
	<p style="text-align: center;"><b>Other Board Directorships</b></p> <p>Mr. Moore is a director of Pivot Technology Solutions Inc. and Prodigy Ventures Inc.</p>

 <p><b>Tom P. Muir</b> FCPA, FCA, FCBV Toronto, Ontario Canada Director Since 2011 <b>Independent</b> Age: 62 <b>Areas of Expertise:</b> Business Administration; Accounting and Finance; Financial Services; Legal/Governance Matters  2017 votes in favour: 99.57%</p>	<p>Mr. Muir is a Co-Managing Director of Muir Detlefsen &amp; Associates Limited, since September 2007. His prior positions include Executive Vice-President and Chief Financial Officer of Maple Leaf Foods Inc. and Co-Head of the Investment Banking Group and Member of the Executive Committee at RBC Dominion Securities Inc. Mr. Muir is a Fellow, Chartered Professional Accountant and a Fellow, Chartered Business Valuator. Mr. Muir has a BComm from the University of Toronto.</p>
	<p style="text-align: center;"><b>CI Shares owned or controlled</b></p> <p style="text-align: center;">20,392</p>
	<p style="text-align: center;"><b>(\$ value based on closing price of CI shares on March 1, 2018)</b></p> <p style="text-align: center;">\$582,599</p>
	<p style="text-align: center;"><b>Board Committees</b></p> <p style="text-align: center;">Audit (Chair)</p>
	<p style="text-align: center;"><b>Other Board Directorships</b></p> <p>Mr. Muir is a director of Solium Capital Inc., a public company that provides cloud-enabled services for global equity administration, and Brewers Retail Limited in Ontario. He has been a member of the board of directors of a number of other public companies in the past.</p>

The term of office of each director will expire at the termination of the next annual meeting of holders of the common shares or until his successor is elected or appointed.

### EXECUTIVE OFFICERS

The following chart sets out information concerning the executive officers of the Corporation.

<b>Name</b>	<b>Position</b>	<b>Principal Occupation within the Preceding Five Years</b>
<b>WILLIAM T. HOLLAND</b> Toronto, Ontario, Canada	Chairman of the Board, CI Financial Corp.	Prior to May 2017, Executive Chairman of the Board since January 2016. Prior to January 2016, Chairman of the Board since May 2012.
<b>PETER W. ANDERSON</b> Toronto, Ontario, Canada	Chief Executive Officer, CI Financial Corp.	Prior to February 2016, Interim Chief Executive Officer of Aston Hill Financial Inc. since August 2015.
<b>SHEILA A. MURRAY</b> Toronto, Ontario, Canada	President and General Counsel, CI Financial Corp.	Prior to February 2016, Executive Vice-President, General Counsel and Secretary.
<b>DOUGLAS J. JAMIESON</b> Toronto, Ontario, Canada	Executive Vice-President and Chief Financial Officer, CI Financial Corp.	Prior to June 2013, Senior Vice-President since December 2008.
<b>STEVEN J. DONALD</b> Oakville, Ontario, Canada	Executive Vice-President, CI Financial Corp.	Prior to September 2017, President, AWM since November 2009.
<b>ROHIT D. MEHTA</b> Toronto, Ontario, Canada	Executive Vice-President, CI Financial Corp.	Prior to December 2017, President, FAIMI since May 2017*. Prior to May 2017 Vice-President, FAIMI since October 2009.
<b>DARIE P. URBANKY</b> Toronto, Ontario, Canada	Executive Vice-President, CI Financial Corp.	Prior to February 2018, Senior Vice-President and Chief Technology Officer, CII since July 2016*. Prior to July 2016, Vice-President, CII since October 2010.
<b>NEAL A. KERR</b> Toronto, Ontario, Canada	Executive Vice-President, CI Financial Corp.	Prior to February 2018, President of CI Institutional Asset Management, CII since June 2013, Executive Vice-President, CII since October 2015*. Prior to June 2013, Senior Vice-President, CII since January 2000.

\*Continues to hold this position.

As at March 1, 2018, the directors and executive officers of the Corporation as a group beneficially owned, directly or indirectly, or exercised control or direction over approximately 8,676,849 common shares (representing approximately 3.21% of the outstanding common shares).

### Corporate Cease Trade Orders or Bankruptcies

To the knowledge of the Corporation, except as set forth below, none of the directors or executive officers of the Corporation (a) are, as at the date hereof, or have been, within the 10 years before the date of this annual information form, 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 annual information form, or have been within 10 years before the date of this annual information form, 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 annual information form, 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.

Mr. Moore was, prior to January 26, 2010, a trustee of Impax Energy Services Income Trust (the “**Trust**”). On December 14, 2009, the 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 directors or executive officers 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.

## **LEGAL PROCEEDINGS AND REGULATORY ACTIONS**

### **Legal Proceedings**

CI Investments is a party to two class action proceedings brought by investors in CI mutual funds, in each case asking for unspecified damages resulting from CI Investments’ alleged failure to implement measures to fully protect the funds’ investors against costs of frequent trading activity. These proceedings were instituted in 2004 in the provinces of Ontario, currently led by representative plaintiff Manon Sim, and Quebec, currently led by representative plaintiff Claude Ravary. The Quebec class action was authorized on September 17, 2010. On December 12, 2013, the Supreme Court of Canada denied an appeal by CI Investments in the Ontario class action. The decision is not a finding of liability against CI Investments, but simply allows the Ontario class action against CI Investments and one other mutual fund company to proceed. CI Investments intends to vigorously defend itself in the both class actions on the basis that, among other things, the affected investors in its funds were fully compensated by CI Investments through a

compensation program that was established in 2004 in a settlement agreement with the Ontario Securities Commission (“OSC”).

On July 5, 2016, the Corporation filed a notice of appeal with the Tax Court of Canada in respect of a notice of reassessment from the Canada Revenue Agency (“CRA”) for the fiscal years 2006-2008, during which the Corporation was structured as an income trust. The Corporation settled the outstanding notices of reassessment relating to the interest rate charged on subordinated notes within CI's income trust structure for the years 2006 to 2008 and included a \$45 million provision for current income taxes for the second quarter of 2017.

### **Regulatory Actions**

In December 2017, Assante Capital Management Ltd. and Assante Financial Management Ltd. (collectively, “Assante”) entered into a no-contest settlement agreement with Staff of the Ontario Securities Commission (“OSC”). The agreement was in respect of a small percentage of clients being eligible for, but not enrolled in, a preferred pricing program for certain mutual fund investments between August 2011 and May 2017. Assante identified the matter and had earlier paid approximately \$3.8 million in compensation to affected current and former clients in September 2017.

In March 2017, Sentry entered into a settlement agreement with Staff of the OSC. The agreement was in respect of Sentry's non-compliance with *National Instrument 81-105 - Mutual Fund Sales Practices*. Pursuant to the settlement agreement, Sentry agreed to pay an administrative penalty in the amount of \$1,500,000, costs of the Staff's investigation in the amount of \$150,000 and other non-monetary terms, including submitting to a review of its practices and procedures by a third party consultant.

From time to time, in the ordinary course of business, CI is assessed fees or fines by securities regulatory authorities in relation to administrative matters, including late filings or reporting, which may be considered penalties or sanctions pursuant to Canadian securities regulations but which are not, individually or in the aggregate, material to CI. In 2017, CI paid administrative filing fees relating to late filings to the OSC in the aggregate amount of \$137,800. Various other legal proceedings are pending that challenge certain of our practices or actions. We consider that the aggregate liability resulting from these other proceedings will not be material to our financial position or results of operations.

### **TRANSFER AGENT AND REGISTRAR**

Computershare Investor Services Inc. acts as Transfer Agent and Registrar for the common shares and maintains registers of transfers of the common shares in Toronto, Montreal and Vancouver.

### **MATERIAL CONTRACTS**

The following contracts can reasonably be regarded as material to CI:

- (a) The CI Financial Trust Indenture together with the Fourth Supplement Indenture dated December 7, 2015, pursuant to which the 2020 Debentures have been issued, the Fifth Supplemental Indenture dated November 25, 2016, pursuant to which the 2021 Debentures

have been issued, and the Sixth Supplement Indenture dated September 27, 2017 pursuant to which the 2027 Debentures have been issued.

- (b) The revolving credit facility between CI and the Toronto-Dominion Bank and Canadian Imperial Bank of Commerce which was amended and restated on December 11, 2015, and further amended on November 9, 2016 and September 29, 2017, which provides for a \$700 million credit facility with a revolving period that extends to December 11, 2018.

## **INTERESTS OF EXPERTS**

Ernst & Young LLP, Chartered Accountants, the external auditors of the Corporation, reported on the fiscal 2017 audited financial statements of the Corporation which were filed by the Corporation with securities regulators pursuant to National Instrument 51-102 – *Continuous Disclosure Obligations*. Ernst & Young LLP is independent with respect to the Corporation in accordance with the Rules of Professional Conduct of the Institute of Chartered Accountants of Ontario.

## **AUDIT COMMITTEE INFORMATION**

### **Audit Committee's Charter**

The Audit Committee has adopted a written charter that sets out its mandate and responsibilities. A copy of the charter is attached hereto as Appendix "A".

### **Composition of the Audit Committee**

The Audit Committee is comprised of three Directors, each of whom is independent and financially literate (as such terms are defined under National Instrument 52-110 – *Audit Committees*): Paul W. Derksen (*ex officio*), Stephen T. Moore and Tom P. Muir (Chairman).

### **Relevant Education and Experience**

The following summarizes the education and experience of each Audit Committee member that is relevant to the performance of his responsibilities as an Audit Committee member.

*Paul W. Derksen*, 67, 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 and holds an Honours B.A. in Business Administration from the Ivey School of Business at the University of Western Ontario.

*Stephen T. Moore*, 64, is the Managing Director of Newhaven Asset Management Inc., a wealth management company. 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. Mr. Moore was a member of the Board of Governors of CI Investments until July 2007 which has responsibility for addressing any actual or perceived conflicts of interest that may arise in connection with the management of the mutual funds managed by CI Investments Inc. Mr. Moore holds a B.A. in Economics and a Masters of Business Administration from Queen's University.

*Tom P. Muir*, 62, is a Co-Managing Director of Muir Detlefsen & Associates Limited, an investment company. His prior positions include Executive Vice-President and Chief Financial Officer of Maple Leaf Foods Inc. and Co-Head of the Investment Banking Group at RBC Dominion Securities Inc. He ran the Family Office for the G. Wallace F. McCain Family, and has served on the Board of Directors of numerous public and private companies. Mr. Muir is a Fellow, Chartered Professional Accountant and Fellow, Chartered Business Valuator. Mr. Muir has a BComm from the University of Toronto.

### **Pre-Approval Policies and Procedures**

The following policies and procedures have been adopted by the Audit Committee for the engagement of CI's external auditors for non-audit services.

On proposed non-audit services, the timing of which is not urgent, management is required to submit a request for pre-approval of same at the next quarterly Audit Committee meeting.

For all other proposed non-audit services, the Committee has delegated to its Chairman the responsibility and authority to review and, in his discretion, approve the proposed non-audit services under the following procedures. Designated finance personnel are required to submit to the Chairman of the committee, in writing, a request for pre-approval of the particular non-audit service, such request to disclose all necessary details of the proposed non-audit services such as the scope of work, the estimated time for completion, and the estimated fees for such services. Except in extenuating circumstances, requests shall be made to the Chairman prior to the engagement of the auditors for the particular service. Upon receipt of the request, the Chairman of the committee shall promptly either accept the request or decline the request with brief reasons, in either case in writing and after taking into account the impact of the services on the auditors' independence. Management must present any requested pre-approvals to the committee at its next quarterly meeting. CI shall retain all correspondence pertaining to the requests in its records.

#### *External Auditors' Service Fee*

The aggregate amounts paid or accrued by CI with respect to fees, excluding expenses, payable to the external auditors for audit, audit-related, tax and other services for the fiscal years ended December 31, 2017 and December 31, 2016 were as follows:



Type of Service	Fiscal year ended December 31, 2017 (\$)	Fiscal year ended December 31, 2016 (\$)
Audit Fees	1,266,000	1,217,000
.....		
Audit-Related Fees <sup>(1)</sup>	295,000	255,000
.....		
Tax Fees <sup>(2)</sup>	70,000	45,000
.....		
All Other Fees <sup>(3)</sup>	25,000	25,000
.....		
Canadian Public Accountability Board Fee	24,340	24,340
Total	1,680,340	1,566,340

Notes:

- (1) The services comprising these fees were quarterly reviews, translation, and acquisition analysis.
- (2) The services comprising these fees were tax returns and other tax advice.
- (3) The services comprising these fees were access to research and interpretation of regulations and standards.

## ADDITIONAL INFORMATION

### General

Additional information relating to CI may be found on SEDAR at [www.sedar.com](http://www.sedar.com).

Additional information, including directors' and officers' remuneration and indebtedness, principal holders of common shares, options to purchase common shares, and securities authorized for issuance under equity compensation plans, is contained in the Management Information Circular for the Annual Meeting of Shareholders to be held on June 18, 2018. Additional financial information is provided in CI's financial statements and management's discussion and analysis for its most recently completed fiscal year.

## APPENDIX “A”

### CI FINANCIAL CORP.

#### AUDIT COMMITTEE CHARTER

As of February 15, 2018

#### 1. Introduction

The Audit Committee (the “**Committee**” or the “**Audit Committee**”) of CI Financial Corp. (the “**Company**”) is a committee of the Board of Directors (the “**Board**”). The Committee shall oversee the accounting and financial reporting practices of the Company and the audits of the Company’s financial statements, as well as exercise the responsibilities and duties set out in this Charter.

#### 2. Membership

##### *Number of Members*

The Committee shall be appointed by the Board and shall be comprised of at least three members of the Board. The Lead Director of the Board shall be an ex officio member of the Audit Committee.

##### *Independence of Members*

Each member of the Committee must be independent. “**Independent**” shall have the meaning, as the context requires, given to it in National Instrument 52-110 – *Audit Committees* (the “**Instrument**”), as may be amended from time to time.

##### *Chair*

At the time of the annual appointment of the members of the Audit Committee, the Board shall appoint a Chair of the Audit Committee. The Chair shall be a member of the Audit Committee, preside over all Audit Committee meetings, coordinate the Audit Committee’s compliance with this Charter, work with management to develop the Audit Committee’s annual work-plan, provide reports of the Audit Committee to the Board and fulfill all other responsibilities as enumerated in the Company’s Committee Chair Position Description.

##### *Financial Literacy of Members*

At the time of his or her appointment to the Committee, each member of the Committee shall have, or shall acquire within a reasonable time following appointment to the Committee, the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Company’s financial statements, or shall otherwise meet the financial literacy requirements of the Instrument.

##### *Term of Members*

The members of the Committee shall be appointed annually by the Board. Each member of the Committee shall serve at the pleasure of the Board until the member resigns, is removed, or ceases to be a member of the Board. If the Chair is not elected by the Board, the members of the Committee may designate a Chair by majority vote of the full Committee membership.

### **3. Meetings**

#### ***Number of Meetings***

The Committee shall meet at least quarterly and otherwise may meet as many times per year as necessary to carry out its responsibilities.

#### ***Quorum***

No business may be transacted by the Committee at a meeting unless a quorum of the Committee is present. A majority of members of the Committee shall constitute a quorum.

#### ***Calling of Meetings***

The Chair, any member of the Audit Committee, the external auditors, the Chairman of the Board, the Chief Executive Officer, President or the Chief Financial Officer may call a meeting of the Audit Committee by notifying the Company's Corporate Secretary who will notify the members of the Audit Committee. The Chair shall chair all Audit Committee meetings that he or she attends, and in the absence of the Chair, the members of the Audit Committee present may appoint a chair from their number for a meeting.

#### ***Minutes; Reporting to the Board***

The Committee shall maintain minutes or other records of meetings and activities of the Committee in sufficient detail to convey the substance of all discussions held. Upon approval of the minutes by the Committee, the minutes shall be available to the other members of the Board. However, the Chair shall report orally to the Board on any matter in his or her view requiring the immediate attention of the Board.

#### ***Attendance of Non-Members***

The external auditors are entitled to attend and be heard at each meeting of the Audit Committee. Other Board members are also entitled to attend meetings of the Audit Committee, with notice to the Chair. In addition, the Committee may invite to a meeting any officers or employees of the Company, legal counsel, advisors and other persons whose attendance it considers necessary or desirable in order to carry out its responsibilities. At least once per year, the Committee shall meet with the internal auditor and management in separate sessions to discuss any matters that the Committee or such individuals consider appropriate.

#### ***Meetings without Management***

The Committee shall hold meetings, or portions of meetings, at which management is not present.

The Committee shall meet at least quarterly with the auditors without the presence of management.

#### ***Access to Management***

The Committee shall have unrestricted access to the Company's management and employees and the books and records of the Company.

#### ***Consultation***

The Audit Committee shall have the authority to retain external legal counsel, consultants or other advisors to assist it in fulfilling its responsibilities and to set and pay the respective compensation for these advisors without consulting or obtaining the approval of the Board or any Company officer. The Company shall provide appropriate funding, as determined by the Committee, for the services of these advisors. The

Committee shall also be permitted to communicate directly with the internal audit staff of the Company and entities controlled by the Company (together, the “**Company Group**”) (if any) and the auditors.

#### **4. Duties and Responsibilities**

The Committee shall have the functions and responsibilities set out below as well as any other functions that are specifically delegated to the Committee by the Board and that the Board is authorized to delegate by applicable laws and regulations. In addition to these functions and responsibilities, the Committee shall perform the duties required of an audit committee by (i) any exchange upon which securities of the Company are traded, or (ii) any governmental or regulatory body exercising authority over the Company, in each case, as are in effect from time to time (collectively, the “**Applicable Requirements**”) including the functions and responsibilities set out in the Instrument.

##### ***Financial Executives***

The Committee shall review and discuss with management and the Board the appointment and/or removal of the Chief Financial Officer and Chief Internal Auditor and recommend qualified candidates to the Board, as appropriate.

##### ***Financial Reports***

###### **(a) General**

Management is responsible for the preparation, presentation and integrity of the Company’s financial statements and financial disclosures and for the appropriateness of the accounting principles and the reporting policies used by the Company. The auditors are responsible for auditing the Company’s annual consolidated financial statements and for reviewing the Company’s unaudited interim financial statements. The Audit Committee is responsible for overseeing the Company’s financial statements and financial disclosures.

###### **(b) Review of Annual Financial Reports**

Prior to public release, the Audit Committee shall review the annual consolidated audited financial statements of the Company, the auditors’ report thereon and the related management’s discussion and analysis of the Company’s financial condition and results of operation (“**MD&A**”). At the Committee meeting at which the Company’s annual statements are to be reviewed, the Committee shall meet, in person, with representatives of the auditors and with the Company management to obtain information regarding the annual statements and the results of the audit including, but not limited to information concerning:

1. the Company’s disclosure controls and procedures and the Company’s internal control over financial reporting;
2. accounting policies, judgments and estimates used by management;
3. areas of audit emphasis;
4. applicable regulatory compliance; and
5. independence of auditors.

After completing its review, if advisable, the Audit Committee shall approve, and recommend for Board approval, the annual financial statements and the related MD&A.

**(c) Review of Interim Financial Reports**

The Audit Committee shall review the interim consolidated financial statements of the Company, the auditors' review report thereon and the related MD&A. After completing its review, if advisable, the Audit Committee shall approve and recommend for Board approval the interim financial statements and the related MD&A. The review by the Committee shall be completed prior to the issuance of a press release respecting the interim financial results. The Committee shall meet, in person, with representatives of the auditors and with the Company management to obtain information regarding the interim statements and to discuss the results of their preparation and review. At each meeting, the Committee will request that the auditors communicate to the Committee their findings based on the interim procedures performed by the auditors. In addition, the Committee will request that the auditors communicate any findings which would modify or change the report provided by the auditors to the Committee in connection with the Company's last annual statements.

**(d) Review Considerations**

In addition to the procedures referred to above, when conducting its review of the annual financial statements or the interim financial statements, the Audit Committee may:

- (i) receive a report from internal legal counsel, as requested, regarding any litigation claim or other contingency that could have a material effect on the financial statements;
- (ii) review the status of accounting policies followed and critical accounting and other significant estimates and judgements underlying the financial statements as presented by management;
- (iii) review any material effects of regulatory accounting initiatives or off-balance sheet structures on the financial statements as presented by management, including requirements relating to complex or unusual transactions, significant changes to accounting principles and alternative treatments under International Financial Reporting Standards;
- (iv) review any material changes in accounting policies and any significant changes or developments in accounting practices, independence standards and reporting practices and their impact on the financial statements as presented by management;
- (v) review with management and the auditors any significant financial reporting issues discussed during the fiscal period and the method of resolution;
- (vi) receive and review a report from management or internal audit on the effectiveness of financial disclosure procedures and internal controls over financial reporting;
- (vii) review any problems experienced by the auditors in performing the annual audit or quarterly procedures, including any restrictions imposed by management or significant accounting issues on which there was a disagreement with management;
- (viii) obtain an explanation from management of all significant variances between comparative reporting periods;
- (ix) review the post-audit or management letter, containing the recommendations of the auditors, and management's response and subsequent follow up to matters raised by the auditors;

- (x) review “whistleblowing” complaints received by Lead Director;
- (xi) review any other matters, related to the financial statements, that are brought forward by the auditors or management or which are required to be communicated to the Audit Committee under accounting policies, auditing standards or Applicable Requirements; and
- (xii) review interim and annual chief executive officer and chief financial officer certifications on financial statements and controls required by the Instrument.

(e) **Approval of Other Financial Disclosures**

Prior to public release, the Audit Committee shall review and, if advisable, approve and recommend for Board approval financial disclosure in a prospectus or other securities offering document of the Company, press releases disclosing, or based upon, financial results of the Company and any other material financial disclosure, publicly disseminated, other than press releases regarding monthly sales.

***Other***

The Audit Committee or the Chair shall be available to review with management and the auditors any material accounting and financial issues affecting the Company not dealt with in annual and quarterly reviews.

***Managing the Relationship with the Auditors***

(a) **Appointment and Compensation**

The Audit Committee shall select and recommend to the Board for shareholder approval the appointment of the auditors. The Audit Committee shall have ultimate authority to approve all audit engagement terms and fees, including the auditors’ audit plan.

(b) **Resolution of Disagreements**

The Audit Committee shall resolve any disagreements between management of the Company and the auditors as to financial reporting matters brought to its attention.

(c) **Discussions with Auditors**

At least annually, the Audit Committee shall discuss with the auditors such matters as are required by applicable auditing standards to be discussed by the auditors with the Audit Committee. The Committee shall ensure that the Company requires and instructs the auditors to report directly to the Committee.

(d) **Audit Plan**

At least annually, and prior to the commencement of each audit, the Audit Committee shall review a summary of the auditors’ annual audit plan. The Audit Committee shall consider and review with the auditors any material changes to the scope of the plan.

(e) **Quarterly Review Report**

The Audit Committee shall review a report prepared by the auditors in respect of each of the interim financial statements of the Company.

(f) **Independence of Auditors**

At least annually, and before the auditors issue their report on the annual financial statements, the Audit Committee shall obtain from the auditors a formal written statement describing all relationships between the auditors and the Company; discuss with the auditors any disclosed relationships or services that may affect the objectivity and independence of the auditors; and obtain written confirmation from the auditors that they are objective and independent within the meaning of the applicable Rules of Professional Conduct/Code of Ethics adopted by the provincial institute or order of chartered accountants to which the auditors belong and other Applicable Requirements.

(g) **Evaluation and Rotation of Lead Partner**

At least annually, the Audit Committee shall review the qualifications and performance of the lead partner(s) of the auditors and discuss, if necessary any abridgment or acceleration of the current policy of rotating lead partners of the external auditors.

(h) **Requirement for Pre-Approval of Non-Audit Services**

The Audit Committee shall approve in advance any retainer of the auditors to perform any non-audit service to the Company that it deems advisable in accordance with Applicable Requirements and Board approved policies and procedures. The Audit Committee may delegate pre-approval authority to a member of the Audit Committee. The decisions of any member of the Audit Committee to whom this authority has been delegated must be presented to the full Audit Committee at its next scheduled Audit Committee meeting.

(i) **Approval of Hiring Policies**

The Audit Committee shall review and approve the Company's hiring policies regarding partners, employees and former partners and employees of the present and former external auditors of the Company and the mutual funds managed by the Company or its affiliates.

(j) **Communication with Internal Auditor**

The internal auditor shall report regularly to the Committee. The Committee shall review with the internal auditor any problem or difficulty the internal auditor may have encountered including, without limitation, any restrictions on the scope of activities or access to required information, and any significant reports to management prepared by the internal auditing department and management's responses thereto.

The Committee shall review and approve on an annual basis the mandate and annual internal audit plan of the internal audit department and discuss with management the internal audit budget and staffing. The Committee shall direct management to make changes it deems advisable in respect of the internal audit function.

The Committee shall review the appointment, performance and replacement of the senior internal auditing executive and the activities, reporting responsibilities and qualifications of the persons responsible for the internal audit function.

***Internal Controls***

(a) **General**

The Audit Committee shall review the Company's disclosure controls and procedures and internal controls over financial reporting.

**(b) Establishment, Review and Approval**

The Audit Committee shall oversee management's design, implementation and maintenance of appropriate systems of internal controls in accordance with Applicable Requirements, including internal controls over financial reporting and disclosure controls and procedures, and review, evaluate and approve these procedures. At least annually, the Audit Committee shall consider and review with management and the auditors:

- (i) the effectiveness of, or weaknesses or deficiencies in: the design or operation of the Company's internal controls (including computerized information system controls and security); the overall control environment for managing business risks; accounting, financial and disclosure controls (including, without limitation, controls over financial reporting), non-financial controls; and legal and regulatory controls and the impact of any identified weaknesses in internal controls on management's conclusions;
- (ii) any significant changes in internal controls over financial reporting that are disclosed, or considered for disclosure, including those in the Company's periodic regulatory filings;
- (iii) the Company's fraud prevention and detection procedure, including deficiencies in internal controls that may impact the integrity of financial information, or may expose the Company to other significant internal or external fraud losses and the extent of those losses and any disciplinary action in respect of fraud taken against management or other employees who have a significant role in financial reporting; and
- (iv) any related significant issues and recommendations of the auditors together with management's responses thereto, including the timetable for implementation of recommendations to correct weaknesses in internal controls over financial reporting and disclosure controls and procedures.

***Audit Committee Whistleblower Procedures***

The Audit Committee shall establish procedures for (a) the receipt, retention, and treatment of complaints received by the Company regarding accounting, internal accounting controls, or auditing matters and (b) the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters. The details of such whistleblower procedures will be described in the Company's Code of Business Conduct and Ethics and available on the employee website.

***Audit Committee Disclosure***

The Audit Committee shall approve any audit committee disclosures required by Applicable Requirements to be included in the Company's disclosure documents.

***Delegation***

The Audit Committee may, to the extent permissible by Applicable Requirements, designate a sub-committee to review any matter within this Charter as the Audit Committee deems appropriate.

**5. Charter Review**

The Committee shall review and update this Charter annually and present it to the Board for approval.



**6. No Rights Created**

This Charter is a statement of broad policies and is intended as a component of the governance framework within which the Committee assists the Board in directing 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.

## APPENDIX “B”

### CI FINANCIAL CORP.

#### GOVERNANCE AND RISK COMMITTEE CHARTER

As of February 15, 2018

#### 1. Purpose And Scope

At CI Financial Corp. (the “**Company**”), “Corporate Governance” is the process and structure used to oversee the management of the business affairs of the Company. The process and structure define the division of power between, and establish mechanisms for achieving accountability by, the Board of Directors (the “**Board**”) and senior management. The Governance and Risk Committee (the “**Committee**” or the “**Governance Committee**”) is responsible for developing the Company’s approach to governance issues and overseeing the corporate governance process.

#### 2. Membership

##### *Number of Members*

The Committee shall be appointed by the Board and shall be comprised of at least three members of the Board. The Lead Director of the Board shall be an ex officio member of the Committee.

##### *Independence of Members*

Each member of the Committee shall be independent. “**Independent**” shall have the meaning, as the context requires, given to it in National Policy 58-101 – *Disclosure of Corporate Governance Practices*, as may be amended from time to time.

##### *Chair*

The Chair shall be a member of the Committee, preside over all Committee meetings and fulfill all other responsibilities as enumerated in the Company’s Committee Chair Position Description.

##### *Term of Members*

The members of the Committee shall be appointed annually by the Board. Each member of the Committee shall serve at the pleasure of the Board until the member resigns, is removed, or ceases to be a member of the Board. Unless a Chair is elected by the Board, the members of the Committee may designate a Chair by majority vote of the full Committee membership.

#### 3. Meetings

##### *Number of Meetings*

The Committee shall meet at least quarterly and otherwise may meet as many times per year as required to carry out its duties and responsibilities.

##### *Location of Meetings*

The Committee may meet at any place within or outside of Canada and may conduct meetings by conference call.

### ***Calling of Meetings***

A meeting of the Committee may be called by the Chair of the Committee, by the Chairman of the Board, or by a majority of the Committee members, on not less than 48 hours notice to the members of the Committee specifying the place, date and time of the meeting. Meetings may be held at any time without notice if all members of the Committee waive notice. If a meeting of the Committee is called at the request of anyone other than the Chairman of the Board or the Chair of the Committee, the person(s) calling such meeting shall so inform the Chairman of the Board and the Chair of the Committee.

### ***Quorum***

No business may be transacted by the Committee at a meeting unless a majority of members of the Committee is present.

### ***Minutes; Reporting to the Board***

The Chair (or, in the absence of the Chair, the acting Chair) of the Committee shall appoint a person to act as Secretary of meetings of the Committee.

The Secretary shall maintain minutes or other records of meetings and activities of the Committee in sufficient detail to convey the substance of all discussions held. Upon approval of the minutes by the Committee, the minutes shall be made available to the members of the Board. However, the Chair may report orally to the Board on any matter in his or her view requiring the immediate attention of the Board.

### ***Attendance of Non-Members***

Other Board members are entitled to attend meetings of the Committee, with notice to the Chair. In addition, the Committee may invite to a meeting any officers or employees of the Company, legal counsel, advisors and other persons whose attendance it considers necessary or desirable in order to carry out its responsibilities.

### ***Attendance of Management***

In its discretion, the Committee may elect to conduct all or any part of any meeting in the absence of management.

### ***Agenda***

The agenda for meetings of the Committee shall be established by the Chair in consultation with appropriate members of the Committee and senior management of the Company.

### ***Procedure***

The procedures for calling, holding, conducting and adjourning meetings of the Committee shall be the same as those applicable to meetings of the Board.

## **4. Duties and Responsibilities**

Subject to the powers and duties of the Board, the Board has delegated the following powers and duties to be performed by the Committee on behalf of and for the Board:

### ***Composition and Qualifications for the Board***

The Committee shall develop and update a long-term plan for the composition of the Board that takes into consideration the current strengths, competencies, skills, experience, personal attributes and any anticipated retirement dates of the Board members as well as the strategic direction of the Company and the skills, expertise, experience, competencies and attributes necessary for the Board, and it shall report to the Board thereon at least annually.

The Committee shall promote a Board culture that optimizes Board effectiveness. The Committee is responsible for ensuring that the Board culture is conducive to the full engagement of all directors and promotes challenging and constructive debate and effective decision making. The Committee shall undertake on an annual basis an examination of the size of the Board, with a view to determining the impact of the number of directors on the effectiveness of the Board and the full engagement of each director, and then recommend to the Board, if necessary, a reduction or increase in the size of the Board.

### ***Assessments***

The Committee will ensure that an appropriate system is in place to annually evaluate the effectiveness of the Board as a whole as well as the committees of the Board with a view to ensuring that they are fulfilling their respective responsibilities and duties. In connection with these evaluations, each year every director will be requested to provide his or her assessment of the effectiveness of the Board and each committee, as well as the contribution and performance of the individual directors. These evaluations should take into account the competencies and skills each director is expected to bring to his or her particular role on the Board or on a committee and the contribution of each director to the effectiveness of the Board, as well as any other relevant facts.

### ***Compensation of the Directors***

The Committee shall recommend to the Board for its approval the terms for the compensation of directors, the Chairman of the Board and those acting as Committee Chairs and committee members that adequately reflect the responsibilities they are assuming.

In evaluating the Chairman of the Board, the Committee shall consider the Chairman of the Board's performance and contribution to the success of the Company, including the enhancement of the profile and reputation of the business. The Committee shall make its recommendation to the Board concerning the Chairman of the Board's compensation level based on its evaluation.

### ***Director Share Ownership Guidelines***

The Committee shall review the Company's policy on minimum share ownership by non-management directors and monitor the implementation of such policy.

### ***Succession Planning***

The Committee shall, in consultation with the Chairman of the Board and the Chief Executive Officer, be responsible for succession planning for directors and report to the Board with respect thereto. As part of the annual Board evaluation process, the Committee will assess each director's contribution to the Board and make a recommendation to the Board regarding whether or not each director will be invited to stand for re-election at the next annual meeting of the Company's shareholders. This process also will allow each director the opportunity to confirm his or her desire to continue as a member of the Board.

The Committee may recommend to the Board that an individual director be invited to stand for re-election for up to an additional three years beyond the nine-year term limit applicable to directors where the continued service of such director is in the best interests of the Company.

### ***Nominations***

The Committee shall, in consultation with the Chairman of the Board and the Chief Executive Officer, as required, recruit and identify individuals qualified to become new Board members and recommend to the Board new director nominees for the next annual meeting of shareholders or for appointment by the Board between shareholder meetings.

In making its recommendations, the Committee shall consider the competencies, skills and attributes that the Board considers to be necessary for the Board as a whole to possess, the competencies, skills and attributes that the Board considers each existing director to possess, and the competencies, skills and attributes any new nominee will bring to the boardroom. Such an assessment shall be based primarily on the following criteria:

- expertise, skills and knowledge useful to the oversight of the Company's business and the business of its subsidiaries, including business or other relevant experience in the following core competencies: (i) accounting and finance, (ii) mutual funds, (iii) strategic leadership / chief executive officer experience, (iv) legal / governance matters, and (v) risk management,
- judgment, character and communication and other skills necessary to ensure the effective operation of the Board, the extent to which the interplay of the individual's expertise, skills, knowledge, experience and personal attributes with that of other members of the Board will build a high-performance Board that is effective, collegial and responsive to the needs of the Company and its subsidiaries,
- diversity of viewpoints, backgrounds, experiences, gender and other demographics,
- current or previous experience on other boards, and
- the appropriate level of representation on the Board by directors who are independent of management and who are neither officers nor employees of the Company or any of its subsidiaries.

The Committee shall also consider the amount of time and resources that nominees have available to fulfill their duties as a Board member, in accordance with the guidelines of the Board of Directors' Mandate with respect to service on other boards of directors and committees.

The Committee shall assess, against regulatory requirements and the Company's standards for directors' independence, whether a candidate would be independent and advise the Board of that assessment.

The Committee shall also, in consultation with the Chairman of the Board, annually or as required, recommend to the Board, the individual directors to serve on the various Committees.

### ***Removal of a Director***

The Committee may also recommend, for Board approval, the removal of a director from the Board or from a committee if he or she is no longer qualified to serve as a director under applicable requirements or for any other reason the Committee considers appropriate.

### ***Conflicts of Interest***

The Committee shall monitor conflicts of interest (real or perceived) of both the Board and management in accordance with the Code of Business Conduct and Ethics.

### ***Corporate Governance Overview***

The Committee shall conduct a periodic review of the Company's corporate governance policies and make policy recommendations aimed at enhancing Board and committee effectiveness. The Committee shall review overall governance principles, monitor disclosure and best practices of comparable and leading companies, and bring forward to the Board a list of corporate governance issues for review, discussion or action by the Board or a committee thereof.

The Committee shall review the disclosure in the Company's public disclosure documents relating to corporate governance practices and prepare recommendations to the Board regarding any other reports required or recommended on corporate governance.

The Committee shall propose agenda items and content for submission to the Board related to corporate governance issues and provide periodic updates on recent developments in corporate governance to the Board.

The Committee shall conduct a periodic review of the relationship between management and the Board, with a view to ensuring that the Board functions independently of management and to ensuring effective communication and the provision of information to directors in a timely manner.

### ***Education of Board Members***

The Committee shall review, monitor and make recommendations regarding the ongoing development of existing directors. The Committee shall ensure that there is an orientation program for new directors which introduces them to the operation of the business and affairs of the Company and the role of, and expectations as to the contributions to be made, by the Board and its committees. The Committee shall work with management to make opportunities available to the directors to learn more about the Company and the industry and to meet with employees.

### ***Responsibilities of Board Members and Committees***

The Committee shall review annually the Board of Directors' Mandate and where necessary, recommend that changes be made. In addition, the Committee shall recommend procedures to ensure that the Board and the committees function independently of management.

### ***Review of Breaches of the Code of Business Conduct and Ethics***

The Committee shall receive reports from the Chief Executive Officer regarding breaches of the Code of Business Conduct and Ethics, and shall in turn report those breaches to the Board. The Committee shall review investigations and any resolutions of complaints received under the Code of Business Conduct and Ethics and report annually to the Board thereon.

### ***Other Directorships and Significant Activities***

The Chair of the Governance Committee and the Chairman of the Board are to be notified before a director accepts a directorship on an additional public, private or not-for-profit board of directors (or similar body) or membership on an additional board committee, or before a director establishes 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 or its affiliates or potentially impact the reputation of the Company. The Governance Committee shall consider the matter in accordance with the guidelines of the Board of Directors' Mandate with respect to service on other boards of directors and committees and advise the director accordingly. In addition, no director may serve on the board of a competitor or of a regulatory body with oversight of the Company or its subsidiaries or any other board which the Committee reasonably determines is inadvisable.

### ***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 Chair of the Governance Committee is to be advised of such change by the director. The Governance Committee will consider whether the director should continue on the Board and recommend to the Board whether, in light of all the circumstances, the Board should request that the director resign.

### ***Enterprise Risk Management Oversight***

The Governance Committee shall meet regularly with the Company's Chief Executive Officer and President and shall review periodically with management the Company's systems to monitor and manage major business risks and legal and ethical compliance programs. The Committee shall receive regular reports on compliance systems and procedures and reports on the Company's risk management policies and procedures.

The Committee shall meet regularly with the Company's Chief Risk Officer and other key risk personnel and shall review an Annual Risk Report from the Chief Risk Officer.

The Committee shall review reports from the Company's Chief Technology Officer and shall review, at least annually, the Company's cybersecurity program and the approach of management to cyber-related risks.

The Governance Committee shall review and recommend to the Board for approval the risk related disclosure in the Company's annual information form, financial statements and related management's discussion and analysis.

### ***Compliance with Legal and Regulatory Requirements***

The Committee shall review reports from the Company's Corporate Secretary, General Counsel and other management members on: legal or compliance matters that may have a material impact on the Company; the effectiveness of the Company's compliance policies; and any material communications received from regulators. The Committee shall review management's evaluation of and representations relating to compliance with applicable law and management's plans to remediate any deficiencies identified.

## **5. Functioning of Committee**

The Committee shall have unrestricted access to Company personnel and documents and the resources it determines to be necessary or advisable to permit it to carry out its duties and responsibilities.

The Committee may, at the Company's expense, engage such outside advisers as it determines necessary or advisable to permit it to carry out its duties and responsibilities.

**6. No Rights Created**

This Charter is a statement of broad policies and is intended as a component of the flexible governance framework within which the Committee assists the Board in directing 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.

**7. Annual Review of the Charter**

The Committee shall review and reassess the Charter for adequacy at least annually and make changes as it deems necessary. The Committee shall report to the Board on the adequacy of the Charter at the first regularly scheduled Board meeting following the fiscal year end of the Company.