

**ADDENDA CAPITAL INC.  
STATEMENT OF POLICIES INTENDED FOR ALL CLIENTS  
PURSUANT TO APPLICABLE SECURITIES LAWS**

(April 2009)

---

The securities legislation of certain jurisdictions in Canada requires securities advisers, when they trade in or advise with respect to their own securities or securities of certain other issuers to which they, or certain other parties related to them, are related or connected, to do so only in accordance with particular disclosure or other rules. In certain provinces or territories, these rules require advisers to inform their clients of the relevant relationship and connections with the issuer of the securities prior to trading with them. Clients should refer to the applicable provisions of these securities legislations for the particulars of these rules and their rights or consult with a legal adviser.

---

### 1. PURPOSE OF THIS DOCUMENT

As required by applicable securities legislation, Addenda Capital Inc. (the “**Company**”) has the obligation to disclose certain information to its clients in respect of securities of related issuers or connected issuers of the Company when it acts as an adviser or when it has discretionary authority to act on behalf of clients. The Company must provide its clients with a statement of the policies it has adopted regarding its activities in respect of securities issued by related issuers and, in the course of a distribution, securities issued by connected issuers of the Company. The Company must also disclose its relationship with related issuers of such securities.

Securities legislation in certain provinces also requires that the Company obtain the consent of clients prior to any trade with respect to securities of related issuers. The consent is obtained upon opening of the client account and, in respect of clients residing in certain provinces who have opened a discretionary managed account, the consent must be renewed once every 12-month period.

### 2. DEFINITIONS

In this Statement of Policies, the following terms have the following meaning:

“**Related issuer**” means, in respect of the Company, an issuer of securities over which the Company exercises influence or an issuer of securities that exercises influence over the Company or an issuer that is in like relation to any other issuer also related to the Company. In this context, the term “influence” means having the power to exercise a controlling influence over the management and policies of the Company or the issuer of securities, whether alone or in combination with one or more other persons or companies through ownership of voting securities or otherwise.

“**Connected issuer**” means, in respect of the Company, an issuer or a selling securityholder distributing securities, if the issuer, the selling securityholder or any related issuer thereof, has any indebtedness to (i) the Company, (ii) a related issuer of the Company, or (iii) a director, officer or partner of the Company or (iv) a director, officer or partner of a related issuer of the Company. It also means, in respect of the Company, an issuer or a selling securityholder distributing securities, if the issuer, the selling securityholder or any related issuer thereof, has any other type of relationship with any of the above-mentioned persons that would be material to a prospective purchaser of such securities. Accordingly, an issuer is “connected” to the Company if, due to indebtedness or other relationships, a prospective purchaser of securities of the connected issuer might question the Company’s independence from such connected issuer.

### 3. LIST OF RELATED ISSUERS

You will find below the list of issuers known by the Company to be related issuers of the Company as of the date hereof, as well as a concise statement of the relationship between each related issuer and the Company:

- a) Co-operators General Insurance Company, an insurance company subsidiary of the Co-operators Group Limited of which the Company is an indirect subsidiary;
- b) Fonds de solidarité FTQ, a development capital fund, which holds in excess of 20% of the voting securities of the Company, as well as the following companies which are related issuers of the Fonds de solidarité FTQ:
- Alliances Art Quest International Inc.
  - Bestar Inc.
  - Canadian Helicopters Income Fund
  - FRV Medias
  - Groupe Bocenor Inc.
  - Le Devoir Inc.
  - nStein Technologies Inc.
  - Roctest Ltd
  - Groupe CVTech inc.
- c) each of the Addenda Pooled Funds, the Company being the manager and the settlor of these funds, namely:
- Addenda Bond Pooled Fund
  - Addenda Corporate Bond Pooled Fund
  - ADDENDA.math+ Bond Pooled Fund
  - Addenda Multi-Strategy Pooled Fund
  - Addenda Global Bond Pooled Fund
  - Addenda Long Term Government Bond Pooled Fund
  - Addenda Long Term Corporate Bond Pooled Fund
  - Addenda Money Market Pooled Fund
  - Addenda Stability Income Pooled Fund
  - Addenda Multi-Credit Pooled Fund
  - Addenda Money Market 2 Pooled Fund
  - Addenda Global Bond 2 Pooled Fund
- as well as any other Addenda Pooled Funds created and managed by the Company from time to time; and
- d) each of the Co-operators Pooled Funds, the Company acting as the manager and the settlor of these funds, namely:
- Co-operators Money Market Pooled Fund
  - Co-operators T-Bill Money Market Pooled Fund
  - Co-operators Fixed Income Pooled Fund
  - Co-operators U.S. Equity Pooled Fund
  - Co-operators Corporate Bond Pooled Fund
  - Co-operators Core-Plus Bond Pooled Fund
  - Co-operators Canadian Equity Pooled Fund
  - Co-operators International Pooled Fund
  - Co-operators Commercial Mortgage Pooled Fund
- as well as any other Co-operators Pooled Fund created and managed by the Company from time to time.

#### **4. TRANSACTIONS ON SECURITIES OF RELATED ISSUERS AND CONNECTED ISSUERS**

The objective of the Company is to emphasize honesty, transparency, integrity, professionalism and confidentiality throughout the organization so that the interests of clients, shareholders, unitholders of funds managed by the Company or any other intervening parties always come first.

In the scope of its client discretionary account management activities, unless otherwise specifically requested by the client, the Company (or its directors, officers or other employees) will refrain from buying securities issued by a known related issuer or, in the course of a distribution, a connected issuer of the

Company, or provide its clients with advice on or make recommendations in respect of such securities. With respect to the Addenda Pooled Funds or the Co-operators Pooled Funds, a subscription agreement or similar agreement for the purchase of units issued by these funds executed by the client will constitute a specific request for the purposes hereof.

If a client does request that the Company buy securities issued by related or connected issuers, the Company will only engage in such activities if it is confident that they are in the best interests of its client and are in compliance with all requirements imposed by applicable securities law. Moreover, any transactions in securities of related or connected issuers will be made in accordance with the client's investment objectives, guidelines and restrictions, and any other requirements contained in the investment policy of the client.

Should the Company realize that it holds in a client's account, securities issued by issuers that were not known by the Company to be related issuers of the Company at the time of their purchase or securities issued by issuers that became related issuers of the Company after their purchase, the Company will refrain from purchasing further such securities and will proceed to sell the securities of these related issuers held in the client's account in an orderly manner, but only on terms that are considered favourable to the client.

## **5. RELATED REGISTRANTS (for clients residing in Ontario only)**

Ontario Securities Commission Rule 31-501 (the "Rule") requires that where a registrant has a principal shareholder, an officer or a director that is also acting as such for another registrant, the registrant should adopt policies and procedures to minimize potential for conflicts of interest resulting from such relationship(s). The registrant is also required to disclose, in writing, to its clients, initially before effecting a trade or providing advice and once yearly thereafter, if there are any changes to this disclosure, the details of the relationship(s) and the policies and procedures adopted to minimize the potential for conflicts of interest resulting from such relationship(s).

### **5.1 List of Related Registrants**

The Company is registered under the *Securities Act* (Ontario) as adviser in the categories of investment counsel and portfolio manager and as limited market dealer. Montrusco Bolton Investments Inc., also a registrant under the *Securities Act* (Ontario), may be considered a related registrant of the Company (the "Related Registrant") since a principal shareholder of the Company, namely Fonds de solidarité FTQ, is also a principal shareholder of such Related Registrant.

### **5.2 General Statement**

The Company (or its directors, officers and employees) will not, in carrying on business as portfolio manager, investment counsel or limited market dealer, engage the services of, or invest in financial products offered by the Related Registrant.

### **5.3 Procedures for Minimizing Potential Conflicts of Interest**

The potential for conflicts of interest is minimized by the fact that, although Fonds de solidarité FTQ holds ownership interests in each of the Company and the Related Registrant, these entities each operate as discrete businesses with separate management boards of directors.

In addition, it is the policy of the Company that it and its directors, officers and representatives may not disclose confidential information of the Company clients to any director, officer or representative of the Related Registrant, unless such person acknowledges in writing the confidential nature of the information and agrees not to disclose or use such information for the benefit of any party other than the Company.

Finally, the Company will only engage in activities where it is confident that such activities are in compliance with all requirements imposed by the Rule 31-501.