CI FINANCIAL CORP.

FOURTH QUARTER 2014 RESULTS

CONFERENCE CALL

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Moderator: I would now like to turn the call over to Stephen MacPhail, President and CEO of CI Financial. Mr. MacPhail, please go ahead.

Steve MacPhail: Thank you and good afternoon, and welcome to CI's conference call for year ended December 31st, 2014 results. With me today are my colleagues, Doug Jamieson, Executive Vice-President and Chief Financial Officer, Derek Green, President of CI Investments, and Steve Donald, President of Assante Wealth Management.

Looking at 2014, I want to go over some of the key highlights. We earned a $1.85 a share in 2014, up 23% from $1.50 per share in 2013. This represented record profits for CI. Our fourth quarter earnings per share of 50 cents were up 22% from 41 cents in the equivalent quarter in 2013.

Our assets under management ended the year at 102.9 billion, up 13% over the year. Assante and Stonegate Private Counsel assets totalled 32 billion at December 31st, up 11% over the year. In 2014, CI recorded net sales of 3.9 billion dollars compared to 3.7 billion in 2013. The net debt of CI declined by 41% in 2014 to end the year at 185 million dollars. And lastly, we were able to increase our dividend twice in 2014. We are now paying 10.5 cents per share per month. And with that, I'm going to turn it over to Derek Green, President of CI Investments, to talk about our sales. Derek?

Derek Green: Thanks, Steve. As you heard from Steve, 2014 was an exceptional year. At 14.4 billion dollars, our gross sales were the highest in the history of the company. Our full-year net sales, not to put too fine a point on it, were actually 3.99 billion, up 7% over 2013. And 2014's net sales were the highest in over a decade. Since 1994, CI achieved positive net sales in 88% of all quarters.

We continue to deliver excellent long-term performance numbers with over half of our long-term AUM in first or second quartile over one, three and five years. Seventy-six percent of our long-term AUM is first or second quartile over 10 years. Our managed solutions, or our fund-of-fund structures, continue to deliver excellent results with 100% of the AUM in first or second quartile over 10 years, and we continue to have the most four and five-star Morningstar rated funds in Canada. We also continue to invest in the CI brand and deliver premiere advisor educational events.

We have a constructive view on regulatory reform. Change does not need to be bad or negative. In fact, it can be quite positive. Over the past three years of creating awareness on regulatory reform, we're seeing a shift into more fee-disclosed business. In fact, last year, our sales growth was 4% of our total AUM. And when you look at our high net worth or our mass affluent product, we had 29% sales growth. Today, 27% of CI's AUM is now fee disclosed. And now I'd like to pass over the presentation to my colleague, Steve Donald. Steve?

Steve Donald: Thanks Derek. I'll just take a few minutes to touch on our advisory business. Let me start by saying that 2014 has been the best year yet at Assante Wealth Management. Assante includes our Private Counsel business, Stonegate

Private Counsel, and our securities and mutual fund dealerships, Assante Capital Management and Assante Financial Management. I say best ever, as we've reached a record asset level of 32 billion dollars at December, and have hit record net new business numbers for the second year in a row. Our net sales numbers for 2014 are up 55% on a year-over-year basis, compared with 37% for the overall industry, as represented by the net sales analysis prepared by IFIC.

I attribute the success that we're having in attracting new clients to our advisor model. For the most part, our advisors at Assante and at Stonegate Private Counsel embrace a well-diversified or managed money approach to managing their clients' investments. And what we've seen is that advisors that utilize individual funds, ETFs or other higher-volatility products, are left scrambling when the recommendations turn. Think resource picks, gold picks, hedge funds and the performance that we've seen recently in those, and that creates administrative work as they reposition portfolios, explaining changes to the portfolios and filling out paperwork, as opposed to focusing on delivering value to their clients. A broader, more complete approach to managing our clients' financial well-being is really at the heart of our strategy for growth at Assante. Investing in advisors growing stronger businesses through the development of our wealth planning capability can complement the capabilities of our advisors in delivering that complete wealth management service to their clients.

In addition to continuing to develop stronger and stronger wealth planning expertise, we're investing in technology, investing in branding. Technology hits on a couple of key priorities. Being prepared for the regulatory changes that are now law and anticipating the requirements that may be coming down the pipe. And I'll touch on that in just a second.

Technology is also critical in dealing with increasing risks around information security. Clients have an increasing demand for access to their information on their own schedule and certainly technology is the backbone to provide that access.

Operating on a single platform addressing security concerns on information transfer is critical because trust is the very foundation of our business. So speaking of trust, let me briefly touch on the regulatory environment.

Not a lot happened during the last quarter with possibly the exception of three things. First, the CSA (Canadian Securities Administrators) has agreed to an extension of an element of CRM2, the 2015 requirements, and they're looking to extend the implementation of that out to January 1 of 2016. That relates primarily to the provision of position costs for clients. The positive I take from that extension is that it seems to show a better understanding of how clients relate to their accounts primarily on a calendar-year basis. The July 15th implementation timeframe seemed very arbitrary. Having said that, we are not anticipating an extension to the final phase of CRM2 in July of 2016 as it relates to the implementation of cost disclosure and performance reporting.

The second thing that came out during the quarter is the U.K. released its first post-implementation review of the retail distribution review or RDR. And it drew three broad conclusions. First, excess advisor capacity was removed from the system. The number of advisors to client, part-time advisors that couldn't clearly articulate their value left the business. Secondly, smaller accounts were indeed dis-intermediated. And that could be by choice. They saw what they were paying to their advisors and thought they could do it better themselves, or they could have been pushed out as the element of cross-subsidization left the business. But I think most significantly, they found that there was a significant decline in the distribution of relatively high trailer fee products when those trailer fees were un-embedded.

Couple that with the third thing that happened, and that's the OSC commencing its three projects: mystery shopping, fund flows versus compensation levels and commission structures or compensation structures versus long-term outcomes. I think the most significant of these projects is the fund flows versus compensation levels, because we believe that there's an effort to Canadianize the results that were found in the U.K. post-implementation review with regard to the significant decline in high trailer products, which would support a position of potentially banning embedded compensation as we move forward.

While it is absolutely uncertain as to whether this approach will be taken in Canada, we feel that there's no downside to anticipating this outcome as it relates to helping advisors position their practices for the future, focus client discussions on the value delivered for the fees charged, and then, whether those fees are charged directly by the dealer or embedded in manufactured products, the point really becomes moot.

Let me say that at Assante, growth has allowed us to continue to invest back into the business, which further sets us apart from our competition and positions us well in this rapidly evolving regulatory landscape. As I said, 2014 has been our best year yet, and early indications are that 2015 is shaping up well for us. We saw the potential for change in our business, we set about to position our advisors to deal with it and we're now looking forward to reaping the benefits of that change. So with that, I will turn the floor over to Doug Jamieson to speak more of our financial results.

Doug Jamieson: Thank you, Steve. This slide of financial highlights compares the fourth quarter of this year with the fourth quarter of last year. We see average assets under management were up 14% from 88.6 billion a year ago to 101.1 billion. Next, net income, as Steve said, 140.4 million dollars and that was up 21% from 116.2 billion last year, and on a per share basis, up to 50 cents from 41 cents last year, and that's an increase of 22%.

Now these numbers include a five-million-dollar fair value adjustment to the contingent consideration related to the purchase of Marret last year. We had initially provided for 12.5 million dollars at the time of purchase, and have now revised our estimate to 7.5 million dollars. We are pleased with the performance at Marret; however, the contingent consideration is leveraged to the amount of

EBITDA generated at Marret, which is dependent on the level of both revenues and expenses in that business.

Next we have EBITDA per share, which was up 10 cents to 82 cents, a 14% increase in line with the change in average assets. Dividends paid were up 10% as CI paid out 78.1 million (in the fourth quarter of) last year and 86.3 million in the fourth quarter of this year.

Long-term debt declined from approximately 500 million last year to 308 million dollars this year as 200 million of debt matured in December and we used a combination of cash on hand and our credit facility to meet that maturity payment. At year-end, we were drawn eight million dollars on the credit facility. And net debt has declined 130 million dollars from 315 million at the end of the fourth of 2013. At the end of 2014, it was approximately 185 million calculated as the gross public debt outstanding of 300 million plus the eight million drawn on the facility less 123 million of excess cash and marketable securities. This gives CI a net debt to EBITDA ratio of 0.2 to 1, and that continues to provide CI with significant financial flexibility.

Now we can take a quick look at quarter-over-quarter highlights. Average AUM was essentially flat at 101 billion. Net income up 4% from 135.1 million to 140.4 million and the 50 cents of earnings per share was up 4%. And removing the fair value adjustment brings net income essentially flat to last quarter, in line with the change in average AUM. EBITDA was also flat at 230 million but increased from 81 cents per share to 82. Dividends paid of 86.3 million was an increase of 1% from the 85.3 million last quarter, and during the quarter net debt declined by 35 million dollars.

Looking at CI's EBITDA margin, it's held steady at about 48% over the past couple of quarters. This reflects that even as CI's average management fee rate has declined with the mix of business, we're still generating 48 cents of EBITDA profitability on each revenue dollar.

CI's asset management margin measures how much we retain out of management fees after paying trailers, SG&A and DSC on a trailing 12-month basis within the asset management segment. We see that we are left with over $42 of every $100 in management fees earned up from about $40 one year ago. This measure eliminates the financing impact of front-end versus back-end funds since we have already deducted trailers and DSC, and it also eliminates any distortion of equity and fixed income mix changes, retail and institutional mix changes because it is measured as a percentage of management fees and not AUM.

Next, CI's SG&A calculated as a percentage of assets under management and shown here in basis points, has declined significantly from the fourth quarter of last year. We saw on the quarterly highlight slide that CI's average AUM grew by 14% from last year. At the same time, SG&A spend grew by less than 6%, so we see the drop from 37 basis points to 34 basis points year over year.

And here is the other new performance measure we introduced in 2014, the SG&A efficiency margin, again measured on a trailing 12-month basis within the asset management segment. And here we look at an available pool of management fees, best trailer fees and DSC and how much of that pool remains after we deduct the SG&A spend. In the last 12 months, CI has retained 71.5% of that available pool, up from 69% one year earlier. So put another way, CI spends less than 30% of the amount available after paying trailer fees and DSC out of management fees.

Next we have five quarters of free cash flow, and we see a levelling of free cash flow of 148 million from last quarter, and an increase of 24 million dollars from the fourth quarter last year. This year-over-year increase is a result of operating cash flow growing by more than 16 million dollars, and we spent about eight million less on deferred sales commission this year as the trend away from deferred load sales is continuing.

Here in the first part of the table, we have some detail on the level of free cash flow for last quarter and this quarter, both quarters with a very similar operating cash flows of 172 and 173 million, less commissions of 25 and 24 million, providing a 148 million dollars of free cash.

The next section details the amounts returned to shareholders. We repurchased 38 million dollars' worth of stock in the fourth quarter, down from 56 million last quarter, and the dividends paid increased slightly from 85 million to 86 million. This net surplus of 24 million dollars plus a decrease in the amount of working capital and other items required is what reduced net debt by 35 million dollars in the quarter.

We continue to highlight CI's return on equity, which hit 28% this quarter and is another indicator of the strong performance of CI. This return has grown over the past year from 24% as CI leverages the growth in its AUM to earnings growth and CI's limited need for additional capital to support that growth.

And this chart of CI's annual dividends paid since 2010 shows a compounded annual growth rate of 11%. I will now turn it back to Steve.

Steve MacPhail: Thank you, Doug. Just bringing us to being a little more current, this chart depicts our growth in assets under management starting in July of 2013 right through to yesterday. What's important to point out here is that our current assets of just over 107 billion dollars are up 6% from our Q4 2014 average, giving us a good start to the fiscal 2015 year.

Looking forward, as I mentioned, our assets are well ahead of levels that they were at year-end, creating a positive investment environment so far in 2015. When we look at what products are selling, investor interest in equity-oriented investments continues to have a high profile amongst CI sales. I talked about good market performance, positive for sales, but from a perspective of running our company, we're going to continue to focus on preparing advisors for regulatory change, we'll continue to invest heavily in our comprehensive service model and investing in adding to our money management depth and diversity. We believe the environment today is as positive today as it was last year for profitability and dividend growth for share buybacks and debt reduction for CI. And with that, I'd like to say thank you and open the floor for any questions you might have.

Moderator: Thank you very much. So we'll now take questions from the telephone line. Our first question is from Gary Ho (Desjardins Securities). Please go ahead.

Gary Ho: Thanks. I just wanted to ask, given that we're approaching mid-February, if you can provide an update on how net sales are tracking so far this year. And I know you pointed to plus 6% AUM growth. I just want to dig a little bit deeper. And some more colour around the popular products other than the one that you just mentioned.

Derek Green: I would say, you know, in terms of the start to the year, a little softer. We've had some rebalancing of institutional accounts. January's not one of our best months because you have the 10% DSC free, you've got RRIF payments and then you've also got fees coming out from some of the GMWB (Guaranteed Minimum Withdrawal Benefit) insurance products. In terms of popularity of products, as Steve said, we continue to see interest in equities with the Canadian dollar selling off relative to specifically the U.S. dollar, we're seeing interest in non-Canadian, global and American products.

If you look at where we're seeing the biggest growth, though, our managed solutions, which is not surprising. It's really growing quite quickly in the industry. But our high net worth or our mass affluent and fee-disclosed product is growing at a phenomenal rate, and then again, the managed solutions are very strong as well.

Gary Ho: Okay, great. And moving on to the average management fee. It's down year over year and sequentially, I think it was referenced, (due to the) change in asset mix. So it sounds like this trend may persist as more advisors change to fee-based and as clients move towards, like you said, more high net worth products. Help me think this through. If this trend continues, say, over the next five years or so with AUM continuing to grow, where could this average management fee level out? Or how should I think about that?

Doug Jamieson: Yes, we expect that this trend will continue. We may see an erosion in the top line of up to a basis point a year. But if it's a result of new clients coming in and assets growing, it will be offset by the operating leverage we get and reduction in SG&A.

Derek Green: The one thing I would add to Doug's comments, Steve Donald touched on this in his presentation: We don't think there really is any downside to anticipating regulatory reform and change. And we are spending a tremendous amount of time and resources helping advisors transition their business to deal not just with CRM2, but what we believe that will potentially happen with 81-407 and the unbundling of the MER. And because of that, we're seeing low growth in our traditional Class A business and much higher growth in F, I, O (units). We're seeing it in fee disclosed and it's a lower management fee. There's some margin compression, but in these types of programs, advisors tend to consolidate with one provider. So we're seeing bigger tickets, too. So it's incremental growth.

Gary Ho: Okay, great colour. And then just lastly, on acquisitions. Has the activity level or discussions changed since the last three to six months? And can you give us an update on this and remind us what size, geographies you'd be interested in and other financial hurdles, please?

Steve MacPhail: I don't think the number of discussions ever changes, it's just what's available and what do you want to do. And when you look at it from CI's perspective, we're pretty picky about what we want to pick up. We're not desperate to add assets just to get economies of scale. I mean, we're the best in the business at economies of scale already, so the marginal gain on that for us to take, what I'll call, say, an undesirable asset on just to get an extra 18 to 20 billion in assets has no logic.

For us to make an acquisition, it really has to fall into an area where we see it adding long-term value for us, and what I've discussed in the past is that we would see maybe a smaller opportunity in the U.S. as interesting. We're not interested in making a multi-billion bet into the U.S. We've seen how that can turn out very negatively in many cases. But if we saw a small opportunity with a more boutique money management firm that had some distribution connections in the U.S. but also had a product line that worked for us, we'd be interested. And whether that was a 100 million dollars or even up to 800, 900 million dollars, that's easy for CI to absorb at any time. As Doug pointed out, we're going to soon be debt free at CI at the rate we're going, so we have a lot of capacity to do what we want to do. So I think it's basically we're seeing lots of things that could be done out there, but not necessarily that attractive to us. They could be attractive to someone else, just not attractive to CI.

Gary Ho: Okay. Thanks for the colour.

Moderator: Thank you. Our next question is from Geoff Kwan (RBC Capital Markets). Please go ahead.

Geoff Kwan: Hi. Good afternoon. The first question I had was you've been using a lot of the excess free cash flow to buy back shares. I recall you had talked about potentially increasing leverage to do things like share buybacks. Is that something that may potentially play out to some degree over the next 12 months?

Steve MacPhail: Jeff, we're opportunistic buyers, and we picked up a lot of our shares on our buyback in the fall when a good-sized block came out and we got it at a very attractive price. And I don't think our position has changed at all. The interesting thing is when we look year over year, our stock price is actually down, but our earnings are up over 20%, our assets are up 16%, 17%. So the valuation change on our company is over 20% in the space of a year. So clearly, we look at today's levels and find that there could be attractive opportunities to buy back our shares. Absolutely. So I would agree with you that I think that what you're talking about is when we said over a five-year plan or five years, if we decide to move our leverage back up and to look to the amount of free cash flow after allowing for a reasonable growth in dividends, we should have about two billion dollars, and our expectation would be that after five years, we don't have two billion in cash sitting on the balance sheet. Let me make that perfectly clear.

Geoff Kwan: Okay. The other question that I had was the discussions that you guys have with advisors across the country. Can you talk about any sense that you get in terms of either stuff like cash on the sidelines or stuff that's getting put in to GIC's and how that might have changed, say, over the past few months with what's been going on with oil, but even maybe over a longer time period? Essentially just trying to get a sense of is there some potential upside for sales if people get more constructive and want to put even more money into investment funds.

Derek Green: It's Derek, Geoff, and I'll answer first and then Steve Donald can talk about Assante specifically. If there's any effect on our sales, it comes from the markets. When the markets misbehave, and we saw this in the fall after Q3 ended and the volatility in the credit markets and the bond markets and equity and currency (markets), it certainly had an effect. I think people recognize we're very close to the sixth anniversary of the start of a tremendous bull market. I think advisors are tempering their clients' expectations right now. We're not forecasting a pull-back or a bear market, but I think people are really being careful right now about where they're allocating money. I don't know if you have something you want to add to that, Steve, if you think there's a bunch of money on the sidelines that might come in?

Steve Donald: As I look at the Assante channel, as I mentioned in my remarks, our model is more along a diversified portfolio or managed product, so we don't see a dramatic shift based on individual market movement or timing. We haven't seen a large accumulation of cash across the Assante portfolios simply because of the focus on a broader managed approach and looking at asset allocation decisions in that. So we've probably reduced our equity position by about 3% or 4%, but nothing significant.

Geoff Kwan: Okay, great. Thank you.

Moderator: Thank you. Our next question is from Paul Holden (CIBC World Markets). Please go ahead.

Paul: Thank you. Good afternoon. I wanted to ask a question on the portion of AUM that's fee disclosed and remind us of how you define fee disclosed.

Derek Green: So really it's going to be anything but Class A or Class E, which is embedded, so it's fee disclosed or transparent. So right now we're, as Steve said, 107 billion dollars in assets. We have about 72 billion dollars in Class A funds, so 27%, 28% would be fee disclosed. So it's a large number relative to the rest of the industry. … I would say for the last three and a half to four years between Steve Donald at Assante and myself at CI, we've been talking about regulatory reform and the importance of advisors transitioning their business. So I mentioned earlier, if you look at our traditional Class A business, which is the biggest driver of earnings for us at 72 billion dollars, that's only growing at 1.8%. That grew at 1.8% last year. If you look at our PIM (Private Investment Management), which is our mass affluent or our high net worth (program), the net sales grew at 29% relative to its AUM, and our managed solutions, which are 32 billion dollars of our 107, that grew at 11%. So advisors are transitioning, they're segmenting their clients and … they're anticipating regulatory change. So hopefully that answers the question.

Paul Holden: It does. Maybe one specific request on that topic would be the AUM in F Class funds in particular?

Derek Green: I don't have the number off the top of my head. We've made an adjustment to our pure F Class. We've come up with something called EF, which is an enhanced F where we actually give a price break as they get to $100,000. So that will specifically be good or positive with IIROC advisors or MFDA dealers that have fee-based platforms.

Steve Donald: If I can just add a comment, Paul, it's Steve Donald. As I mentioned, we look to the U.K. in terms of their experience there, and one of the reasons that we focus collectively on fee-disclosed assets is because in the U.K., as you know, they've banned embedded compensation, but they do allow the manufacturer to collect the dealer service fee on behalf of the dealer. So where that fee is disclosed in CI products, and we would anticipate in the future where there's an explicit negotiation of that fee, fee disclosed becomes the important metric as opposed to simply (Class) F or EF, and provides the road map for the future.

Paul Holden: I understand. And in your view, there's still that good amount of the industry, at least at the MFDA level, that doesn't have the capabilities to collect such a distribution fee, is that correct?

Steve Donald: That's our understanding.

Paul Holden: Okay. I wanted to ask you on the outlook for cost inflation. We saw quite a big growth in costs and SG&A in 2014. What's your ability to sort of slow that growth rate down if we have a more challenging market through 2015?

Steve MacPhail: Paul, it's Steve MacPhail. I didn't think I would ever have to justify that to you guys. People know we can do that when we have to. We watch our costs pretty closely, and it's always a topic around here that if things went flat, what would we do, where would we make changes. And of course there are variable compensation things that we can deal with, and we'll just make those changes if we had to. We would just continue to find better ways to do business, but there are critical parts of the business that we're going to continue to invest in, like our service models, etc. But I don't think I would look at it and say just because our costs went up 6%. That was against 14% asset growth, so we had lots of capacity to reinvest in the business, and that's what we do at CI. When there's a good tide coming in, we take advantage of that to build our business, and then when we have to tighten up, we do it, but we've always moved ourselves two steps forward maybe when we have to pause.

Paul: Okay. Specifically the on the types of investments you have to make towards CRM2 as we head towards 2016. How far along do you think you are in terms of making those investments, particularly on the technology side, and how material do you think that is relative to your cost base?

Steve MacPhail: It is not material to our cost base, and like any other project that we have to get done, we will get it done. We've been on top of this from a project management perspective, and if guidelines were relaxed, that's fine, but we're not counting on guidelines being relaxed, and we've gone about this like any other project and we're doing it very, very cheaply. If you sat down and talk to Dave Pauli, our Chief Operating Officer, I'm shocked at how cheap he gets these things done somehow.

Paul Holden: Okay, thanks for your answers. That's all the questions I had.

Moderator: Thank you. Our next question is from Graham Ryding (TD Securities). Please go ahead.

Graham Ryding: Good afternoon. I wanted to follow up on the regulatory topic. It was good disclosure there, appreciate that. If we do follow a similar path and trailing commissions are prohibited, your reference to you don't think it's going to be necessarily a headwind, are you referring to Assante and CI in particular or is that a reference to the industry overall?

Derek Green: I would say that we have a different view. From what I understand from some of our clients, whether it's MFDA dealers that are in consultation with other presidents of fund companies, I've been told that our view on regulatory reform, not CRM2, because CRM2 is law, but on things like 81-407, which is not just the banning of trailer fees. That's not what this is. It's the potential discontinuation of embedded compensation. And as Steve said, we don't really see any downside to anticipating this change. My understanding is from our supporters, that our competitors are saying, "Oh, it's going to happen, but it's way, way out in the future." Well, we're not so sure that it's way, way out in future. So if you look at where we're focusing our resources and our tools and really dollars to spend on advisors, it's doing workshops and it's doing presentations and really helping them change how they do business. And from what I'm told, from our supporters, there's nobody else that is doing that work. And I think that ultimately that helps us grow our business. Money will move from weak hands to strong hands in this changing environment. It doesn't have to be a negative. Advisors, I've said to people, you have a much easier time of this than we do, and they usually sort of raise their eyebrows. They have free will on whether they want to change how they've done business. We have 42,000 individual advisors we dealt with last year. I can't force them to change and evolve. But it doesn't have to be a negative and we're actually trying to make this a positive and really differentiate ourselves from our competition, if that makes sense.

Graham Ryding: Yeah, that does clear things up. A quick question just on the Sun Life channel. Any update there, if you noticed any market share loss with Sun Life pushing its own proprietary product?

Derek Green: It's Derek again. The business has been very strong. We're incredibly proud of the results that Assante had last year. The business grew. You heard what Steve said, how much it grew. Actually, the Sun Life business, both gross and net, was up more with CI last year than Assante was. So the end of the distribution agreement, it came and went. I think people were anticipating a shoe dropping, we haven't heard anything. They're still great clients, and we continue to focus on our preferred partners, whether it's Assante or Sun Life, and they're terrific partners.

Graham Ryding: Great. And then just one last one, if I could. The fair value adjustment related to its use in Marret. Was that a reflection of AUM levels declining or being lower than what you'd originally targeted, or is it just the EBITDA that's coming from that business being lower than what you targeted?

Doug Jamieson: It's primarily the EBITDA being lower than what we had targeted in our model. As I said, it's leveraged to the amount of revenue being generated and the level of expenses. And it's a fairly short model, so it's quite sensitive in the first year.

Graham: Okay, that's great. Thank you.

Moderator: Our next question is from Scott Chan (Canaccord Genuity). Please go ahead.

Scott Chan: Good afternoon, guys. For Derek, on Sun Life. What's the traction or recent traction on seg funds, and on top of that, is there any additional demand for the G5|20 product? I don't think we've gotten an update on that for a while.

Derek Green: In terms of segregated funds in general, the sales haven't picked up or really gone down dramatically. If you look at G5|20, we continue to see interest in the product. We're up to around 300 million dollars in G5|20. It's a guaranteed product. Personally, I think it will gain traction when the markets misbehave. If we see a rollover in the markets, more people will want a guaranteed solution. So in terms of segregated funds, I've mentioned this before, we were very, very successful in the mid-2000's, 2006, 2007, 2008, and when the global credit crisis or financial crisis came along and interest rates plummeted and volatility went up, features and benefits were clawed back and I think segs have probably seen their best days in terms of a sales standpoint.

Scott: And then, Derek, we just saw TD launch some Series D for do-it-yourself investors. Is that something CI has considered at all?

Derek Green: We have been approached on that before. My feeling is that there's lots of things that we stand for. We believe in active management and we believe in active advice, and advisors are the people that we partner with. I don't ever intend to compete against advisors for their clients' business. And where this becomes a bit of a sticky wicket is not when the market's up 20% or 30% and there's nobody questioning the value of advice, but if the markets were to go down 15%, 20%, 30%, and a client could get a 75 basis point break on the same fund that they could get from CI, the money could move from being with an advisor that's supportive of CI to a D Class unit without a deemed disposition, without a tax consequence. I believe I speak for the rest of senior management, we don't ever want to be in competition with the advisors that have helped us build our business.

Scott Chan: Okay. And then just a last question for Steve Donald. You mentioned Assante net sales were up 55% year over year. Can you give us a sense of how much net sales Assante brought in?

Steve Donald: It was in about the 1.2 billion dollar range.

Scott Chan: Thanks a lot.

Moderator: Thank you. There are no further questions registered at this time, so I'd like to turn it back over to you.

Steve MacPhail: On behalf of myself, Doug, Derek, Steve Donald, I just want to say thank you very much for tuning into our quarterly results and for all the great questions. We'll talk to you in three months.