

CI FINANCIAL CORP.

**NOTICE OF MEETING
AND
MANAGEMENT INFORMATION CIRCULAR
for the
ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS
to be held on June 1, 2011**



NOTICE OF ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS

NOTICE IS HEREBY GIVEN that the annual and special meeting of holders of common shares of **CI Financial Corp.** (the “**Corporation**” or “**CI**”) will be held on Wednesday, June 1, 2011 at 11:00 a.m. (Toronto time) at 15 York Street, 2nd Floor, Toronto, Ontario for the following purposes:

1. To receive the consolidated financial statements of CI Financial Corp. for the fiscal year ended December 31, 2010, together with the auditors’ report thereon;
2. To elect Directors for the ensuing year;
3. To appoint auditors for the ensuing year and authorize the Directors to fix the auditors’ remuneration;
4. To consider and, if thought fit, to ratify the continuation of the Shareholder Rights Plan Agreement as more particularly set forth in the accompanying Management Information Circular and if the resolution to continue the Shareholder Rights Plan Agreement is ratified, to consider and if thought fit approve the amendment of the Shareholder Rights Plan Agreement as more particularly described in the accompanying Management Information Circular;
5. To consider and provide an advisory vote on the Board’s approach to and report on Executive Compensation; and
6. To transact such other business as may properly be brought before the meeting or any adjournment thereof.

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

May 2, 2011

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



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

Your vote is important. If you are unable to attend the meeting in person please complete and return the accompanying proxy form in the envelope provided or otherwise arrange for delivery to Computershare Investor Services Inc., Attention: Proxy Department, or submit your instructions by telephone or Internet as described on the form of proxy, prior to 5:00 p.m. on May 30, 2011.

CI FINANCIAL CORP.

MANAGEMENT INFORMATION CIRCULAR

This management information circular is furnished in connection with the solicitation of proxies for use at the annual and special meeting (the “**Meeting**”) of holders of common shares (the “**Shares**”) of CI Financial Corp. (the “**Corporation**” or “**CI**”) to be held on Wednesday, June 1, 2011 at the time and place and for the purposes set forth in the accompanying notice of the Meeting.

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

In this document, *you*, *your* and *Shareholder* refer to the holders of Shares of CI. *We*, *us*, *our* and *CI* each refer to CI Financial Corp. or to its predecessor CI Financial Income Fund. Except as otherwise stated, the information contained in this circular is given as of May 2, 2011 and references to CI’s fiscal year are to the calendar year ended December 31, 2010.

HOW TO VOTE YOUR SHARES

Voting by Proxy

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

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

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

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

If you are voting your Shares by proxy, our transfer agent, Computershare Investor Services Inc. (“**Computershare**”), **must receive your completed proxy form by 5:00 p.m. (Toronto time) on May 30, 2011**, or not less than 48 hours (excluding Saturdays, Sundays and statutory holidays in Toronto, Ontario) before any adjournment(s) or postponement(s) of the Meeting.

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

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

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

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

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

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

E-mail www.service@computershare.com

How to Vote

If you are a Registered Shareholder

If you are a registered Shareholder you can attend the Meeting in person or, if you are not able to attend, you may vote by submitting your proxy before 5:00 p.m. (Toronto time) on May 30, 2011, in any of the following ways:

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

If you are a Non-Registered Shareholder

If you are a non-registered Shareholder we will not have any record of your ownership and so the only way that you can vote your Shares is by instructing your Nominee. Your Nominee is required to ask for your voting instructions before the Meeting. In most cases, you will receive a voting instruction form from your Nominee that allows you to provide your voting instructions by telephone, on the Internet, by mail or by fax. You should complete the voting instruction form, sign and return it in accordance with the directions on that form. Please contact your Nominee if you did not receive a request for voting instructions or a proxy form in this package. Less frequently, you may receive from your Nominee a proxy form that has already been signed by the Nominee, which is restricted to the number of Shares beneficially owned by you, but is otherwise not completed. If you have received this proxy form, you should complete it and return it to Computershare Investor Services Inc. before 5:00 p.m. (Toronto time) on May 30, 2011, using one of the methods set out above.

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

Completing the Proxy Form

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

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

- **FOR electing the nominated Directors who are listed in this circular;**
- **FOR appointing Ernst & Young LLP as auditors;**
- **FOR the continuance of the Shareholder Rights Plan and FOR the amendment and restatement of the Shareholder Rights Plan; and**
- **FOR the advisory resolution on the approach to executive compensation.**

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

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

If you are an individual, you or your authorized attorney must sign the proxy form. If you are a corporation or other legal entity, an authorized officer or attorney must sign the proxy form. A proxy form signed by a person acting as attorney or in some other representative capacity (including a

representative of a corporate Shareholder) should indicate that person's capacity (following their signature) and should be accompanied by the appropriate instrument evidencing qualification and authority to act (unless such instrument has previously been filed with CI).

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

Changing your Vote/Revocation of Proxies

You can revoke a vote you made by proxy by:

- Voting again by telephone or on the Internet before 5:00 p.m. (Toronto time) on May 30, 2011;
- Completing a proxy form that is dated later than the proxy form you are changing, and sending it to Computershare Investor Services so that it is received before 5:00 p.m. (Toronto time) on May 30, 2011;
- Sending a notice in writing from you or your authorized attorney (or, if the Shareholder is a corporation, by a duly authorized officer) revoking your proxy to the General Counsel of CI so that it is received before 5:00 p.m. (Toronto time) on May 30, 2011;
- Giving a notice in writing from you or your authorized attorney (or, if the Shareholder is a corporation, by a duly authorized officer) revoking your proxy to the chair of the Meeting, at the Meeting or any adjournment; or
- Attending the Meeting in person and voting the Shares.

VOTING SECURITIES AND PRINCIPAL HOLDERS

CI is authorized to issue an unlimited number of Shares. As at April 29, 2011, the record date for establishing voting rights, 288,403,491 Shares were issued and outstanding. Each Share entitles the holder to one vote in respect of each matter to be voted on at the Meeting.

To the knowledge of the Directors and executive officers of CI, as of April 29, 2011, the record date for establishing voting rights, the only person or company beneficially owning, directly or indirectly, or exercising control or direction over Shares carrying more than 10% of the voting rights is The Bank of Nova Scotia, which beneficially owns 104,622,912 Shares representing approximately 36.3% of the outstanding Shares.

HOW THE VOTES ARE COUNTED

Only persons who were registered as holders of Shares as of the close of business on April 29, 2011 (the "**Record Date**") are entitled to receive notice of, attend and vote at the Meeting. CI will prepare or cause to be prepared a list of the registered holders of Shares as of the close of business on the Record Date. At the Meeting, each holder of Shares named on that list will be entitled to vote the Shares shown opposite the holder's name on the list.

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

BUSINESS OF THE MEETING

1. Financial Statements

The consolidated financial statements of CI for the year ended December 31, 2010 have been sent to Shareholders with this Circular. The financial statements are also available on the System for Electronic Document Analysis and Retrieval (“SEDAR”) website at www.sedar.com.

2. Election of Directors

The board of directors (the “**Board of Directors**” or the “**Board**”) is responsible for managing and supervising the management of the business and affairs of the Corporation. The Board is elected by the Shareholders to oversee management. For more information on the roles and responsibilities of our Board and our corporate governance practices please refer to “*Statement of Governance Practices*” below.

The Board currently consists of nine Directors. The term of office of each of the nine Directors will expire at the close of this Meeting. Each of the current Directors was duly elected at the last Annual Meeting of Shareholders held on March 25, 2010, with the exception of Mr. MacPhail and Mr. Anderson who were appointed by resolution of the Board on August 25, 2010 in connection with a management reorganization as a result of which Mr. Holland became the Executive Chairman of the Corporation and Mr. MacPhail became the Chief Executive Officer effective September 1, 2010.

Independence

A director is independent if he or she has no direct or indirect material relationship with the Corporation which could in the view of the Board be reasonably expected to interfere with the exercise of the Director’s independent judgment. The Board believes that a substantial majority of our Directors should be independent and that all of the members of the Audit, Compensation and Governance Committees of the Board must be independent Directors.

Each year the Directors are asked to complete a questionnaire which, among other things, provides the Governance Committee with information concerning each Director’s business and other relationships. A Director is also required to let us know if there are any material changes in their circumstances or relationships which could affect an assessment of independence.

The Board is responsible for determining whether a Director is independent, using the definition and guidance in the Canadian Securities Administrators National Instrument 52-110- *Audit Committees*. The Board has determined that six of the eight Directors nominated for election at this Meeting are independent as indicated below.

Nominations for Election as Directors

Each of the current Directors has agreed to be nominated and stand for re-election at the Meeting, other than Mr. Anderson. Each of the eight nominees listed below is proposed to be elected as a Director of CI to serve until the termination of the next annual meeting of Shareholders or until his successor is elected or appointed.


The Board believes that a diversity of views and experience enhances the ability of the Board as a whole to fulfil its responsibilities to the Corporation. Directors are not expected to be specialists in our business but rather to provide the benefit of their business experience, judgement and vision.


For that reason when assessing nominees for Director the Board will expect the nominee to demonstrate:


- Sound business judgment
- High ethical standards
- Financial literacy
- Communication skills
- Proven track record
- Knowledge of industry


We are satisfied that the nominees for election as Directors all possess the necessary skills and experience to guide your company.


The following table sets out important information regarding each of the Directors:


 <p>Ron D. Besse Toronto, Ontario Canada Director Since 1995 Independent Age: 72 Areas of Expertise: Financial Expert; Business Administration; Governance</p>	<p>Mr. Besse is the Lead Director of the Corporation. Mr. Besse is currently the President of Besseco Holdings Inc. a private investment company. In prior positions, Mr. Besse was the Chairman, President and Chief Executive Officer of Gage Learning Corporation and related predecessor companies from 1978 until 2003. Mr. Besse graduated from the Business Administration Program at Ryerson University (1960) and was awarded the Alumni Award of Distinction, Business Administration (1998) and an Honorary Doctorate of Commerce (2004). Mr. Besse is a member of the World President’s Organization and is a past president of the Canadian Book Publisher’s Council.</p>			
	Board and Committees	Meeting Attendance		CI Shares owned or controlled
	Board	14	14	99,025
	Governance (Chair)	3	3	
	Audit	4	4	
	Compensation	1	1	
Other Board Directorships				
<p>Mr. Besse has served as a Director of several companies. He is currently a Director of Rogers Communications Inc., a position he has held since 1984 and is the Chair of the Audit Committee of Rogers. Mr Besse is also the Vice Chair of the Foundation at Ryerson University, the Honorary Chair of the University’s Capital Campaign and the Honorary President of the Ryerson Business Forum.</p>				


 <p>G. Raymond Chang Toronto, Ontario Canada Director Since 1994 Independent Age: 62 Areas of Expertise: Financial Expert Chartered Financial Analyst</p>	<p>Mr. Chang is the President of G. Raymond Chang Ltd. Prior to September 2010 Mr. Chang was the Chair of the Board of the Corporation. Prior to 1999 Mr. Chang was the President and Chief Executive Officer of the Corporation. Mr. Chang holds a Chartered Financial Analyst designation.</p>			
	Board and Committees	Meeting Attendance		CI Shares owned or controlled
	Board	13	14	12,825,292
	Governance	3	3	
Audit *	4	4		
Other Board Directorships				
<p>Mr. Chang is a Governor of both Ryerson University and the Royal Ontario Museum. Mr. Chang is a Governor of the Toronto General & Western Hospital Foundation where he sits on the Nominations Committee. Mr. Chang is the Chairman of Jameson Bank and Mercatus Technologies Inc, and a director of Camilion Solutions Inc. where he also sits on the Audit Committee; First Global Bank and Grace Kennedy Limited where he sits on the Governance, Remuneration and Audit Committees.</p> <p>*Note that Mr. Chang has decided not to sit on the Audit Committee of the Board following the Meeting.</p>				

 <p>Paul. W. Derksen Clarksburg, Ontario Canada Director Since 2002 Independent Age: 60 Areas of Expertise: Financial Expert Chartered Accountant</p>	<p>Mr. Derksen is also a Director of CI Investments Inc. 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 & 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, Chairman of Truscan Property Fund, Canada Trustco, 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>			
	Board and Committees	Meeting Attendance		CI Shares owned or controlled
	Board	13	14	16,148
	Governance	3	3	
Audit (Chair)	4	4		

 <p>William T. Holland Toronto, Ontario Canada Director Since 1994 Not Independent Age:52 Areas of Expertise: Mutual Funds, Financial Services</p>	<p>Mr. Holland is the Executive Chairman of the Corporation. Prior to September 2010 he was the Chief Executive Officer of the Corporation for more than 10 years. He has been employed by CI or its predecessors since 1989 holding increasingly senior positions.</p>			
	Board and Committees	Meeting Attendance		CI Shares owned or controlled
	Board	14	14	11,317,046
Other Board Directorships				
<p>Mr. Holland is on the Board of Directors of Holland Bloorview Kids Rehab Foundation. Mr. Holland is also on the Board of NEXJ Systems Inc, a private company which provides enterprise CRM solutions for the financial services, insurance and healthcare industries, the Board of InfraReDx, Inc. a private medical device company and the Board of Virgin Gaming, a private company.</p>				

 <p>Stephen A. MacPhail Toronto, Ontario Canada Director Since 2010 Not Independent Age: 54 Areas of Expertise: Financial Expert, Mutual Funds</p>	<p>Mr. MacPhail was appointed the Chief Executive Officer of the Corporation in September 2010. He has been employed at CI or its predecessors since 1994 in increasingly senior positions including Chief Financial Officer, Chief Operating Officer and President. Mr. MacPhail has a BComm from McMaster University and a Masters of Business Administration from York University.</p>			
	Board and Committees	Meeting Attendance		CI Shares owned or controlled
	Board*	6	6	853,896
<p>* note that Mr. MacPhail joined the Board in September 2010.</p>				

 <p>Stephen T. Moore Toronto, Ontario Canada Director Since 2007 Independent Age: 57 Areas of Expertise: Wealth management, Governance</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 the Queens University.</p>			
	Board and Committees	Meeting Attendance		CI Shares owned or controlled
	Board	14	14	18,421
	Compensation	1	1	
	Other Board Directorships			
Mr. Moore is a trustee of the Advantaged Preferred Share Trust.				

 <p>A. Winn Oughtred Toronto, Ontario Canada Director Since 1994 Independent Age: 68 Areas of Expertise: Lawyer</p>	<p>Mr. Oughtred is also a Director of CI Investments Inc. Mr. Oughtred is a retired lawyer. He practiced corporate and securities law for over 40 years and was counsel to Borden Ladner Gervais LLP, from January 1 to May 31, 2009 after retiring as a partner of the firm on December 31, 2008. Mr. Oughtred was a managing partner of Borden Ladner Gervais' Toronto office from 2005 to 2008. Mr Oughtred is a certified director by the Institute of Corporate Directors.</p>			
	Board and Committees	Meeting Attendance		CI Shares owned or controlled
	Board	14	14	19,925
	Governance	3	3	
	Compensation (Chair)	1	1	
Other Board Directorships				
Mr. Oughtred is a director of Oppenheimer Holdings Inc., Asian Coast Development (Canada) Ltd., and Belmont House. He is also a member of the Independent Review Committee of the Guardian Capital Funds.				



David J. Riddle
 Vancouver, British
 Columbia Canada
 Director Since 1997
Independent
 Age: 55
 Areas of Expertise:
 Mutual funds

Mr. Riddle has been the President of C-MAX Capital Inc. a private investment company, since 2000. Mr. Riddle has over 20 years experience in the financial services industry with major Canadian investment dealers and as a senior executive in the mutual fund industry. Mr. Riddle received a Bachelor of Arts in Economics from the University of Calgary.

Board and Committees	Meeting Attendance		CI Shares owned or controlled
Board	13	14	1,406,541
Audit	4	4	
Compensation	1	1	

Our Policy on Majority Voting

If a Director receives more *withheld* votes than *for* votes, he will offer to resign. Our Governance Committee will review the matter and then recommend to the Board whether to accept the resignation. The Director will not participate in any Board or committee deliberations on the matter.

The Board will announce its decision within 90 days of the Meeting. If it rejects the Director's offer to resign, the Board will disclose the reasons why. If the Board accepts the Director's offer to resign, it may appoint a new Director to fill the vacancy.

The Board has only recently adopted this majority voting policy and this will be the first annual meeting of Shareholders at which it will be in effect. The Board believes that this policy reflects good corporate governance.

* * * * *

It is the intention of the individuals named in the enclosed form of proxy to vote FOR the election of each of the nominated individuals listed below, as Directors, to hold office until the close of the next annual meeting of Shareholders or until their successors are duly elected or appointed, unless specifically instructed in the proxy to withhold such vote.

Management does not contemplate that any of the nominees will be unable to serve as a Director, but should that occur for any reason prior to the Meeting, the persons named in the enclosed proxy form reserve the right to vote in their discretion for other nominees.

Corporate Cease Trade Orders or Bankruptcies

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

Stephen Moore was, prior to January 26, 2010, a trustee of Impax Energy Services Income Trust (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 persons proposed for election as Directors of CI nor any personal holding company owned or controlled by any of them (i) has been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority, or (ii) has been subject to any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor in making an investment decision.

3. Appointment of Auditors

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

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

See the heading “Audit Committee Information” in CI’s 2011 Annual Information Form dated March 17, 2011 available on SEDAR at www.sedar.com for further details regarding the services of the auditors provided to CI, the fees paid to the auditors for those services and information regarding the Audit Committee of CI.

4. Ratification of Continuance and Amendment and Restatement of the Rights Plan

At the Meeting, Shareholders will be asked to consider, and if deemed advisable, to approve, with or without variation, two resolutions regarding the shareholder rights plan of the Corporation (the “**Rights Plan Resolutions**”). The first Rights Plan Resolution will be to ratify the continued existence of the shareholders rights plan of the Corporation. The second Rights Plan Resolution will only be considered if the first resolution is passed and will be to approve an amendment and restatement of the shareholder rights plan of the Corporation.

The text of the Rights Plan Resolutions is attached as Schedule “A” hereto.

Background and Approval Required for Continuation of the Rights Plan to 2014

At a meeting of holders of units of CI Financial Income Trust held on December 19, 2008 to consider and approve the conversion to the Corporation from an income trust, the unitholders also approved the adoption of the Shareholder Rights Plan Agreement dated as of January 1, 2009 (the “**Rights Plan**”). Under the terms of the Rights Plan, confirmation by the “Independent Shareholders” is required in order for the Rights Plan to remain in effect until the annual meeting in 2014. The Board must submit a resolution at the 2011 annual meeting, ratifying the continued existence of the Rights Plan (the “**Continuance Resolution**”) to “Independent Shareholders” for their consideration and, if thought advisable, approval, unless the rules and regulations of the Toronto Stock Exchange (“**TSX**”) require that the Continuance Resolution be submitted to all Shareholders. There are currently no rules or regulations of the TSX regarding plan continuance.

The Rights Plan defines “**Independent Shareholders**” as holders of Shares other than (i) an “**Acquiring Person**” (as that term is defined in the Rights Plan); (ii) “**Grandfathered Person**” (as that term is defined in the Rights Plan); (iii) a person who is making or has announced the current intention to make a take-over bid for common shares (an “**Offeror**”); (iv) any affiliate or associate of any of the above listed Persons or Person acting jointly or in concert with them; and (v) certain employee benefit plan trusts for the benefit of employees of the Corporation or its subsidiaries. As of the date of this Circular, the Corporation is not aware of any Shares that would not be permitted to be voted on the vote of Independent Shareholders, other than the 104,622,912 Shares beneficially owned by Bank of Nova Scotia.

On April 1, 2011, the Bank of Nova Scotia made a request to the TSX to require the Corporation to allow the Bank of Nova Scotia to vote on the Continuance Resolution at this Meeting, notwithstanding the express terms of the Rights Plan. The Corporation objected on the basis that the terms of the Rights Plan do not provide the Board with discretion to permit the Bank of Nova Scotia to vote and that furthermore there are no rules of the TSX which regulate this matter or give them jurisdiction over this matter. Notwithstanding this, on April 29, 2011, the TSX advised management that it would require the Corporation to submit the Continuance Resolution to a vote of all Shareholders, including the Bank of Nova Scotia (the “**TSX Decision**”). Consistent with the terms of the Rights Plan, the Corporation will also submit the Continuance Resolution to a separate vote of the Independent Shareholders.

The Board does not believe that the TSX has the authority to impose this voting requirement and in effect, vary the express terms of the Rights Plan to permit the Bank of Nova Scotia to participate in the Continuance Vote. The Board is considering an appeal of the TSX Decision to the Ontario Securities Commission, but, in the meantime, has determined that the Meeting should be held as scheduled and unless a decision is made to the contrary, it will conduct the Continuance Resolution as required by the TSX.

The reason that your Board is so vigorously defending this matter is that the Rights Plan provides important protections to the Shareholders. As long as the Rights Plan is in place, the Bank of Nova Scotia can not acquire more than an additional 1% of the outstanding Shares except in the context of a take-over bid made to all Shareholders. The Bank's current 36% ownership stake provides them with the ability to block any strategic matter that must as a matter of corporate law be approved by a special resolution of shareholders, as a special resolution requires a 66 2/3^{ths} approval level. If the Bank were to acquire any additional Shares they could be able to effectively veto even those matters that only require majority approval. The Bank of Nova Scotia is a competitor of the Corporation. Its interests as a shareholder are not the same as the interests of the other Shareholders and it is not required to take the interests of the other Shareholders and the Corporation into account in any votes.

The Rights Plan also precludes the Bank of Nova Scotia from selling its 36% stake to another party, except in the context of a take-over bid for the Corporation. As a result, the Rights Plan ensures that all Shareholders will have an opportunity to receive a premium for their Shares, if the Bank decides to facilitate a change of control by selling its stake.

The Board continues to believe that the Rights Plan provides important protections to the Shareholders against a creeping take-over and ensures equal treatment for all Shareholders in the event of a change of control of the Corporation. The Board encourages all of the Independent Shareholders, who constitute almost 64% of the outstanding Shares, to endorse the continuation of the Rights Plan.

If you return a form of proxy but do not specify how you want your Shares voted, the persons named as proxyholders will cast the votes represented by proxy at the Meeting FOR the approval of the Continuation Resolution.

Amendment and Restatement of the Rights Plan

If the Continuance Resolution is approved by the requisite majorities, then Shareholders will be asked to consider and if advisable pass a resolution (the "**Amendment Resolution**") to approve certain amendments to the Rights Plan. The Board has concluded that, as a vote of all Shareholders is now being held pursuant to the TSX Decision, it will take this opportunity to propose and recommend that the Rights Plan be amended to reflect developments in shareholder rights plans since the Rights Plan was adopted in 2008 and to respond to commentary of the investment community, including the Institutional Shareholder Services Governance Policy. The amendments being proposed are, for the most part, minor and of a clerical nature. The Board is satisfied that the Rights Plan as amended and restated will remain consistent with the latest generation of Canadian shareholder rights plans.

The proposed amended and restated Rights Plan (the "**Amended Rights Plan**") has been conditionally approved by the TSX, subject to Shareholder approval. The Amended Rights Plan is required, pursuant to the terms of the Rights Plan, to be approved only by the Independent Shareholders; however in light of the TSX Decision, the Board has determined that it would be prudent to apply the TSX Decision to the Amendment Resolution, although this was not specifically required by the TSX.

The Amended Rights Plan is not being proposed in response to, or in anticipation of, an acquisition or take-over bid. It is not the intention of the Board in proposing that the Amended Rights Plan be approved, to secure the continuance in office of the existing members of the Board or to avoid an acquisition of control of the Corporation in a transaction that is fair and in the best interests of the Shareholders.

Proposed Amendments

The proposed amendments to the Rights Plan are to conform the definitions of “Common Share Reduction”, “Competing Permitted Bid” and “Exempt Acquisition” to the definitions of those terms in shareholder rights plans recently adopted by other Canadian companies. This will ensure that our Rights Plan, as amended, will continue to be consistent with the latest generation of Canadian shareholder rights plans. In addition, the definition of “Expiration Time” will be amended and Section 5.19 “Shareholder Review” will be deleted, in each case to reflect the fact that following the Corporation’s annual meeting of shareholders in 2014, the Amended and Restated Rights Plans will expire and it will be necessary at that time to adopt a new shareholder rights plan if the Shareholders want the continued protections afforded by such a plan. The summary of the Rights Plan below and in Schedule “B” attached describes the current Rights Plan and highlights the proposed changes.

If the Amendment Resolution is passed at the Meeting, the Corporation and Rights Agent will execute the Amended and Restated Shareholder Rights Plan Agreement (the “**Amended Rights Plan Agreement**”) effective June 1, 2011 and the Amended Rights Plan will come into effect. If the Amendment Resolution is not passed, the Amended Rights Plan will not come into effect and the existing Rights Plan will, subject to the approval of the Continuance Resolution, remain in effect in accordance with its unamended terms.

If you return a form of proxy but do not specify how you want your Shares voted, the persons named as proxyholders will cast the votes represented by proxy at the Meeting FOR the approval of the Amendment Resolution.

Summary of the Rights Plan

A summary of the key features of the Rights Plan, together with the proposed amendments, is attached at Schedule “B” to this Management Circular. All capitalized terms used in this section of the Circular and not defined have the meanings set forth in the Rights Plan unless otherwise indicated. The current Rights Plan and the Amended Rights Plan Agreement are each available on SEDAR at www.sedar.com. Each of the current Rights Plan and the Amended Rights Plan Agreement is also available to any Shareholder on request made to the Secretary of the Corporation.

Effective Date and Term

The effective date of the Rights Plan is January 1, 2009 and, assuming that the Continuance Resolution is passed, unless it is terminated earlier it will expire at the end of the annual meeting of Shareholders of the Corporation in 2014.

Issue of Rights

Each Share currently has a right (“**Right**”) attached to it, which in certain very limited circumstances will give the holder the right to acquire additional Shares at one-half the market price of the Shares at the time of exercise. These Rights are only activated in the event that a person acquires control of 20% or more of the outstanding Shares, other than through a take-over bid offer made to all Shareholders which complies with the Permitted Bid definition in the Rights Plan. If these Rights are activated and exercised, there would be significant dilution. For this reason the Rights Plan acts as an

effective deterrent discouraging a person from acquiring control of 20% or more of the Shares unless the Rights Plan has been waived or the buyer makes a “**Permitted Bid**”. See “— Objectives of the Rights Plan” below.

Grandfathered Person

Persons who on January 1, 2009 owned more than 20% of the Shares are known as “Grandfathered Persons” under the Rights Plan. The Bank of Nova Scotia is a Grandfathered Person under the Rights Plan. As a result, continued ownership by the Bank of Nova Scotia of the Shares it held on January 1, 2009 will not trigger the Rights Plan unless the Bank of Nova Scotia increases its ownership of Shares by more than 1%, except in connection with a Permitted Bid or another excluded transaction. If the Bank of Nova Scotia sells its Shares the purchaser will not be grandfathered and will be considered to be an Acquiring Person, with the acquisition possibly triggering the operational provisions of the Rights Plan unless the sale is made pursuant to a take-over bid which meets the definition of a Permitted Bid under the Rights Plan.

Objectives of the Rights Plan

The primary objectives of the Rights Plan are to ensure that, in the context of a bid for control of the Corporation through an acquisition of Shares,

- (i) the Board has sufficient time to explore and develop alternatives for maximizing Shareholder value;
- (ii) there is adequate time for competing bids to emerge; and
- (iii) Shareholders have an equal opportunity to participate in such a take-over bid and adequate time to properly assess the bid and lessen the pressure to tender typically encountered by a securityholder of an issuer that is subject to a bid.

The Rights Plan does not prohibit a change of control of the Corporation but seeks to ensure that any change of control is conducted through a transaction that is fair and in the best interests of all Shareholders. The rights of Shareholders to seek a change in the management of the Corporation or to influence or promote action of management in a particular manner will not be affected by the Rights Plan. The approval of the Rights Plan does not affect the duty of a Director to act honestly and in good faith with a view to the best interests of the Corporation, including its Shareholders.

The Rights Plan is designed to address the following concerns arising out of the existing legislative framework governing take-over bids in Canada:

- (a) *Unequal Treatment.* While existing securities legislation has substantially addressed many concerns of unequal treatment, there remains the possibility that control of an issuer may be acquired pursuant to a private agreement in which one large shareholder or a small group of securityholders dispose of their securities at a premium to market price and that premium is not shared with other securityholders. In addition, a person may slowly accumulate securities through stock exchange acquisitions which may result, over time, in an acquisition of control without payment of fair value for control or a fair sharing of a control premium among all securityholders. The Rights Plan addresses these concerns by applying to all acquisitions that would result in a person owning 20% or more of the Shares (subject to certain limited exceptions), to better ensure that Shareholders receive equal treatment.
- (b) *Time.* Current legislation permits a take-over bid to expire in 35 days. The Board is of the view that this 35 day period does not provide sufficient time for Shareholders to consider a take-over bid and to make a reasoned and considered decision. The Rights Plan encourages take-over bids that remain open for a longer period of time by exempting Permitted Bids from the operation of the Rights Plan. A “Permitted Bid” is a take-over

bid made to all Shareholders which remains open for acceptance for at least 60 days. In this way Shareholders will have adequate time to properly evaluate the offer and the Board will have sufficient time to explore and develop alternatives for maximizing Shareholder value. Those alternatives could include identifying other potential bidders, conducting an orderly auction, or developing a restructuring alternative that could enhance Shareholder value.

- (c) *Pressure to Tender.* A Shareholder may feel pressured to tender to a bid that the Shareholder considers to be inadequate out of a concern that failing to tender may result in the Shareholder being left with illiquid or minority discounted securities in the Corporation. This is particularly so in the case of a partial bid for less than all Shares, where the bidder only wants to obtain a control position. The Permitted Bid provisions are intended to ensure that a Shareholder will not feel pressure to tender. In order for a take-over bid to be a Permitted Bid it must remain open for acceptance for a further 10 Business Days following public announcement that more than 50% of the Shareholders held by Independent Shareholders have been deposited and not withdrawn as at the initial date of take-up or payment by the buyer.

General Impact of the Rights Plan

The Rights Plan does not secure the tenure of existing directors or management in office, nor will it deter or frustrate a bid for control of the Corporation in a transaction that is fair and in the best interests of the Corporation and all Shareholders. Permitted Bids do not need to be approved and supported by the Board.

Furthermore, the Rights Plan does not preclude any Shareholder from utilizing the proxy mechanism under corporate legislation and securities laws to promote a change in the management or direction of the Corporation, or its Board, or from requisitioning a meeting. The definitions of “Acquiring Person” and “Beneficial Ownership” have been developed to minimize concerns that the Rights Plan may be inadvertently triggered or triggered as a result of an overly-broad aggregation of holdings of institutional Shareholders and their clients.

The Rights Plan will not interfere with the day-to-day operations of the Corporation. The issuance of the Rights does not in any way alter the financial condition of the Corporation, impede its business plans or alter its financial statements.

In summary, the Board believes that the dominant effect of the Rights Plan is to provide them with an opportunity to maximize shareholder value, and ensure equal treatment of all Shareholders in the context of an acquisition of control.

5. Say on Pay

The Board has been following the developments regarding “Say on Pay” with great interest this past year. In particular, the Board has reviewed the recommendation of the Canadian Coalition for Good Governance that shareholders be given an opportunity to let the Board know whether they are satisfied with the Board’s approach to executive compensation. The Board agrees that this “Say on Pay” initiative is an important component of constructive interaction between shareholders and their companies on governance matters. For that reason the Board has voluntarily added to the agenda for this Meeting a shareholder advisory vote on the Report on Executive Compensation set out below in this Management Information Circular. The purpose of the “Say on Pay” advisory vote is to provide the Board with shareholder reaction to the Board’s decisions regarding executive compensation. The results are not binding on the Board; however the Board and the Compensation Committee of the Board intend to pay close attention to the results when considering future compensation decisions. CI will disclose the results

of the shareholder advisory vote as part of its report on voting results for the Meeting. A copy of the resolution to be considered by Shareholders is included as Schedule “C” to this Management Information Circular.

If you have not indicated how you would like to vote your Shares on the Say on Pay vote, those Shares will not be voted on this resolution.

STATEMENT OF EXECUTIVE COMPENSATION

Unless otherwise stated, the information in this Statement of Executive Compensation is stated as of December 31, 2010 and all references to CI’s fiscal year are to the fiscal year of CI ended December 31, 2010.

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

Compensation Discussion and Analysis

Executive Compensation Philosophy

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

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

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

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

The process for determining compensation is simple and based on an analysis of the above listed factors. The Compensation Committee does not set any performance goals or targets.

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

Approach to Risk

The Board is keenly aware of the fact that compensation practices can have unintended risk consequences. The Compensation Committee will continually review the Corporation's compensation policies to identify any practice that might encourage an employee to expose the Corporation to unacceptable risk. At the present time, the Compensation Committee is satisfied that the current executive compensation program does not encourage the executives to expose the business to inappropriate risk. The Board takes a conservative approach to executive compensation rewarding individuals for the success of the Corporation once that success has been demonstrated and incenting them to continue that success through the grant of long-term incentive awards.

Competitive Market Review

The Compensation Committee was provided with data for the following publicly traded asset management companies and financial institutions, including a comparison of CI's equity performance relative to the equity performance of those companies and a comparison of the compensation paid to the Chief Executive Officers of those companies with the compensation paid to our Chief Executive Officer:

- Power Financial Corporation
- IGM Financial and Investors Group
- AGF Management Limited
- Gluskin Sheff + Associates Inc.
- DundeeWealth Inc.
- Legg Mason, Inc.
- Invesco Ltd.
- Sun Life Financial
- Mackenzie Financial

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

Process

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

- (i) a general review of CI's operations for the year including any special projects and strategic initiatives and corporate developments;
- (ii) a comparison of CI's equity performance relative to major indices and publicly traded fund companies in Canada and some in the United States;
- (iii) a review of CI's asset growth and financial results;
- (iv) comparative compensation information for other financial institutions;

- (v) a summary of senior executive compensation at CI for the preceding five years; and
- (vi) compensation data concerning the fifty most senior employees of CI.

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

Compensation Mix

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

Base Salary	Annual Cash Bonus⁽¹⁾	Long-Term Incentives⁽²⁾ (Stock Options/DEUs)
<ul style="list-style-type: none"> • Not performance based • To attract and retain talented executives • Reflects skill and level of responsibility and takes into account market conditions and amounts paid by competitors 	<ul style="list-style-type: none"> • Performance based • Rewards contribution to achievement of financial and non-financial goals • Fosters teamwork • Up to 20% of the cash bonus is deferred and payable over 2 years 	<ul style="list-style-type: none"> • Performance based • Designed to encourage, motivate, retain and reward executives for achieving long-term results • Aligns interests of executive officers to shareholder interests

Note:

(1) This year the Corporation introduced a deferred bonus plan and a portion of each executive officer’s cash bonus was deferred. See “Deferred Bonus Plan” below for a description of this plan.

(2) Issued under CI’s Option Plan and DEU Plan (each as defined below). See “—Long-Term Incentives” below for a description of these plans.

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

Base Salary

Base salaries are established with reference to the individual’s position and responsibilities as well as his or her contribution, experience and seniority. Competitive market data is taken into account. The Corporation’s compensation policy is to pay its senior executives relatively modest base salaries and reward personal and enterprise performance through the payment of annual cash bonuses and non-cash long-term incentives. Base salaries are reviewed annually and adjusted if appropriate.

Annual Cash Bonus

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

Long-Term Incentives

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

Deferred Equity Plan

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

Deferred Bonus Plan

The Corporation adopted a deferred bonus plan in February 2011 (the "**Deferred Bonus Plan**"). The objective of the plan is to promote the long-term profitability of the Corporation by retaining qualified officers and key employees and providing a long-term incentive element in overall compensation for officers and key employees. The Deferred Bonus Plan provides for a grant of cash bonuses with payment to be deferred and paid over two years from the date of grant on certain terms. In most circumstances, the deferred cash bonus will not be paid unless the employee is still an employee of the Corporation at the date on which the deferred payment is to be made. Furthermore, if an employee has engaged in Misconduct prior to the payment of the deferred cash bonus the employee may be required to forfeit all or a portion of the deferred bonus. For this purpose the following will be considered Misconduct: (i) serious misconduct, including conduct which has a significant negative impact on reputation or operations of CI or its subsidiaries; (ii) fraud; (iii) a material breach of the terms of employment; (iv) wilful breach of the provisions of CI's code of conduct; or (v) failure or wilful refusal to substantially perform the employee's duties and responsibilities.

Stock Option Plan

The Corporation has an Employee Incentive Stock Option Plan (the “**Option Plan**”) which was amended and restated as at February 23, 2010 and approved by the Shareholders at a meeting held on March 25, 2010. At that time the Option Plan was amended to (i) provide the Board with flexibility to determine the fair market value of the Shares at the date of the grant of options for purposes of fixing the subscription price, with reference to the volume weighted average price of the Shares on the Toronto Stock Exchange on the date of the grant; (ii) to permit the Board to exercise discretion to permit early vesting of options in the event of a change of control; and (iii) to include two additional types of amendments to the Option Plan which the Board would be entitled to make without shareholder approval. The Board exercised its discretion to amend the Option Plan effective March 25, 2010 to introduce a cashless exercise feature, in response to changes in Canadian tax laws.

A maximum of 13,190,340 Shares of the Corporation (representing less than 5% of the outstanding Shares) may be issued upon exercise of options granted under the Option Plan. As of April 29, 2011, a total of 6,691,578 Shares were issuable upon exercise of outstanding options (representing 2.3% of outstanding Shares).

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

Full time employees of the Corporation or its subsidiaries are eligible to receive options under the Option Plan. Currently the Board awards options to executives and key employees only. Options are granted by the Board or a committee of the Board or any officer of CI designated by the Board. The options may have a term of up to 10 years although CI generally grants options with terms of five years. The exercise price of the options is fixed at the date of grant and may not be less than the volume weighted average trading price of the Shares of the Corporation on the date of the grant. Other key terms of the options such as vesting dates, forfeiture events and conditions to exercise are also established at the date of grant. Generally, options vest in equal annual amounts on each of the first, second and third anniversaries of the date of the grant, although some of the options granted in February 2010 do not vest until January 1, 2013. During the lifetime of the optionee, an option may be exercisable only by the optionee or if the optionee is incapacitated, by the optionee’s guardian, committee or other authorized legal representative, and except upon death of an optionee, an option may not be assigned or transferred in any way or otherwise disposed of (whether by operation of law or otherwise) except where the Board permits a transfer of the option in compliance with applicable securities regulation and the rules or policies of The Toronto Stock Exchange. If the holder of the option ceases to be a full time employee of the Corporation or its subsidiaries, any unvested options will terminate and the former employee will have only a limited period of time to exercise vested options. The Option Plan includes a cashless exercise alternative under which, on exercise of an option, the holder receives Shares for the in the money value of the option (less applicable taxes) without having to pay any money. Employees are not permitted to purchase financial instruments to hedge or offset a decrease in the market value of the underlying Shares.

The Board of Directors may at any time suspend or terminate the Plan, provided that no such suspension or termination adversely affects the rights under any outstanding options without the consent of the individuals who are holding unexercised options. The Board of Directors may at any time and from time to time amend the Plan, without shareholder approval to make amendments, including amendments which are of a “housekeeping” nature; to amend the definition of Fair Market Value, used in determining the exercise price; to amend the vesting provisions of any option; or, to change the

termination provisions of any option that does not entail an extension beyond the original expiration date. Shareholder approval is required for any amendment other than the ones listed in the Plan which the Board is specifically empowered to make without shareholder approval.

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

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

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

On May 14, 2010, William Holland and Stephen MacPhail, acting on the authority granted to them by the Board of Directors on February 23, 2010 and reported to the Board of Directors at the meeting on August 10, 2010, authorized the grant of options to 4 employees (excluding Mr. Holland, Mr. MacPhail and Mr. Anderson) to purchase an aggregate of 194,373 Shares of the Corporation at a price of \$19.48 per Share and to 1 employee to purchase 2,000 Shares of the Corporation at a price of \$21.27 on February 24, 2010. These grants were made as bonuses for the fiscal year ended December 31, 2009 and May 31, 2010 (Signature team) for retention and continued service.

On February 2, 2011, William Holland and Stephen MacPhail, acting on the authority granted to them by the Board of Directors on February 23, 2010 and reported to the Board of Directors at the meeting on February 23, 2011, authorized the grant of options to 342 employees (excluding Mr. Holland, Mr. MacPhail and Mr. Anderson) to purchase an aggregate of 1,207,170 Shares of the Corporation at a price of \$21.55 per Share. These grants were made as bonuses for the fiscal year ended December 31, 2010 and as incentives for retention and continued service.

The Compensation Committee recommended to the Board of Directors, and on February 24, 2011, the Board of Directors approved a grant of options to each of Mr. Holland, Mr. MacPhail and Mr. Anderson in the following amounts:

Name	Number of Options	Exercise Price	Value of Options ⁽¹⁾ (at February 24, 2011)
William T. Holland	160,000	\$22.45	\$408,000
Stephen A. MacPhail	160,000	\$22.45	\$408,000
Peter W. Anderson	50,000	\$22.45	\$127,500

Note: (1) The following assumptions were made for purposes of calculating the Value of Options Granted: an expected option term of 3.6 years to exercise; a dividend projected to grow 13.3% per annum; projected stock price volatility of 20%; and a risk-free interest rate of 2.458%. The options have been valued using Black-Scholes methodology and on that basis ascribed a value of \$2.55 per option.

All of the options granted in February 2011 have a five year term and vest as to 1/3rd on each of January 1, 2012, January 1, 2013 and January 1, 2014.

Chief Executive Officer Compensation

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

In February, 2011, in keeping with CI's policy of maintaining the base salaries of the Chief Executive Officer and other senior executives relatively low and retrospectively rewarding executive contribution to corporate performance by paying bonuses and making long-term compensation awards, the Compensation Committee recommended that Mr. MacPhail's base salary for 2011 be set at \$625,000 which is the base salary which Mr. Holland received as Chief Executive Officer.

At the same time, in recognition of Mr. MacPhail's leadership of and contribution to CI in 2010 the Compensation Committee recommended to the Board the payment of a \$1,433,000 cash bonus and a deferred bonus of \$200,000 for 2010 and the award to him of options to purchase 160,000 Shares at \$22.45 per Share pursuant to the Plan. These options have a weighted average value as at the date of grant of \$2.55 per Share, calculated under the International Accounting Standards, bringing Mr. MacPhail's total compensation to \$2,532,666 for 2010.

The Compensation Committee decided that Mr. Holland's base salary for 2011 in his new role as Executive Chairman should also be set at \$625,000. At the same time, in recognition of Mr. Holland's leadership of and contribution to CI in 2010 the Compensation Committee recommended to the Board the payment of a \$1,300,000 cash bonus and a deferred bonus of \$200,000 for 2010 and the award to him of options to purchase 160,000 Shares at \$22.45 per Share pursuant to the Option Plan. As set out above,

these options were valued at \$2.55 per Share bringing Mr. Holland's total compensation to \$2,533,000 for 2010.

On February 14, 2011 the Board of Directors approved the Compensation Committee's recommendations.

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

- Compensation paid to the chief executive officers of certain of the Corporation's competitors.
- The Corporation's financial and operating performance in 2010 as reported in the annual audited financial statements and the annual report.
- For the seventh year in a row the Corporation had net sales of more than \$1 billion (\$1.1 billion in 2010) which is particularly remarkable given market conditions over the past three years. To the knowledge of the Compensation Committee no other mutual fund company in Canada has achieved this continued sales success.
- In 2010 the Corporation ranked third in net sales among the 10 largest independent fund companies in Canada.
- In 2010 the Corporation continued to be the third largest asset manager in Canada increasing its market share from 9.9% to 10.1%.
- According to Morningstar, the Corporation led the Canadian mutual fund industry in 2010 with the most 5-star rated funds and has ranked in either first or second place for nine years.
- In 2010 the Corporation continued its strategic focus on segregated funds and was the dominant player among all Canadian asset managers in the segregated fund business capitalizing on its life insurance company relationships. The Corporation had net sales of \$363 million in segregated funds in 2010 with segregated funds under management reaching \$12.9 billion at December 31, 2010. Segregated funds have a superior earnings profile relative to most mutual fund products.
- The Corporation's institutional business grew 16.3% to \$10.7 billion during 2010.
- The Corporation continued to add more products to its product line up to appeal to changing investor preference.
- The Corporation successfully completed the acquisition of Hartford Investment Canada in December 2010. This transaction provides enhanced distribution opportunities and an important diversification of global money management expertise.
- During 2010, the Corporation continued to assess potential acquisitions and to respond to challenges raised by its largest shareholder, the Bank of Nova Scotia.

The compensation reported for the Chief Executive Officer under "Total Compensation" in the Summary Compensation Table below is the only compensation provided to the Chief Executive Officer

other than standard employment benefits. The Corporation does not fund a pension for the Chief Executive Officer or provide any other perquisites.

Share Ownership by Executive Officers and Directors

The Corporation has adopted a policy that requires the Chief Executive Officer of the Corporation to beneficially own that number of Shares the market value of which is at least five times his current base salary and for each other executive officer to own the number of Shares the market value of which is at least two times his or her current base salary. This policy currently applies to the Named Executive Officers, each of whom, holds Shares well in excess of his or her minimum requirement.

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

Members of the Compensation Committee

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

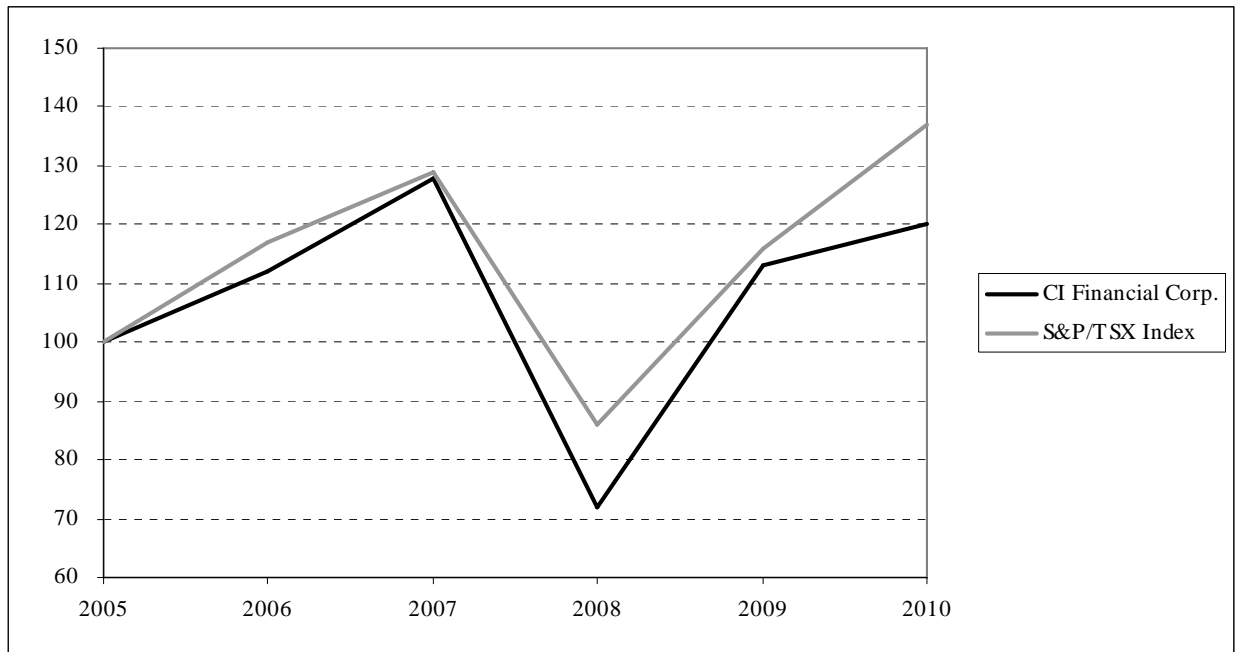
* * * *

Performance Graph

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

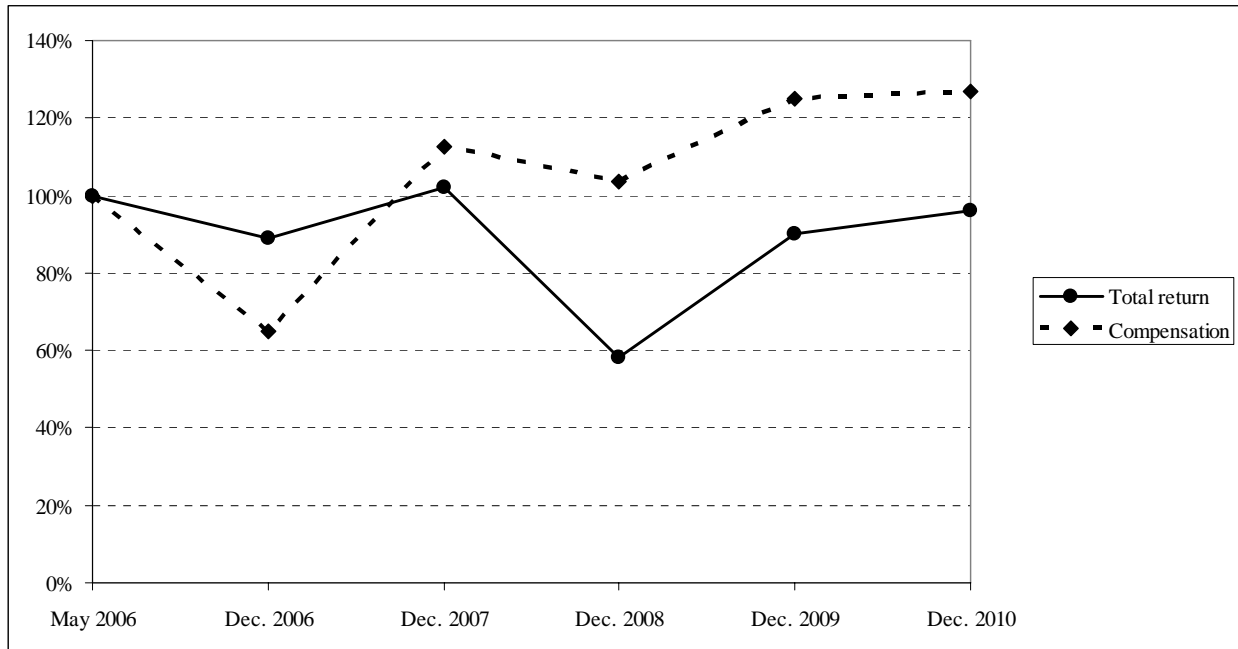
The following graph compares the yearly percentage change in the cumulative total return on the Shares of CI and voting securities of its predecessors, with the cumulative total return of the S&P/TSX Composite Index (the "**S&P/TSX Index**") over the period from December 31, 2005 to December 31, 2010. The graph illustrates the cumulative return on a \$100 investment in CI Shares made on December 31, 2005 as compared with the cumulative return on a \$100 investment in the S&P/TSX Index made on December 31, 2005. Distributions and dividends of CI and its predecessors are assumed to be reinvested. The performance as set out in the graph does not necessarily indicate future price performance.

Cumulative Total Return



	31-Dec-05	31-Dec-06	31-Dec-07	31-Dec-08	31-Dec-09	31-Dec-10
CI Financial Corp., or its predecessors	100	112	128	72	113	120
S&P/TSX Index	100	117	129	86	116	137

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



Summary Compensation Table

The following table sets out information concerning the compensation earned from the Corporation and the Corporation's subsidiaries during the financial year ended December 31, 2010 and two previous years by the Corporation's Chief Executive Officer, Chief Financial Officer and the Corporation's other three most highly compensated executive officers (collectively, the "Named Executive Officers") as at December 31, 2010.

Name and principal position	Year	Salary (\$)	Share-based awards (\$)	Option-based awards ⁽³⁾⁽⁴⁾ (\$)	Non-equity incentive plan compensation (\$)		Pension value (\$)	All other compensation ⁽⁸⁾ (\$)	Total compensation (\$)
					Annual incentive plans	Long-term incentive plans			
William T. Holland Executive Chairman ⁽¹⁾	2010	625,000	--	408,000	1,300,000	200,000	--	--	2,533,000
	2009	625,000	--	937,500	1,000,000	--	--	--	2,562,500
	2008	625,000	--	862,500	400,000	--	--	--	1,887,500
Stephen A. MacPhail President and Chief Executive Officer ⁽¹⁾	2010	491,666	--	408,000	1,433,000	200,000	--	--	2,532,666
	2009	425,000	--	704,025 ⁽⁵⁾	750,000	--	--	--	1,879,025
	2008	425,000	--	502,500	350,000	--	--	--	1,277,500
Douglas J. Jamieson Chief Financial Officer	2010	260,000	--	47,800	395,000	40,000	--	--	742,800
	2009	260,000	--	144,000 ⁽⁶⁾	300,000	--	--	--	704,000
	2008	250,000	--	95,655	300,000	--	--	--	645,655
Peter W. Anderson Executive Vice-President and Chief Investment Officer	2010	425,000	--	127,500	375,000	--	--	--	927,500 ⁽⁹⁾
	2009	425,000	--	450,000	600,000	--	--	--	1,475,000
	2008	425,000	--	427,500	300,000	--	--	--	1,152,500
Sheila A. Murray Executive Vice-President, General Counsel and Secretary	2010	300,000	--	71,700	700,000	75,000	--	--	1,146,700
	2009	300,000	--	325,500 ⁽⁷⁾	500,000	--	--	--	1,125,500
	2008	300,000	644,889 ⁽²⁾	112,500	400,000	--	--	--	1,457,389
David C. Pauli Executive Vice-President and Chief Operating Officer	2010	260,000	--	59,750	390,000	60,000	--	--	769,750
	2009	260,000	--	213,000	300,000	--	--	--	773,000
	2008	260,000	--	64,005	300,000	--	--	--	625,005

Notes to the Summary Compensation Table:

- (1) Mr. Holland was the Chief Executive Officer of the Corporation until September 1, 2010 when he became the Executive Chairman and Mr. MacPhail was appointed President and Chief Executive Officer of the Corporation.
- (2) Ms. Murray joined the Corporation in January 2008 and was awarded 25,000 DEUs upon commencement of employment.
- (3) Long-Term Compensation Awards reflect aggregate amounts awarded in respect of the relevant year.
- (4) (i) The following assumptions were made for purposes of calculating the Value of Options Granted to Mr. Jamieson, Ms. Murray and Mr. Pauli on February 2, 2011: an expected average option term of 3.6 years to exercise; a dividend projected to grow on average 13.3% per annum; projected stock price volatility of 20%; and an average risk-free interest rate of 2.398% in each case averaged over the 3 year vesting period. These options have been valued using Black-Scholes methodology and on that basis ascribed average value of \$2.39 per option.
- (ii) The following assumptions were made for purposes of calculating the Value of Options Granted to Messrs. Holland, MacPhail and Anderson on February 24, 2011: an expected average option term of 3.6 years to exercise; a dividend projected to grow on average 13.3% per annum; projected stock price volatility of 20%; and an average risk-free interest rate of 2.458%. These options have been valued using Black-Scholes methodology and on that basis ascribed an average value of \$2.55 per option.
- (iii) The options granted in February 2010 in respect of fiscal 2009 were valued using Black-Scholes methodology and on that basis ascribed a value of \$3.75 per option.
- (iv) The options granted in respect of fiscal 2008 were valued using Black-Scholes methodology and on that basis ascribed a value of \$1.50 per option.
- (v) The actual value realized, if any, on option exercises will be dependent on overall market conditions and the future performance of the Corporation and its Shares. The Corporation cannot be certain that the actual value realized will approximate the amount calculated under the valuation model.
- (5) Mr. MacPhail was awarded 62,900 options on April 14, 2009. These options have been valued at \$2.25 per option using Black-Scholes methodology. Mr. MacPhail received 150,000 options in February 2010 which have been valued at \$3.75 per option using the Black-Scholes methodology described in note (4).
- (6) Mr. Jamieson was awarded 20,000 options in February 2010 which have been valued at \$3.75 per option using the Black-Scholes methodology described in note (4) and a further 20,000 options which do not vest for 3 years and for that reason have been valued at \$3.45 per option using Black-Scholes methodology.
- (7) Ms. Murray was awarded 50,000 options in February 2010 which have been valued at \$3.75 per option using the Black-Scholes methodology described in note (4) and a further 40,000 options which do not vest for 3 years and for that reason have been valued at \$3.45 per option using Black-Scholes methodology.
- (8) In all cases, the value of perquisites and other personal benefits is less than \$50,000 and 10% of the total of the annual salary and bonus.
- (9) Mr. Anderson indicated that he would like to start to reduce his responsibilities and accordingly, in April 2010 Mr. Anderson resigned as President of CI Investments Inc. and assumed the role of Chief Investment Officer.

Equity Compensation Plan Information

The following table sets out information concerning the number and price of securities to be issued under equity compensation plans to employees and others as at December 31, 2010.

Plan Category	Number of Securities to be Issued upon Exercise of Options, Warrants and Rights (a)	Weighted – Average Exercise Price of Outstanding Options, Warrants and Rights (b)	Number of Securities Remaining Available for Future Issuance Under Equity Compensation Plans (excluding securities reflected in (a)) (c)
Equity Compensation Plans Approved by Securityholders	6,270,204	15.50	7,524,286

Termination and Change of Control Benefits

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

Incentive Plan Awards

Outstanding Option-Based and Share-Based Awards

The following table sets out for each Named Executive Officer, information concerning all option-based and share-based awards outstanding as of December 31, 2010.

Name	Option-based Awards				Share-based Awards	
	Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options (\$)	Number of shares or units that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)
William T. Holland Executive Chairman	383,334	11.60	Feb. 24, 2014	4,178,341	0	0
	250,000	21.27	Feb. 24, 2015	307,500		
Douglas J. Jamieson Chief Financial Officer	7,174	12.57	Nov. 27, 2013	71,238	0	0
	28,447	11.60	Feb. 24, 2014	310,072		
	40,000	21.27	Feb. 24, 2015	49,200		
Stephen A. MacPhail President and Chief Executive Officer	223,334	11.60	Feb. 24, 2014	2,434,341	0	0
	41,934	15.59	Apr. 13, 2014	289,764		
	150,000	21.27	Feb. 24, 2015	184,500		
Peter W. Anderson Executive Vice-President and Chief Investment Officer	190,000	11.60	Feb. 24, 2014	2,071,000	0	0
	120,000	21.27	Feb. 24, 2015	147,600		
Sheila A. Murray Executive Vice-President, General Counsel and Secretary	9,250	12.57	Nov. 27, 2013	91,853	0	0
	35,000	11.60	Feb. 24, 2014	381,500		
	90,000	21.27	Feb. 24, 2015	110,700		
David C. Pauli Executive Vice-President, Chief Operating Officer	16,884	12.57	Nov. 27, 2013	167,658	0	0
	28,447	\$11.60	Feb. 24, 2014	310,072		
	60,000	\$21.27	Feb. 24, 2015	73,800		

Value Vested or Earned During the Year

The following table sets out for each Named Executive Officer, information concerning the value of incentive plan awards—option-based and share-based awards as well as non-equity incentive plan compensation—vested or earned during the financial year ended December 31, 2010.

Name	Option-based awards – Value vested during the year (\$)	Share-based awards – Value vested during the year (\$)	Non-equity incentive plan compensation – Value earned during the year (included deferred cash bonus) (\$)
William T. Holland Executive Chairman	1,893,660	2,635,472	1,500,000
Douglas J. Jamieson Chief Financial Officer	200,987	0	435,000
Stephen A. MacPhail President and Chief Executive Officer	2,175,947	1,689,178	1,633,000
Peter W. Anderson Executive Vice-President and Chief Investment Officer	895,850	1,035,752	375,000
Sheila A. Murray Executive Vice-President, General Counsel and Secretary	213,300	0	775,000
David C. Pauli Executive Vice-President and Chief Operating Officer	213,266	0	450,000

Director Compensation

During the financial year ended December 31, 2010, Directors of the Corporation who were not officers or employees of the Corporation were paid an annual fee of \$82,500. The Chairman of the Audit Committee was paid an additional of \$20,000 in recognition of the additional responsibilities which that position entails. The Non-Executive Chairman of the Board was paid an annual fee of \$100,000 inclusive of his director's fee. Directors are entitled to be reimbursed for expenses incurred by them in their capacity as directors. The Compensation Committee authorized a one-time payment of an additional \$15,000 for each Director in recognition of the additional services rendered this past year as they were required to attend 14 meetings in 2010 rather than the average 6. Directors who are also officers or employees of the Corporation were not paid any amount as a result of their serving as Directors of the Corporation. Mr. Derksen and Mr. Oughtred also received compensation for serving as Directors of CI Investments commencing in December 2010.

Director Compensation Table

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

Outstanding Option-Based and Share-Based Awards for Directors

None of the directors has any outstanding option-based and share-based awards other than Messrs. Holland, MacPhail and Anderson; and such information is described above.

Directors' and Officers' Liability Insurance and Indemnification

CI has purchased directors' and officers' liability insurance for the benefit of the Directors and officers of CI and its subsidiaries. The policy has an aggregate limit of \$25 million per policy year plus excess \$5 million "Side A" coverage for non-indemnifiable circumstances. A premium of \$176,000 was paid by CI for the 12-month term which began on June 15, 2010. No part of this premium was paid by the Directors or officers of CI. Any deductible payable by any Director or officer making a claim under the policy is payable by CI and a \$500,000 deductible is also payable by CI.

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

Indebtedness of Directors and Executive Officers

The following table summarizes the aggregate indebtedness to CI, as at April 15, 2011 executive officers, Directors, employees and former executive officers, Directors, Trustees and employees of CI:

Aggregate Indebtedness	
Purpose	To CI or its Subsidiaries
Security Purchases	\$12,100,191
Other	-

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

Indebtedness of Directors and Executive Officers under Securities Purchase Programs						
Name and Principal Position	Involvement of Company or Subsidiary	Largest Amount Outstanding During December 31, 2010 (\$)	Amount Outstanding as at April 15, 2011 (\$)	Financially Assisted Securities Purchases During December 31, 2010 (#)	Security for Indebtedness (common shares/\$ value at December 31, 2010)	Amount Forgiven During December 31, 2010 ⁽¹⁾ (\$)
Securities Purchase Programs						
Douglas J. Jamieson Chief Financial Officer	CI	2,025,000	1,990,000	0	130,000 shares \$2,925,000	0
David C. Pauli Executive Vice-President and Chief Operating Officer	CI	1,800,000	1,800,000	0	100,000 shares \$2,250,000	0
Steven J. Donald President and Chief Executive Officer	Assante Wealth Management (Canada) Ltd.	534,187	0	0	0	0

Note:

(1) The Program does not permit loan forgiveness.

STATEMENT OF GOVERNANCE PRACTICES

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

Description of the Board

Board Composition and Independence

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

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

The Board of Directors believes that the fact that six of the nine current Directors of the Corporation and that six of the eight nominees for election as Directors are "independent" under applicable legal and regulatory requirements and regulations is an important factor in assuring the ability of the Board to act independently of management. While Mr. Chang maintains an office in CI's head offices, he is not in any way involved in or privy to the management of CI other than as a Director of the Board. It is the Board's current determination that in light of the fact that Mr. Chang has not been an employee of the Corporation for over ten years, he should now be considered an independent Director.

Mr. Holland was appointed the Executive Chairman of the Corporation effective September 1, 2010. In order to address any governance concerns that may arise as a result of having Mr. Holland serve as Chairman, the Board has decided to continue the appointment of an independent Director to the position of Lead Director. As Lead Director of the Board since 1999, Mr. R.D. Besse, an independent Director, is responsible for ensuring that the Board of Directors properly discharges its responsibilities and maintains its independence from management. Mr. Besse, as Lead Director, is responsible for chairing all Board meetings.

Certain members of the Board serve as directors of other reporting issuers. In particular, Mr. Besse is a director of Rogers Communications Inc., a position he has held since 1984 and is the Chair of the Audit Committee of Rogers. Mr Besse is also the Vice Chair of the Foundation at Ryerson University, the Honorary Chair of the University's Capital Campaign and the Honorary President of the Ryerson Business Forum; Mr. Chang is a Governor of both Ryerson University and the Royal Ontario Museum. Mr. Chang is Governor of the Toronto General & Western Hospital Foundation where he sits on the Nominations Committee. Mr. Chang is the Chairman of Jameson Bank and Mercatus Technologies Inc, and a director of Camilion Solutions Inc. where he also sits on the Audit Committee; First Global Bank and Grace Kennedy Limited where he sits on the Governance, Remuneration and Audit Committees; Mr. Moore is a Trustee of the Advantaged Preferred Share Trust and Mr. Oughtred is a director of Oppenheimer Holdings Inc., Asian Coast Development (Canada) Ltd., and Belmont House. Mr. Oughtred is also a member of the Independent Review Committee of the Guardian Capital Funds. The Board believes that this experience on other public company boards is of benefit to CI.

Board Meetings

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

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

The charts below illustrate the number of Board and committee meetings held during the fiscal year ended December 31, 2010 and the meeting attendance record for each Director.

Board and Committee Meetings Held

Board 14

Audit Committee 4

Compensation Committee 1

Governance Committee 3

Name	Board Meetings Attended	Committee Meetings Attended
Peter W. Anderson	6 of 6	--
Ronald D. Besse	14 of 14	8 of 8
G. Raymond Chang	13 of 14	7 of 7
Paul W. Derksen	13 of 14	7 of 7
William T. Holland	14 of 14	--
Stephen A. MacPhail	6 of 6	--
Stephen T. Moore	14 of 14	1 of 1
A. Winn Oughtred	14 of 14	4 of 4
David J. Riddle	13 of 14	5 of 5

Mandate of the Board

The mandate of the Board is to supervise the management of the business and affairs of the Corporation acting in the best interests of the Corporation. In addition to dealing with and approving major transactions and matters legally requiring Board involvement, the Board is consulted regularly by

senior management on significant business developments in the affairs of CI and its subsidiaries. The Board has adopted a written charter, a copy of which is contained in Schedule “D” to this Management Information Circular.

Position Descriptions

The Board has not developed a written position description for the Chairman of the Board or the Chair of any of the Board committees. The Board is of the view that these roles and responsibilities are well understood by the Board and the individuals holding these positions. The most important role is to lead the particular Board or Committee and to ensure that the responsibilities of the Board or Committee are carried out. The Directors review the performance of the individuals who occupy these positions on at least an annual basis and use this opportunity to assess and update the responsibilities as described below under “Board, Committee and Director Assessment”.

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

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

Orientation and Education

CI provides an orientation program for newly elected Directors and provides information for all Directors on the activities of CI and its subsidiaries on an ongoing basis. Directors are offered the opportunity on a regular basis, and new Directors are required, to tour CI’s head office operations and to meet and make inquiries of CI and its subsidiaries’ senior managers. Between meetings of the Board, senior management keeps Board members up to date on the business of the Corporation. CI encourages its Directors to maintain the skills and knowledge necessary to meet their obligations as Directors. The CI Directors understand the need to maintain their knowledge and skills and avail themselves of director education literature and programmes.

Ethical Business Conduct

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

- (a) compliance with laws, rules and regulations;
- (b) conflicts of interest;
- (c) protection of confidential information;
- (d) opportunities belonging to CI;
- (e) protection and proper use of CI assets;
- (f) competition and fair dealing, including with CI’s competitors;
- (g) gifts and entertainment and payments to government personnel;

- (h) discrimination and harassment;
- (i) health and safety;
- (j) accuracy of CI records and reporting; and
- (k) use of email and internet services.

Personnel are expected and encouraged to talk to supervisors, department heads or other appropriate personnel about observed illegal or unethical behaviour and when they have any doubt about the best course of action in a particular situation. It is the policy of CI not to allow retaliation for reports of misconduct by others. The Code also outlines compliance procedures and procedures in respect of the reporting of any illegal or unethical behaviour, including in respect of accounting and auditing matters. The compliance department of CI monitors compliance with the Code and requires each employee to certify annually that they have read the Code and agree to comply with it.

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

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

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

Risk Management

The Board as a whole and also at the Committee level, has an active role in overseeing the management of the Corporation's risks. The Board regularly reviews information regarding the Corporation's operations and key risks. The Board meets with the Chief Risk Officer and reviews the annual evaluation of risks and the actions taken to mitigate those risks.

Committees

There are currently three standing committees of the Board - the Audit Committee, the Governance Committee and the Compensation Committee. The Board has delegated certain authority and responsibilities to each of these committees and has mandated that each of them perform certain advisory functions and make recommendations to the Board. Each committee has a written charter, copies of the Audit Committee Charter and Governance Committee Charter are contained in Appendices "A" and "B" in the 2011 Annual Information Form of the Corporation available on SEDAR at www.sedar.com. Each committee is required to reassess its charter at least annually and report to the Board thereon.

Audit Committee

The Audit Committee currently has four independent Directors as its members: Messrs. R.D. Besse, G.R. Chang, P.W. Derksen (Chair) and D.J. Riddle. The Audit Committee is responsible for reviewing quarterly financial statements, annual financial statements and other financial disclosure documents prior to their approval by the full Board. The committee is also responsible for making

recommendations to the Board regarding the appointment and compensation of the external auditors, reviewing CI's financial reporting process, internal controls and the performance of CI's external auditors, and approving non-audit services by the external auditors. The external auditors report directly to the Audit Committee. The Audit Committee has direct access to management and to CI's internal and external auditors in order to review specific issues, and meets quarterly with the auditors without management present. Additional information regarding the Audit Committee, including its written charter, composition, and the relevant education and experience of its members is included in the 2011 Annual Information Form of the Corporation available on SEDAR at www.sedar.com.

Governance Committee

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

Compensation Committee

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

Board, Committee and Director Assessment

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

Directors' Compensation

The Board, acting on the recommendations of the Compensation Committee, reviews the adequacy and form of the Directors' compensation annually and ensures that it reflects the workload, responsibilities and risks of the Directors. The Board, on the recommendation of the Compensation Committee has approved annual compensation for the Directors for 2011 of \$92,500. This fee will be

payable in cash. The Chairman of the Audit Committee will receive an enhanced fee of \$125,000 per annum in 2011 in recognition of the additional responsibilities which that position entails.

Retention of Outside Advisors

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

Securityholder Relations and Communications

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

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

NORMAL COURSE ISSUER BID

Effective May 29, 2010, the TSX accepted CI's notice of intention to commence a normal course issuer bid (the "Notice") through the facilities of the TSX. Under the bid, CI may purchase up to 15,558,418 Shares at the prevailing market price. Purchases under the bid will terminate no later than May 28, 2011. As of April 29, 2011, CI has acquired an aggregate of 1,897,851 Shares under the normal course issuer bid at an average price of \$19.16 per Share. Shareholders may obtain a copy of the Notice, without charge, by contacting the Corporate Secretary of CI. The Corporation intends to renew its Normal Course Issuer Bid effective May 29, 2011, subject to receipt of approval from the Toronto Stock Exchange.

ADDITIONAL INFORMATION

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

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

OTHER BUSINESS


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

DIRECTORS' APPROVAL

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

Toronto, Ontario
May 2, 2011

By Order of the Board of CI Financial Corp.

A handwritten signature in black ink that reads "Sheila A. Murray". The signature is written in a cursive, slightly slanted style.

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

SCHEDULE "A"

RESOLUTIONS REGARDING SHAREHOLDER RIGHTS PLAN

RESOLUTION TO RATIFY CONTINUANCE OF SHAREHOLDER RIGHTS PLAN

BE IT RESOLVED THAT:

1. the continued existence of the Shareholder Rights Plan of the Corporation adopted January 1, 2009 and the Shareholder Rights Plan Agreement entered into between the Corporation and Computershare Investor Services Inc, effective January 1, 2009 be and are hereby ratified and approved; and
 2. any director or officer of the Corporation is hereby authorized, for and on behalf of the Corporation to do all such things and execute and deliver all such documents and instruments as may in the opinion of such director or officer be necessary or advisable to give effect to this resolution, such determination to be conclusively evidenced by the execution and delivery of any such document or instrument, and the taking of any such action.
-

RESOLUTION TO AMEND AND RESTATE SHAREHOLDER RIGHTS PLAN

BE IT RESOLVED THAT:

1. if the Shareholder Rights Plan Agreement entered into between the Corporation and Computershare Investor Services Inc. effective January 1, 2009 is ratified and approved for continuance pursuant to its terms and pursuant to any other requirement(s) as may be applicable, an Amended and Restated Shareholder Rights Plan Agreement be, and is hereby, ratified and approved, effective the date of this resolution; and
 2. any director or officer of the Corporation is hereby authorized, for and on behalf of the Corporation, to do all such things and execute and deliver all such documents and instruments as may in the opinion of such director or officer be necessary or advisable to give effect to this resolution, such determination to be conclusively evidenced by the execution and delivery of any such document or instrument, and the taking of any such action.
-

SCHEDULE “B”

SUMMARY OF AMENDED AND RESTATED RIGHTS PLAN

The following is a summary of the features of the Rights Plan as it applies to the Corporation and a summary of the proposed amendments to the Rights Plan where indicated. The summary is qualified in its entirety by the full text of the Rights Plan, and the proposed Amended Rights Plan Agreement, copies of which are available on request from the Secretary of the Corporation as described in the Information Circular and are also available on SEDAR at www.sedar.com. All capitalized terms used in this summary without definition have the meanings attributed to them in the Rights Plan unless otherwise indicated.

Issuance of Rights

One Right was issued by the Corporation for each Common Share that was outstanding at the close of business on January 1, 2009, the date that the Rights Plan came into effect, and one Right was issued and will continue to be issued for each Common Share issued after such date and prior to the earlier of the Separation Time and the Expiration Time.

Each Right entitles the holder thereof to purchase from the Corporation one Common Share at the exercise price equal to three times the Market Price of the Common Shares, subject to adjustment and certain anti-dilution provisions (the “**Exercise Price**”). The Rights are not exercisable until the Separation Time. If a Flip-in Event occurs, each Right will entitle the registered holder to receive, upon payment of the Exercise Price, Common Shares having an aggregate market price equal to twice the Exercise Price.

Trading of Rights

Until the Separation Time (or the earlier termination or expiration of the Rights), the Rights will be evidenced by the certificates representing the Common Shares and will be transferable only together with the associated Common Shares. From and after the Separation Time, separate certificates evidencing the Rights (“**Rights Certificates**”) will be mailed to holders of record of Common Shares (other than an Acquiring Person) as of the Separation Time. Rights Certificates will also be issued in respect of Common Shares issued prior to the Expiration Time, to each holder (other than an Acquiring Person) converting, after the Separation Time, Convertible Securities. The Rights will trade separately from the Common Shares after the Separation Time.

Separation Time

The Separation Time is the close of business on the tenth Business Day after the earlier of (i) the “Share Acquisition Date”, which is generally the first date of public announcement of facts indicating that a Person has become an Acquiring Person; and (ii) the date of the commencement of, or first public announcement of the intent of any Person (other than the Corporation or any Subsidiary of the Corporation) to commence a Take-over Bid (other than a Take-over Bid which is a Permitted Bid, and the Rights Plan requires such bid to continue to satisfy the requirements of a Permitted Bid). In either case, the Separation Time can be such later date as may from time to time be determined by the Board of Directors. If a Take-over Bid expires, is cancelled, terminated or otherwise withdrawn prior to the Separation Time, it shall be deemed never to have been made.

Acquiring Person

In general, an Acquiring Person is a Person who is the Beneficial Owner of 20% or more of the outstanding Common Shares. Excluded from the definition of “Acquiring Person” are the Corporation and its Subsidiaries, and any Person who becomes the Beneficial Owner of 20% or more of the outstanding Common Shares as a result of one or more or any combination of a Common Share

Reduction, a Permitted Bid Acquisition, an Exempt Acquisition, a Convertible Security Acquisition and a Pro Rata Acquisition. The definitions of “Common Share Reduction”, “Permitted Bid Acquisition”, “Exempt Acquisition”, “Convertible Security Acquisition” and “Pro Rata Acquisition” are set out below with the proposed amendments highlighted:

- (i) a “**Common Share Reduction**” shall mean an acquisition, redemption or cancellation of Common Shares which, by reducing the number of Common Shares outstanding, increases the proportionate number of Common Shares Beneficially Owned by any Person to 20% or more of the Common Shares then outstanding (the proposed amendment to this definition would simply clarify the fact that any such acquisition, redemption or cancellation of Common Shares must be by the Corporation);
- (ii) a “**Permitted Bid Acquisition**” means an acquisition of Common Shares made pursuant to a Permitted Bid or a Competing Permitted Bid;
- (iii) an “**Exempt Acquisition**” means an acquisition of Common Shares:
 - (1) in respect of which the Board of Directors has waived the application of Section 3.1 [the Flip-in Event provisions] pursuant to subsections 5.1(b) [on the approval of the Independent Shareholder], 5.1(c) [in respect of a take-over bid made to all Shareholders] or 5.1(d) [in connection with an inadvertent accumulation of Common Shares]; or
 - (2) which was made pursuant to a dividend reinvestment plan of the Corporation; or
 - (3) which was made pursuant to the receipt or exercise of rights issued by the Corporation to all the holders of Common Shares (other than holders resident in a jurisdiction where such distribution is restricted or impracticable as a result of applicable law) to subscribe for or purchase Common Shares or Convertible Securities, provided that such rights are acquired directly from the Corporation and not from any other Person and provided that the Person does not thereby acquire a greater percentage of Common Shares or Convertible Securities so offered than the Person’s percentage of Common Shares or Convertible Securities beneficially owned immediately prior to such acquisition; or
 - (4) pursuant to a distribution by the Corporation or an Affiliate of Common Shares or Convertible Securities made pursuant to a prospectus (provided that the Person does not thereby acquire a greater percentage of the Common Shares or Convertible Securities so offered than the Person’s percentage of Common Shares or Convertible Securities beneficially owned immediately prior to such acquisition); or
 - (5) pursuant to a distribution by the Corporation or an Affiliate of Common Shares or Convertible Securities by way of a private placement or a securities exchange take-over bid circular or upon the exercise by an individual employee of options to purchase Common Shares granted under a stock option plan of the Corporation or Affiliate of the Corporation or rights to purchase securities granted under a share purchase plan of the Corporation or an Affiliate of the Corporation; provided that (i) all necessary stock exchange approvals for such private placement, acquisition, option plan or purchase plan have been obtained and such private placement, acquisition, option plan or purchase plan complies with the terms and conditions of such approvals and (ii) such Person does not become the Beneficial Owner of more than 5% of the Common Shares outstanding

immediately prior to the distribution (the proposed amendments would increase this number to 25%), and in making this determination, the Common Shares to be issued to such Person shall be deemed to be held by such Person but shall not be included in the aggregate number of outstanding Common Shares immediately prior to the distribution; or

- (6) pursuant to an amalgamation, arrangement, merger or other statutory procedure requiring shareholder approval;
- (iv) a “**Convertible Security Acquisition**” means an acquisition of Common Shares upon the exercise, conversion or exchange of Convertible Securities received by a Person pursuant to a Permitted Bid Acquisition, Exempt Acquisition or a Pro Rata Acquisition; and
- (v) a “**Pro Rata Acquisition**” means an acquisition of Common Shares or Convertible Securities as a result of a share distribution, a share split or other event pursuant to which a Person receives or acquires Common Shares or Convertible Securities on the same *pro rata* basis as all other holders of Common Shares of the same class.

Also excluded from the definition of Acquiring Person are underwriters or members of a banking or selling group acting in connection with a distribution of securities by way of prospectus or private placement, and a Person (a “**Grandfathered Person**”) who is the Beneficial Owner of 20% or more of the outstanding Common Shares of the Corporation as at January 1, 2009, provided, however, that this exception ceases to be applicable to a Grandfathered Person in the event that such Grandfathered Person shall, after January 1, 2009: (1) cease to own 20% or more of the outstanding Common Shares or (2) become the Beneficial Owner of additional Common Shares constituting more than 1% of the number of Common Shares then outstanding, other than pursuant to a Common Share Reduction, a Permitted Bid Acquisition, an Exempt Acquisition, a Convertible Security Acquisition or a Pro Rata Acquisition.

Beneficial Ownership

General

In general, a Person is deemed to “Beneficially Own” securities actually held by others in circumstances where those holdings are or should be grouped together for purposes of the Rights Plan. Included are holdings by the Person’s Affiliates (generally, a person that controls, is controlled by, or is under common control with another person) and Associates (generally, relatives sharing the same residence). Also included are securities which the Person or any of the Person’s Affiliates or Associates has the right to acquire within 60 days (other than (1) customary agreements with and between underwriters and banking group or selling group members with respect to a distribution to the public or pursuant to a private placement of securities; or (2) pursuant to a pledge of securities in the ordinary course of business).

A Person is also deemed to “Beneficially Own” any securities that are Beneficially Owned (as described above) by any other Person with which the Person is acting jointly or in concert (a “**Joint Actor**”). A Person is generally a Joint Actor with any Person who is a party to an agreement, arrangement or understanding with the first Person to acquire or offer to acquire Shares.

Institutional Shareholder Exemptions from Beneficial Ownership

The definition of “**Beneficial Ownership**” contains several exclusions whereby a Person is not considered to “**Beneficially Own**” a security. There are exemptions from the deemed “**Beneficial Ownership**” provisions for institutional shareholders acting in the ordinary course of business. These exemptions apply to (i) an investment manager (“**Investment Manager**”) which holds securities in the

ordinary course of business in the performance of its duties for the account of any other Person (a “**Client**”) including, the acquisition or holding of securities for non-discretionary accounts held on behalf of a Client by a broker or dealer registered under applicable securities laws); (ii) a licensed trust company (“**Trust Company**”) acting as trustee or administrator or in a similar capacity in relation to the estates of deceased or incompetent persons (each an “**Estate Account**”) or in relation to other accounts (each an “**Other Account**”) and which holds such security in the ordinary course of its duties for such accounts; (iii) the administrator or the trustee (a “**Plan Trustee**”) of one or more pension funds or plans (a “**Plan**”) registered under applicable law; (iv) a Person who is a Plan or is a Person established by statute (the “**Statutory Body**”), and its ordinary business or activity includes the management of investment funds for employee benefit plans, pension plans, insurance plans (other than plans administered by insurance companies), or various public bodies; (v) a Crown agent or agency; (iv) a manager or trustee (“**Manager**”) of a mutual fund (“**Mutual Fund**”) that is registered or qualified to issue its securities to investors under the securities laws of any province of Canada or the laws of the United States of America or is a Mutual Fund. The foregoing exemptions only apply so long as the Investment Manager, Trust Company, Plan Trustee, Plan, Statutory Body, Crown agent or agency, Manager or Mutual Fund is not then making or has not then announced an intention to make a Take-over Bid, other than an Offer to Acquire Common Shares or other securities pursuant to a distribution by the Corporation or by means of ordinary market transactions.

A Person will not be deemed to “Beneficially Own” a security because (i) the Person is a Client of the same Investment Manager, or is a client for or has an account with the same Trust Company, or is a Plan with the same Plan Trustee as another Person or Plan on whose account the Investment Manager, Trust Company or Plan Trustee, as the case may be, holds such security; (ii) the Person is a Client of an Investment Manager, Trust Company or a Plan, and the security is owned at law or in equity by the Investment Manager, Trust Company or Plan Trustee, as the case may be; or (iii) the Person is the registered holder of such security as a result of carrying on the business of or acting as a nominee of a securities depository.

Exemption for Permitted Lock-up Agreement

Under the Rights Plan, a Person will not be deemed to “Beneficially Own” any security where the holder of such security has agreed to deposit or tender such security, pursuant to a Permitted Lock-up Agreement, to a Take-over Bid made by such Person or any of such Person’s Affiliates, Associates or Joint Actors, or such security has been deposited or tendered pursuant to a Take-over Bid made by such Person or such Person’s Affiliates, Associates or Joint Actors until the earliest time at which any such tendered security is accepted unconditionally for payment or is taken up or paid for.

A Permitted Lock-up Agreement is essentially an agreement between a Person and one or more holders of Common Shares and/or Convertible Securities (each such holder herein referred to as a “**Locked-Up Person**”) (the terms of which are publicly disclosed and available to the public within the time frames set forth in the definition of Permitted Lock-up Agreement) pursuant to which each Locked-up Person agrees to deposit or tender Common Shares or Convertible Securities to a Take-over Bid made by the Person or any of such Person’s Affiliates, Associates or Joint Actors (the “**Lock-up Bid**”) and which further (i) permits the Locked-up Person to withdraw its Common Shares or Convertible Securities in order to deposit or tender the Common Shares or Convertible Securities to another Take-over Bid or support another transaction at a price or value that exceeds the price under the Lock-Up Bid; or (ii) permits the Locked-up Person to withdraw its Common Shares or Convertible Securities in order to deposit or tender the Common Shares or Convertible Securities to another Take-over Bid or support another transaction at an offering price that exceeds the offering price in the Lock-up Bid by as much as or more than a specified amount and that does not provide for a specified amount greater than 7% of the offering price in the Lock-up Bid. The Rights Plan therefore requires that a Person making a Take-Over Bid structure any lock-up agreement so as to provide reasonable flexibility to the shareholder in order to

avoid being deemed the Beneficial Owner of the Common Shares or Convertible Securities subject to the lock-up agreement and potentially triggering the provisions of the Rights Plan.

A Permitted Lock-up Agreement may contain a right of first refusal or require a period of delay to give the Person who made the Lock-up Bid an opportunity to match a higher price in another Take-over Bid or other similar limitation on a Locked-up Person's right to withdraw Common Shares or Convertible Securities so long as the limitation does not preclude the exercise by the Locked-up Person of the right to withdraw Common Shares or Convertible Securities during the period of the other Take-over Bid or transaction. Finally, under a Permitted Lock-up Agreement, no "break up" fees, "top up" fees, penalties, expenses or other amounts that exceed in aggregate the greater of (i) 2½% of the price or value of the consideration payable under the Lock-up Bid; and (ii) 50% of the amount by which the price or value of the consideration received by a Locked-up Person under another Take-over Bid or transaction exceeds what such Locked-up Person would have received under the Lock-up Bid; can be payable by such Locked-up Person if the Locked-up Person fails to deposit or tender Common Shares or Convertible Securities to the Lock-up Bid or withdraws Common Shares and Convertible Securities previously tendered thereto in order to deposit such Common Shares and Convertible Securities to another Take-over Bid or support another transaction.

Flip-in Event

A Flip-in Event occurs when any Person becomes an Acquiring Person. In the event that, prior to the Expiration Time, a Flip-in Event which has not been waived by the Board of Directors occurs (see "Redemption, Waiver and Termination"), each Right (except for Rights Beneficially Owned or which may thereafter be Beneficially Owned by an Acquiring Person, an Affiliate or Associate of an Acquiring Person or a Joint Actor (or a transferee of any such Person), which Rights will become null and void) shall constitute the right to purchase from the Corporation, upon exercise thereof in accordance with the terms of the Rights Plan, that number of Common Shares having an aggregate Market Price on the date of the Flip-in Event equal to twice the Exercise Price, for the Exercise Price (such Right being subject to anti-dilution adjustments). For example, if at the time of the Flip-in Event the Exercise Price is \$54 and the Market Price of the Common Shares is \$18.00, the holder of each Right would be entitled to purchase Common Shares having an aggregate Market Price of \$108.00 (that is, six Common Shares) for \$54.00 (that is, a 50% discount from the Market Price).

Permitted Bid and Competing Permitted Bid

A "**Permitted Bid**" is a Take-over Bid made by way of a Take-over Bid circular and which complies with the following additional provisions:

- (i) the Take-over Bid is made to all holders of record of Common Shares, other than the Offeror;
- (ii) the Take-over Bid contains irrevocable and unqualified conditions that:
 - A. no Common Shares shall be taken up or paid for pursuant to the Take-over Bid prior to the close of business on a date which is not less than 60 days following the date of the Take-over Bid and the provisions for the take-up and payment for Common Shares tendered or deposited thereunder shall be subject to such irrevocable and unqualified condition;
 - B. unless the Take-over Bid is withdrawn, Common Shares may be deposited pursuant to the Take-over Bid at any time prior to the close of business on the date of first take-up or payment for Common Shares and all Common Shares deposited pursuant to the Take-over Bid may be withdrawn at any time prior to the close of business on such date;

- C. more than 50% of the outstanding Common Shares held by Independent Shareholders must be deposited to the Take-over Bid and not withdrawn at the close of business on the date of first take-up or payment for Common Shares; and
- D. in the event that more than 50% of the then outstanding Common Shares held by Independent Shareholders have been deposited to the Take-over Bid and not withdrawn as at the close of business on the date of first take-up or payment for Common Shares under the Take-over Bid, the Offeror will make a public announcement of that fact and the Take-over Bid will remain open for deposits and tenders of Common Shares for not less than 10 Business Days from the date of such public announcement.

A Competing Permitted Bid is a Take-over Bid that (i) is made after a Permitted Bid or other Competing Permitted Bid has been made and prior to the expiry or the Permitted Bid or another Competing Permitted Bid; (ii) that satisfies all the components of the definition a Permitted Bid, other than the requirements set out in clause (ii) of that definition [a Competing Permitted Bid is not required to remain open for 60 days] and (iii) contains, and the take-up and payment for securities tendered or deposited is subject to, an irrevocable and unqualified condition that no Common Shares will be taken up or paid for pursuant to the Take-over Bid prior to the close of business on a date that is no earlier than the later of: (A) the earliest date on which Common Shares may be taken up or paid for under any Permitted Bid or Competing Permitted Bid that is then in existence; and (B) 35 days (or such other minimum period of days as may be permitted by applicable law in Ontario) after the date of the Take-over Bid constituting the Competing Permitted Bid. (The proposed amendment to the definition of Competing Permitted Bid would simply clarify that the relevant time period in (A) is the 60th day after the date on which the earliest Permitted Bid which preceded the Competing Permitted Bid was made, and would delete the words in parentheses in (B) and thereby confirm that the relevant time period is simply 35 days after the date of the Take-over Bid constituting the Competing Permitted Bid.)

Redemption, Waiver and Termination

Redemption of Rights on Approval of Independent Shareholders and Holders of Rights. The Board of Directors acting in good faith may, after having obtained the prior approval of the Independent Shareholders or holders of Rights, as the case may be, at any time prior to the occurrence of a Flip-in Event, elect to redeem all but not less than all of the then outstanding Rights at a redemption price of \$0.000001 per Right, appropriately adjusted for anti-dilution as provided in the Rights Plan (the “**Redemption Price**”).

Waiver of Inadvertent Acquisition. The Board of Directors acting in good faith may waive the application of the Rights Plan in respect of the occurrence of any Flip-in Event if (i) the Board of Directors has determined that a Person became an Acquiring Person under the Rights Plan by inadvertence and without any intent or knowledge that it would become an Acquiring Person; and (ii) the Acquiring Person has reduced its Beneficial Ownership of Common Shares such that at the time of waiver the Person is no longer an Acquiring Person.

Deemed Redemption. In the event that a Person who has made a Permitted Bid or a Take-over Bid in respect of which the Board of Directors has waived or has deemed to have waived the application of the Rights Plan consummates the acquisition of the outstanding Common Shares, the Board of Directors shall be deemed to have elected to redeem the Rights for the Redemption Price.

Discretionary Waiver with Mandatory Waiver of Concurrent Bids. The Board of Directors acting in good faith may, prior to the occurrence of a Flip-in Event as to which the Rights Plan has not been waived under this clause, upon prior written notice to the Rights Agent, waive the application of the Rights Plan to a Flip-in Event that may occur by reason of a Take-over Bid made by means of a Take-over Bid circular to all holders of record of Common Shares. However, if the Board of Directors waives

the application of the Rights Plan, the Board of Directors shall be deemed to have waived the application of the Rights Plan in respect of any other Flip-in Event occurring by reason of such a Take-over Bid made prior to the expiry of a bid for which a waiver is, or is deemed to have been, granted.

Discretionary Waiver respecting Acquisition not by Take-over Bid Circular. The Board of Directors acting in good faith may, upon prior consent of the holders of Common Shares, determine, at any time prior to the occurrence of a Flip-in Event as to which the application of the Rights Plan has not been waived, if such Flip-in Event would occur by reason of an acquisition of Common Shares otherwise than pursuant to a Take-over Bid made by means of a Take-over Bid circular to holders of record of Common Shares and otherwise than by inadvertence when such inadvertent Acquiring Person has then reduced its holdings to below 20%, to waive the application of the Rights Plan to such Flip-in Event. However, if the Board of Directors proposes such a waiver, the Board of Directors shall extend the Separation Time to a date at least 10 Business Days following the meeting of shareholders called to approve such a waiver.

Redemption of Rights on Withdrawal or Termination of Bid. Where a Take-over Bid that is not a Permitted Bid is withdrawn or otherwise terminated after the Separation Time and prior to the occurrence of a Flip-in Event, the Board of Directors may elect to redeem all the outstanding Rights at the Redemption Price.

If the Board of Directors is deemed to have elected or elects to redeem the Rights as described above, the right to exercise the Rights will thereupon, without further action and without notice, terminate and the only right thereafter of the holders of Rights is to receive the Redemption Price. Within 10 Business Days of any such election or deemed election to redeem the Rights, the Corporation will notify the holders of the Common Shares or, after the Separation Time, the holders of the Rights.

Anti-Dilution Adjustments

The Exercise Price of a Right, the number and kind of securities subject to purchase upon exercise of a Right, and the number of Rights outstanding, will be adjusted in certain events, including:

- (a) if there is a dividend payable in Common Shares or Convertible Securities (other than pursuant to any optional Common Share dividend program, dividend reinvestment plan or a dividend payable in Common Shares in lieu of a regular periodic cash dividend) on the Common Shares;
- (b) a subdivision or consolidation of the Common Shares;
- (c) an issuance of Common Shares or Convertible Securities in respect of, in lieu of or in exchange for Common Shares in a reclassification, amalgamation, merger, statutory arrangement or consolidation; or
- (d) if the Corporation fixes a record date for the distribution to all holders of Common Shares of certain rights or warrants to acquire Common Shares or Convertible Securities, or for the making of a distribution to all holders of Common Shares of certain evidences of indebtedness or assets (other than regular periodic cash dividend or a dividend payable in Common Shares) or rights or warrants.

Supplements and Amendments

The Corporation may make amendments to correct any clerical or typographical error or which are necessary to maintain the validity of the Rights Plan as a result of any change in any applicable legislation, rules or regulation. Any changes made to maintain the validity of the Rights Plan will be

subject to subsequent confirmation by the holders of the Common Shares or, after the Separation Time, the holders of the Rights.

Subject to the above exceptions, any amendment, variation or deletion of or from the Rights Plan and the Rights is subject to the prior approval of shareholders deemed to be given by the approval of Independent Shareholders, or, after the Separation Time, the holders of the Rights.

Expiration

If the continuance of Rights Plan is ratified and approved at the 2011 meeting of the Shareholders, it will continue to remain in force until the earlier of the Termination Time (the time at which the right to exercise Rights shall terminate pursuant to the Rights Plan) and the termination of the annual meeting of the Shareholders in the year 2014.

SCHEDULE “C”

ADVISORY VOTE ON APPROACH TO EXECUTIVE COMPENSATION

RESOLVED, on an advisory basis and not to diminish the role and responsibilities of the Board of Directors, that the shareholders accept the approach to executive compensation disclosed in the Corporation’s management information circular delivered in advance of the 2011 Annual and Special Meeting of the Shareholders.

SCHEDULE “D”

CI FINANCIAL CORP.

BOARD OF DIRECTORS’ MANDATE

As of January 1, 2011

The Board of Directors is responsible for the stewardship of the Company and in that regard has the duty to manage and supervise the management of the business and affairs of the Company.

Composition

The Board is elected annually by Shareholders. The articles of incorporation of the Company stipulate that the Board shall consist of a minimum of three and no more than fifteen Directors, with the number of Directors from time to time within such range being fixed by resolution of the Directors.

A majority of Directors shall be “independent”. “Independent” shall have the meaning, as the context requires, given to it in National Policy 58-201 – *Corporate Governance Guidelines*, as may be amended from time to time.

The Board shall consider its size and composition on a regular basis, in view of its responsibilities and the risks and strategic direction of the Company.

Duties and Responsibilities

In fulfilling its mandate, the Board’s responsibilities include:

1. Strategic Planning

- Providing oversight and guidance on the strategic issues facing the Company.
- Approving significant business decisions not specifically delegated to management.
- Assisting management in formulating strategic and operating plans.
- Approving the Company’s financial objectives.

2. Financial Information and Internal Controls

- Overseeing the financial reporting and disclosure obligations of the Company imposed pursuant to laws, regulations, rules or policies.
- Monitoring the integrity of the Company’s management information systems and the effectiveness of its internal controls.
- Overseeing the processes underlying management’s certification and attestations with respect to the Company’s internal control and disclosure control procedures.
- Approving the Company’s financial statements, management’s discussion and analysis (MD&A) and press releases and overseeing the Company’s compliance with audit, accounting and reporting requirements.
- Overseeing management of taxation issues.

3. **Identification and Management of Risks**

- Ensuring that appropriate processes are in place to identify, manage and mitigate the principal risks inherent in the Company's business and operations.
- Overseeing and monitoring processes to provide reasonable assurance that the business of the Company is being operated in compliance with all applicable legal and regulatory requirements.

4. **Human Resource Management and Executive Compensation**

- Assisting management in developing policies and practices to enable the Company to attract, develop and retain skilled senior executives
- Overseeing the Company's executive compensation and the compensation philosophy used in determining the compensation awarded to non-executive employees.
- Succession planning for senior management, including recruiting, appointment and evaluation and, if necessary, termination of the chief executive officer, and oversight of appointment and performance of other senior executive officers.

5. **Governance**

- Developing, approving and monitoring the Company's approach to corporate governance
- Establishing and maintaining formal processes for annual assessment of the effectiveness of the Board, individual directors and the Board committees.
- Monitoring the composition of the Board and assessing the skills and competencies necessary for the Board.
- Taking reasonable steps to ensure that the Company has procedures in place to permit the Board to function independently.

6. **Integrity and Ethics**

- Approving and monitoring compliance with the Company's Code of Ethics and Business Conduct and other policies which foster a culture of integrity.
- Obtaining reasonable assurance that the senior management strives to create a culture of integrity.
- Establishing and overseeing a whistleblower process.

7. **Corporate Communications**

- Approving the Company's Disclosure Policy.
- Monitoring compliance with applicable corporate and securities law requirements regarding the accuracy and timeliness of disclosure.

Committees

Subject to applicable laws and the articles and by-laws of the Company, the Board shall delegate certain authority and responsibilities to its committees and require that each of them perform certain advisory functions and make recommendations to the Board in accordance with written charters. The Board has approved charters for each Board committee and shall approve mandates for each new Board committee. The Board has established the following standing committees: the Audit Committee, the Compensation Committee, the Governance Committee. The Board may establish other Board committees or merge or disband any Board committee. Each committee is required to reassess its written charter at least annually

and report to the Board thereon. To facilitate communication between the Board and each Board committee, each committee chair shall provide a report to the Board on material matters considered by the committee at the first Board meeting after the committee's meeting.

Meetings

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

(a) Secretary and Minutes

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

(b) Meetings Without Management

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

(c) Directors' Responsibilities

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

Service on Other Boards and Committees

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

Continuation of Board Members

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

Authority of the Board

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

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

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

Security Ownership by Directors

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

Annual Review of the Mandate

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

No Rights Created

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



2 Queen Street East
Twentieth Floor
Toronto, Ontario
M5C 3G7

Phone: (416) 364-1145
Toll Free: 1-800-268-9374

E-mail: investorrelations@ci.com

Website: www.ci.com