

**FOYSTON, GORDON & PAYNE INC.
STATEMENT OF POLICIES
CONCERNING
RELATED REGISTRANTS**

Rule 31-501 of the Ontario Securities Commission (the "**Rule**") requires that where a registrant has a principal shareholder that is a principal shareholder of another registrant, the registrant shall adopt policies and procedures to minimize the potential for conflict of interest resulting from such relationship(s). The registrant is also required to disclose to clients in writing, initially before affecting a trade or providing advice and once in each calendar year thereafter, if there are any changes to this disclosure, the details of the relationship(s) and the policies and procedures adopted to minimize the potential for conflict of interest resulting from such relationship(s).

Relationship of Related Registrants

Foyston Gordon & Payne Inc. ("**Foyston**"), registered in certain jurisdictions, including under the *Securities Act* (Ontario) (the "**Act**"), as a dealer in the category of limited market dealer and an adviser in the categories of investment counsel and portfolio manager, is related to the following registrants (together with Foyston, the "**AMG Registrants**") by virtue of each having Affiliated Managers Group, Inc. ("**AMG**") as a direct or indirect holder of 10% percent or more of the voting securities:

- (a) Beutel, Goodman & Company Ltd.: registered under the Act as an adviser in the categories of investment counsel and portfolio manager, and in the equivalent categories in certain other jurisdictions;
- (b) Covington Capital Corporation: registered under the Act as a dealer in the category of limited market dealer and as an adviser in the categories of investment counsel and portfolio manager;
- (c) Chicago Equity Partners, LLC: registered under the Act as an international adviser in the categories of investment counsel and portfolio manager;
- (d) Deans Knight Capital Management Ltd.: registered under the Act as a dealer in the category of extra provincial limited market dealer and as an adviser in the categories of extra provincial investment counsel and portfolio manager, and in the equivalent categories in certain other jurisdictions;
- (e) Essex Investment Management Company, LLC: registered under the Act as an international adviser in the categories of investment counsel and portfolio manager;
- (f) First Quadrant, L.P.: registered under the Act as an international adviser in the categories of investment counsel and portfolio manager;
- (g) Genesis Asset Managers, LLP: registered in the province of British Columbia as an investment counsel and portfolio manager;

- (h) Genesis Investment Management, LLP: registered in the province of British Columbia as an investment counsel and portfolio manager;
- (i) Louisbourg Investments Inc.: registered in the province of New Brunswick as an adviser in the categories of investment counsel and portfolio manager, and in the equivalent categories in certain other jurisdictions;
- (j) Montrusco Bolton Investments Inc.: registered under the Act as a dealer in the category of limited market dealer, as an adviser in the categories of investment counsel and portfolio manager and under the *Commodity Futures Act* (Ontario) as a Commodity Trading Manager, and in the equivalent categories in certain other jurisdictions;
- (k) Systematic Financial Management, LP: registered under the Act as an international adviser in the categories of investment counsel and portfolio manager, and in the equivalent categories in certain other jurisdictions; and
- (l) Tweedy, Browne Company LLC: registered under the Act as an international adviser in the categories of investment counsel and portfolio manager and as a dealer in the category of international dealer.

Policies and Procedures to Minimize Conflict of Interest

Potential for Conflict

To the extent that one AMG Registrant determines it to be in the interests of its clients to engage the services of, or invest in financial products offered by, another AMG Registrant, it could be subject to a potential conflict of interest, given its indirect relationship with the other AMG Registrants. Foyston and its officers and employees must ensure that if they select another AMG Registrant it is based on the determination that such other AMG Registrant is an appropriate selection having regard to the client's circumstances.

Discrete Businesses

The potential for conflict of interest is minimized by the fact that, although AMG holds ownership interests in each of them, the AMG Registrants operate as discrete businesses with separate management and separate, individually constituted, boards of directors.

If Foyston determines that it is appropriate to engage another AMG Registrant for a client, or to have the client invest in financial products offered by another AMG Registrant, Foyston will, at such time, notify the client of the relationship if the relationship between Foyston and such other AMG Registrant is not otherwise described in materials provided to the client in connection with the engagement or investment.

Representatives of AMG and other AMG Registrants may from time to time act as directors of Foyston and may also be directors of other AMG Registrants. All AMG Registrants have adopted policies and procedures that minimize the potential for conflicts of interest resulting from the relationships of the directors and the AMG Registrants, and all directors are required to observe such policies in carrying out their duties.

Confidentiality and Privacy

In addition, Foyston has adopted a privacy policy in accordance with the *Personal Information Protection and Electronic Documents Act* (Canada) with respect to personal information of Foyston clients. This policy states that Foyston will only disclose this information to third parties or its affiliates in limited specific circumstances on a strictly confidential basis.

Compliance with Regulatory Requirements

Finally, Foyston will only engage in activities where it is confident that such activities are in compliance with all requirements imposed by the Rule. In particular, as noted above, it is Foyston's policy to ensure that the engagement of other AMG Registrants on behalf of Foyston's clients would only be done when it has been determined that such other AMG Registrant is an appropriate selection in the circumstances.