

**FOYSTON, GORDON & PAYNE INC.  
STATEMENT OF POLICIES  
CONCERNING  
SECURITIES OF RELATED AND CONNECTED ISSUERS**

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

The firm has a relationship with the persons or companies listed or described in this statement. This firm or its directors, officers, partners, salesmen or other employees may from time to time provide to you advice about a security issued by those listed persons or companies. If you wish further information concerning the relationship between this firm and those listed persons or companies please contact us.

**Important Concepts**

“**related**” may be said to involve positions permitting, through ownership or otherwise, a controlling influence, and would include all companies under a common controlling influence;

“**connected**” may be said to involve a state of indebtedness to, or other relationship with, the registrant or those “**related**” to the registrant that, in connection with a distribution of securities, would be material to a purchaser of the securities; and

“**Foyston**” means Foyston, Gordon & Payne Inc., which is registered in certain jurisdictions, including under the *Securities Act* (Ontario), as an adviser in the categories of investment counsel and portfolio manager and, in Ontario, as a dealer in the category of limited market dealer.

**Required Disclosure**

Foyston is prepared to engage in activities as an adviser in respect of securities of related issuers of Foyston and, in the course of a distribution, of securities of connected issuers of Foyston to the fullest extent permitted by law. However, Foyston will conduct all such activities in accordance with all applicable laws, including, without limiting the generality of the foregoing, the rules, regulations and policies made under the *Securities Act* (British Columbia), the *Securities Act* (Alberta), the *Securities Act* (Ontario) and the *Securities Act* (Quebec) (the “Applicable Securities Acts”) which limit the activities of Foyston in acting as an adviser in respect of the securities of related issuers or connected issuers of Foyston.

Attached to this statement of policies is a list of related and connected issuers of Foyston, including related issuers of Foyston that are reporting issuers in the Applicable Provinces and issuers that have distributed securities outside the Applicable Provinces on a basis that, if they had done so in the Applicable Provinces, would have made them reporting issuers for purposes of the Applicable Securities Acts. The list contains a statement of the relationship between Foyston and each of the related issuers identified therein.

Foyston must make certain disclosures where it acts as a dealer and adviser, or exercises discretion on behalf of client accounts with respect to securities of related and/or connected issuers. In these situations, Foyston must disclose the relationship with the issuer of the securities and make disclosure to its clients where it is known or should be known that, as a result of its actions, Foyston would purchase or sell securities of a related and/or connected issuer. The following is a list of the time and manner in which these disclosures are made:

- A copy of this statement of policies is an appendix to the discretionary management agreement which stipulates that Foyston is authorized to subscribe for or purchase, from time to time, for the benefit of the client, securities of related and/or connected issuers, subject to securities regulatory requirements and their investment policy.
- Should this statement of policies be revised or amended, Foyston will provide a copy of the revised version or of the amendment as soon as a transaction in the securities described above is made for a client account, but without exceeding 45 days from filing the revision or amendment with regulatory authorities.
- Where Foyston transacts in securities of a related and/or connected issuer for client accounts, the required disclosure will be contained in the statement which Foyston prepares and sends to its clients.

### **Relationship of Related and/or Connected Issuers**

The following can be considered related and/or connected issuers:

**FOYSTON GROUP OF POOLED FUNDS**, a family of pooled funds which includes the funds listed below as well as any additional funds which may be created from time to time within the same group. Each of these funds is a separate, open-end entity, offered by way of private placement in Canada in accordance with applicable laws.

1. FGP Balanced Fund
2. FGP Bond Fund
3. FGP Canadian Equity Fund
4. FGP Foreign Equity Fund
5. FGP Global Focus Equity Fund
6. FGP International Equity Fund
7. FGP Private Balanced Fund
8. FGP Private Bond Fund
9. FGP Private Canadian Equity Fund
10. FGP Private Global Focus Equity Fund
11. FGP Private International Equity Fund
12. FGP Private U.S. Equity Fund
13. FGP Short Term Investment Fund
14. FGP Small Cap Canadian Equity Fund
15. FGP U.S. Equity Fund

In addition, Affiliated Managers Group, Inc. (“AMG”) has a controlling influence over Foyston and as a result of Foyston’s indirect relationship with AMG’s various affiliates, shareholders and subsidiaries, the following are related and/or connected issuers or groups of related and/or connected issuers:

1. Affiliated Managers Group, Inc.
2. Beutel, Goodman & Company group of mutual funds
3. Beutel, Goodman & Company group of pooled funds
4. Covington group of mutual funds
5. Deans Knight Capital group of pooled funds
6. Managers group of mutual funds
7. Montrusco Bolton Focus (Canadian) Global Fund Ltd.
8. Montrusco Bolton group of pooled funds
9. Tweedy, Browne group of mutual funds

The list above includes by reference any additional funds which may be created from time to time within the same Fund group.

#### **Policies to Minimize Conflict of Interest**

Foyston (and/or its directors, officers or other employees) may, from time to time, advise Foyston’s clients with respect to the purchase or sale of, or provide advice about, securities issued by related and/or connected issuers to Foyston. Foyston will only engage in such activities if it is confident that they are in the best interests of its clients and are in compliance with all requirements imposed by applicable securities law and the particular client's investment policy.