



Ontario
Securities
Commission

Commission des
valeurs mobilières
de l'Ontario

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**IN THE MATTER OF THE *SECURITIES ACT*,
R.S.O. 1990, c. S.5, AS AMENDED**

- and -

IN THE MATTER OF CI FINANCIAL CORP.

- and -

IN THE MATTER OF DECISIONS OF THE TORONTO STOCK EXCHANGE

ORDER

(Section 21.7 and subsection 8(3) of the Act)

WHEREAS on May 9, 2011, CI Financial Corp. (“**CI**”) requested a hearing and review by the Ontario Securities Commission (the “**Commission**”), pursuant to section 21.7 of the Ontario Securities Act, R.S.O. 1990, c. S.5, (the “**Act**”), of two decisions made by the Listings Committee of the Toronto Stock Exchange (the “**TSX**”) on April 20, 2011 and April 29, 2011 (the “**TSX Decisions**”) (the “**Application**”);

AND WHEREAS the TSX, in the TSX Decisions, determined to exercise discretion to require CI to submit a resolution to ratify the continued existence of CI’s Shareholder Rights Plan (the “**Plan**”) to a two-tiered vote, in accordance with the terms of section 636(b) of the TSX Company Manual (“**Two-Tiered Vote**”);

AND WHEREAS the Plan will expire at CI’s 2011 Annual General Meeting, scheduled for June 2011 (the “**2011 Annual General Meeting**”) unless its continued existence is ratified by shareholders in accordance with the Plan, as set out in section 5.19 of the Plan, in which case the Plan will expire at CI’s 2014 Annual General Meeting;

AND WHEREAS the Plan was adopted by the board of directors of CI on October 21, 2008;

AND WHEREAS on or about October 22, 2008, in accordance with the TSX Company Manual, CI filed the Plan and the materials required by section 635 of the TSX Company Manual with the TSX;

AND WHEREAS on October 27, 2008, the TSX sent a letter to CI (the “**TSX Approval**”) which advised that the TSX accepted notice for filing of the Plan, subject to conditions including that the Plan must be ratified by a Two-Tiered Vote;

AND WHEREAS the Plan was ratified by a Two-Tiered Vote at a special meeting on December 19, 2008;

AND WHEREAS Bank of Nova Scotia (“**BNS**”) is not an Independent Shareholder, as defined in the Plan (“**Independent Shareholder**”), for purposes of the 2011 Annual General Meeting;

AND WHEREAS on April 1, 2011, BNS requested that the TSX require CI to seek a Two-Tiered Vote on the continued existence of the Plan at the 2011 Annual General Meeting;

AND WHEREAS CI took the position that the Plan does not require a Two-Tiered Vote but only requires a vote by the Independent Shareholders;

AND WHEREAS the TSX, in the TSX Decisions, determined to exercise its discretion to require CI to seek a Two-Tiered Vote to ratify the Plan’s continued existence at its 2011 Annual General Meeting;

AND WHEREAS a hearing of the Application before the Commission was held on May 26, 2011, and counsel for CI, the TSX and Staff of the Commission (the “**Parties**”) made oral submissions with respect to the Application;

AND WHEREAS we considered the written and oral submissions of the Parties, the materials provided by the Parties, and the language of the TSX Company Manual to which we were referred by the Parties;

AND WHEREAS we find that the TSX had jurisdiction over the adoption of the Plan in 2008, because it was a transaction involving the issuance or potential issuance of a security;

AND WHEREAS the TSX exercised its jurisdiction at that time by issuing the TSX Approval;

AND WHEREAS we find that the TSX’s jurisdiction with regard to the Plan does not extend to the ratification of the continued existence of the Plan in 2011;

AND WHEREAS reasons for our decision will be issued in due course;

IT IS ORDERED THAT:

1. The TSX Decisions are set aside pursuant to subsection 8(3) and section 21.7 of the Act; and
2. Pursuant to subsection 8(3) of the Act, the specific terms of section 5.19 of the Plan are upheld, and accordingly only the Independent Shareholders of CI are entitled to vote on a resolution ratifying the continued existence of the Plan at the 2011 Annual General Meeting.

DATED at Toronto this 26th day of May, 2011.

“Mary G. Condon”

Mary G. Condon

“Sinan O. Akdeniz”

Sinan O. Akdeniz