CANADIAN GENERAL INVESTMENTS, LIMITED

Annual Information Form

March 13, 2020

Common Shares
3.75% Cumulative Redeemable Class A Preference Shares, Series 4

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Certain statements included in this Annual Information Form may constitute forward-looking statements, including those identified by the expressions "anticipate", "believe", "plan", "estimate", "expect", "intend" and similar expressions to the extent they relate to the Company or the Manager. In addition, any statement that may be made concerning future financial performance (including revenues, earnings or growth rates), ongoing business, objectives or investment strategies or prospects and possible future actions by the Company are also forward-looking statements. Such forward-looking statements are not historical facts but reflect the Company's or the Manager's current expectations regarding future results or events. Such forward-looking statements are subject to a number of risks and uncertainties that could cause actual results or events to differ materially from current expectations, including the matters discussed under "Risk Factors" and in other sections of this Annual Information Form. The reader is cautioned to consider these and other factors carefully when making decisions with respect to the Company and not place undue reliance on forward-looking statements. Except as may be required by applicable law, neither the Company nor the Manager undertakes any obligation to update publicly or to revise any of such forward-looking statements, whether as a result of new information, future events or otherwise.

NAME, FORMATION AND HISTORY OF THE COMPANY

Canadian General Investments, Limited (referred to herein as "CGI" or the "Company") was established under the laws of the Province of Ontario pursuant to letters patent dated January 15, 1930 (under its original name, Second Canadian General Investments Limited, which was subsequently changed to Canadian General Investments, Limited pursuant to supplementary letters patent dated August 17, 1931). CGI is considered an "investment fund" and a "non-redeemable investment fund" for purposes of applicable securities laws.

On May 9, 2013, the Company filed articles of amendment to create a fourth series of Class A preference shares designated "3.75% Cumulative Redeemable Class A Preference Shares, Series 4" (the "Series 4 Shares"). Additional information with respect to the preference shares is provided under *"Description of Capital Stock - Preference Shares"*.

CGI is a closed-end investment fund focussed on medium- to long-term investments in Canadian corporations. Its objective is to provide better than average returns to investors through prudent security selection, timely recognition of capital gains/losses and appropriate income-generating instruments.

The Company currently manages its investments so as to satisfy the investment requirements of being an "investment corporation" under the *Income Tax Act* (Canada) (the "Tax Act"). The primary benefits of such status may be summarized as follows:

(a) the Company is entitled to obtain a refund of any tax paid by it on its realized capital gains by distributing its capital gains to shareholders by way of dividends. The Company must file an election with the Canada Revenue Agency with respect to this form of dividend which is then regarded as a "capital gains dividend". A capital gains dividend is treated as a capital gain in the hands of shareholders as if they had directly realized the capital gain realized by the Company. In effect, therefore, there is no corporate level tax on the capital gains realized by the Company; and

(b) generally, the Company is entitled to relief from tax under Part VI.1 of the Tax Act in respect of dividends paid by the Company on taxable preferred shares, other than dividends paid to a "controlling corporation" or to a "specified person" in relation to such a "controlling corporation" under the Tax Act.

There are certain limiting aspects of maintaining such status, including that not more than 25% of the Company's gross revenue may be from interest income and that at least 85% of the Company's gross revenue must be from Canadian sources.

CGI regularly reviews the benefits and limitations of continuing to maintain such "investment corporation" status.

Major events affecting the Company during the past ten years include:

- CGI initiated a leveraging strategy in 1998, through the issuance of preference shares, in an effort to enhance returns to common shareholders. There has been one issuance since 2010: $75 million Series 4 Shares on May 30, 2013. The particulars of the conditions attached to the Series 4 Shares issued through this issuance are provided under *"Description of Capital Stock – Preference Shares"*.

- On May 29, 2013 the Company redeemed the $75 million 4.65%, Cumulative Redeemable Class A Preference Shares, Series 2 in accordance with the terms thereof. These shares had originally been issued in November 2003.

- On June 9, 2016 the Company entered into a credit agreement giving it access to $75 million (the "Credit Facility") and drew down the full amount. The Credit Facility was a non-revolving, three-year fixed-rate facility that bore interest at 2.28% per annum that was paid quarterly. The proceeds of the Credit Facility were used to fund the redemption of the $75 million 3.90%, Cumulative Redeemable Class A Preference shares, Series 3 and on an ongoing basis as part of the Company's overall leverage strategy. These shares had originally been issued in February 2006.

- On June 5, 2019, CGI entered into an amended and restated credit agreement for a $100 million one-year non-revolving secured credit facility (the "Amended and Restated Credit Facility"). Amounts may be borrowed under the Amended and Restated Credit Facility through prime rate loans, which bear interest at the greater of the bank's prime rate and the Canadian Deposit Offered Rate (CDOR) plus 1.00% per annum, or bankers' acceptances, which bear interest at the CDOR plus 0.75% per annum. The Amended and Restated Credit Facility has an evergreen feature, which allows the Company continued use of the Amended and Restated Credit Facility indefinitely beyond the initial one-year term, provided the bank has not given CGI one-year's notice that it is terminating the Amended and Restated Credit Facility. The Amended and Restated Credit Facility has the effect of extending the maturity date and increasing the credit limit on the $75 million Credit Facility that was scheduled to mature on June 6, 2019.

Morgan Meighen & Associates Limited (referred to herein as "MMA" or the "Manager") is the manager of CGI.

The head office and principal place of business of both the Company and the Manager is 10 Toronto Street, Toronto, Ontario, M5C 2B7.

INVESTMENT RESTRICTIONS

CGI is subject to, and managed in accordance with, certain restrictions and practices prescribed by securities legislation, including National Instrument 81-102 *Investment Funds* ("NI 81-102") which are designed, in part, to ensure proper administration and diversification of CGI's investments. However, NI 81-102 does not subject non-redeemable investment funds (closed-end investment funds), including the Company, to all of the same restrictions and practices with respect to concentration and liquidity of portfolio holdings as mutual funds.

Subject to the terms of the amended and restated management agreement between the Company and the Manager dated July 18, 2018 (the "Management Agreement"), the Manager acts in accordance with the Company's investment objectives, guidelines, strategy and restrictions (collectively, the "Investment Policy") as established and amended from time to time by the Board of Directors of CGI (the "Board"). The Investment Policy includes certain restrictions that are required to maintain the Company's status as an investment corporation as described under *"Canadian Federal Income Tax Considerations – Taxation of the Company"*. In the case of any event of non-compliance by the Manager in respect of the Company's Investment Policy at any time, the Manager shall report the specifics of such non-compliance to the Company in a manner as directed by the Board and shall thereafter implement the instructions given to the Manager by the Company as directed by the Board.

DESCRIPTION OF CAPITAL STOCK

Common Shares

The Company is authorized to issue an unlimited number of common shares of which 20,861,141 were outstanding at March 13, 2020. Each holder of common shares is entitled to one vote for each common share registered in his or her name.

Holders of common shares are entitled to receive dividends if, as and when declared by the Company and, subject to the rights of the holders of another class of shares, are entitled to receive the remaining property of the Company on the liquidation, dissolution or winding up of the Company, whether voluntary or involuntary, or any other distribution of the assets of the Company among its shareholders for the purpose of winding up its affairs.

Preference Shares

The Company is authorized to issue, in series, a class of preference shares of which 3,000,000, 3.75% cumulative, redeemable Class A preference shares, Series 4 were outstanding at March 13, 2020 (all series outstanding in aggregate are referred to as the "Class A Preference Shares").

The Class A Preference Shares shall be entitled to priority over the common shares with respect to the payment of dividends and the return of capital and the distribution of assets in the event of the liquidation, dissolution or winding-up of the Company, whether voluntary or involuntary, or any other distribution of the assets of the Company among its shareholders for the purpose of winding-up its affairs.

Rating:
As at March 13, 2020, the Class A Preference Shares are rated Pfd-1(low) by DBRS Limited ("DBRS").

Each of the rating categories used by DBRS for preferred shares is denoted by the subcategories "high" and "low". The absence of either a "high" or "low" designation indicates the rating is in the middle of the category. Preferred shares rated Pfd-1 are of superior credit quality, and are supported by entities with strong earnings and balance sheet characteristics. Pfd-1 securities generally correspond with companies whose senior bonds are rated in the AAA or AA categories. As is the case with all rating categories, the relationship between senior debt ratings and preferred share ratings should be understood as one where the senior debt rating effectively sets a ceiling for the preferred shares issued by the entity. However, there are cases where a preferred share rating could be lower than the normal relationship with the issuer's senior debt rating.

Credit ratings are intended to provide investors with an independent assessment of the credit quality of an issue or issuer of securities and do not speak to the suitability of particular securities for any particular investor. A security rating is not a recommendation to buy, sell or hold securities and may be subject to revision or withdrawal at any time by DBRS. There is no assurance that any rating will remain in effect for any given period of time or that any rating will not be withdrawn or revised entirely by a rating agency at any time if in its judgment circumstances so warrant. Customary fee payments were made, and may reasonably be made, by the Company to DBRS in connection with the rating assigned to the Series 4 Shares, including the confirmation of such rating on June 12, 2019. The Company did not make any payments to DBRS in respect of any other service provided to the Company by DBRS during the last two years.

Dividends:
The holders of the Series 4 Shares are entitled to receive quarterly cumulative preferential cash dividends on the 15th day of March, June, September and December in each year at a rate of $0.23438 per Series 4 Share per quarter.

Voting rights:
Except in the case of the creation of shares ranking prior to or at parity with the Class A Preference Shares or as otherwise provided in the case of a particular series or provided by law, the holders of the Class A Preference Shares shall not be entitled to receive notice of, or to vote at, any meeting of shareholders of the Company. Approval by at least 66$^{2/3}$% of the votes cast at a meeting of holders of the Class A Preference

Shares shall be required in order to amend or vary any of the rights, privileges, restrictions and conditions attaching to the Class A Preference Shares.

With respect to the Series 4 Shares, in the event that the Company fails to declare and pay the whole amount of eight quarterly dividends on the Series 4 Shares, until such time as the Company pays the whole amount of such eight quarterly dividends, the holders of the Series 4 Shares will be entitled to receive notice of and to attend meetings of the shareholders of the Company at which directors are to be elected and will be entitled to vote for the election of two directors to be elected in conjunction with the holders of any other series of Class A Preference Shares which may have a similar right. On any such vote, holders of Series 4 Shares will be entitled to one vote per Series 4 Share, provided that if the shares of any other series of Class A Preference Shares have a retraction, redemption or issue price of less than $25.00 per share, the number of votes per Series 4 Share will be adjusted pro rata.

Redemption/retraction features:
The Company may redeem for cash the Series 4 Shares in whole or in part at a price per share equal to: $25.75 if redeemed on or after June 15, 2019, but before June 15, 2020; $25.50 if redeemed on or after June 15, 2020, but before June 15, 2021; $25.25 if redeemed on or after June 15, 2021, but before June 15, 2022; and $25.00 thereafter, together in each case with all accrued and unpaid dividends up to but excluding the date fixed for redemption. A holder of Series 4 Shares may require the Company to redeem such shares on or after June 15, 2023 for a cash price of $25.00, together with any accrued and unpaid dividends up to but excluding the date of redemption.

Other restrictions:
So long as any of the Class A Preference Shares are outstanding, the Company shall not, without the approval of the holders of the Class A Preference Shares: (i) incur any Obligations (as defined in the Class A Preference Share conditions) ranking pari passu with or senior to the Class A Preference Shares; or (ii) declare, make or pay any Distribution (as defined in the Class A Preference Share conditions) to holders of securities ranking junior to the Class A Preference Shares, unless, after giving effect thereto, the ratio of Assets (as defined in the Class A Preference Share conditions) to Obligations exceeds 2.5 times.

Rights on liquidation:
In the event of the liquidation, dissolution or winding-up of the Company or other distribution of the assets of the Company among its shareholders for the purpose of winding-up its affairs, whether voluntary or involuntary, subject to the prior satisfaction of the claims of all creditors of the Company and of holders of shares of the Company ranking prior to the Class A Preference Shares, the holders of the Class A Preference Shares shall be entitled to receive an amount equal to $25.00 per Class A Preference Share, together with all accrued and unpaid dividends up to and including the date of distribution before any amount shall be paid or any assets of the Company shall be distributed to the holders of common shares or of shares of any other class of the Company ranking junior to the Class A Preference Shares. After payment to the

holders of the Class A Preference Shares of the amount so payable to them, such holders shall not be entitled to share in any further distribution of the assets of the Company.

Matters Requiring Securityholder Approval

Pursuant to NI 81-102, the following matters relating to the Company require the approval of shareholders and, if required by applicable law or the articles or the Company, holders of Class A Preference Shares, voting separately as a class if required under NI 81-102 or the articles of the Company, by the affirmative vote of at least a majority of the votes cast at a meeting called for such purpose:

- a change in the method of calculating, or the introduction of, a fee or expense charged to the Company if the change could increase the charges to the Company or its securityholders;

- the appointment of a new manager, unless the new manager is an affiliate of the current Manager;

- a change in the Company's fundamental investment objectives;
- any decrease in the frequency of calculating the net asset value per common share of the Company (the "NAV");

- a reorganization with, or transfer of assets to, another issuer if:
    - the Company ceases to continue following the reorganization or transfer of assets, and
    - the transaction results in the securityholders of the Company becoming securityholders in the other issuer;

- subject to certain exceptions, a reorganization with, or acquisition of assets from, another issuer if:
    - the Company continues after the reorganization or acquisition of assets,
    - the transaction results in the securityholders of the other issuer becoming securityholders in the Company, and
    - the transaction would be a material change to the Company; and

- the Company implements any of the following:
    - a restructuring into a mutual fund, or
    - a restructuring into an issuer that is not an investment fund.

VALUATION OF PORTFOLIO SECURITIES AND CALCULATION OF NET ASSET VALUE

In calculating the value of a security or other asset held by the Company at any time, the following valuation principles are used:

a) the value of any cash on hand or on deposit, bills and demand notes and accounts receivable, prepaid expenses, cash dividends received (or to be received and having been declared to shareholders of record on a date before the date as of which the net asset value is being determined), and interest accrued and not yet received, shall be deemed to be the full amount thereof provided that:

    i) the value of any security which is a debt obligation which, at the time of acquisition, had a remaining term to maturity of 90 days or less shall be the amount paid to acquire the obligation plus the amount of any interest accrued on such obligation since the time of acquisition; and
    ii) if the Manager has determined that any such deposit, bill, demand note or account receivable is not worth the full amount thereof, the value thereof shall be deemed to be such value as the Manager determines to be the fair value thereof;

b) the value of any security which is listed or dealt in upon a stock exchange shall be determined by taking the latest available sale price of recent date, or lacking any recent sales or any record thereof, the latest available bid price, which in the opinion of the Manager reflects the value thereof, as at the valuation date on which the net asset value is being determined, all as reported by any means in common use;

c) the value of any security which is not listed or dealt with upon any stock exchange shall be determined on the basis of such price or yield equivalent quotations (which may be public quotations or may be obtained from major market makers) as the Manager determines best reflects its fair value;

d) restricted securities (securities which, pursuant to provincial securities legislation, are purchased through a private placement from a qualifying issuer and are restricted from trading on a stock exchange for a period from the date of the private placement pursuant to regulatory requirements) shall be valued at the lesser of the value thereof based on reported quotations in common use and that percentage of the market value of securities of the same class, the trading of which is not restricted or limited by reason of any representation, undertaking or agreement, or by law, equal to the percentage that the Company's acquisition cost was of the market value of such securities at the time of acquisition, provided that a gradual taking into account of the actual value of the securities may be made when the date on which the restriction will be lifted is known;

e) the value of bonds, debentures and other long-term debt obligations shall be determined by taking the average of the bid and ask quotations on a valuation date or such value as the Manager may deem to be reasonable;

f) all liquid assets and securities of the Company valued in terms of foreign currency and contractual obligations payable to the Company in foreign currency shall be translated into Canadian currency using the applicable noon rate of exchange prevailing on the valuation date, as determined by the Manager; and

g) notwithstanding the above, the value of any security or property to which, in the opinion of the Manager, the above principles cannot be applied (whether a market quotation is not readily available, the market quotation is considered inappropriate, or for any other reason) shall be the fair value thereof determined in a consistent and reasonable manner using available sources of information and commonly used valuation techniques.

The Manager does not have the discretion to vary these valuation principles.
The NAV of CGI is calculated by the Manager as at the close of business each day that the Toronto Stock Exchange ("TSX") is open for trading. The NAV on any particular day is calculated by dividing the net asset value of the Company (being the value of its assets less the value of its liabilities (including the amortized cost of the Class A Preference Shares using the effective interest method), both as determined by the Manager) by the total number of common shares outstanding at that time.

Such information is provided by the Manager on request at no cost, posted on www.canadiangeneralinvestments.ca and provided to various information services for publication in various media in Canada, the U.K. and the U.S.

PURCHASE AND REDEMPTION OR SALE OF SECURITIES OF THE COMPANY

CGI's common shares and Series 4 Shares are listed and posted for trading on the TSX under the ticker symbols CGI and CGI.PR.D, respectively. The common shares are also listed and posted for trading on the London Stock Exchange ("LSE"). Investors who wish to purchase any of CGI's securities can do so through the facilities of the TSX or for the common shares, the LSE, by contacting their investment advisors. The common shares and Class A Preference Shares are not being distributed by the Company currently.

Although the Manager calculates the NAV on a daily basis at the close of trading, investors will not generally be required to purchase common shares at this amount as CGI's common shares generally trade at a lower value than its NAV. This is known as the "discount". Further information with respect to the discount is described under *"Risk Factors – Discount"*.

The common shares of the Company are not redeemable by the investor. As described above, investors will not necessarily be able to dispose of their common shares at the NAV thereof. In order to dispose of securities, an investor must sell his or her securities through the facilities of the TSX or for the common shares, the LSE, or privately. The Class A Preference Shares are redeemable in certain circumstances as set out under *"Description of Capital Stock – Preference Shares"*.

Securities of the Company that are purchased or sold on an exchange through a broker may be subject to a commission that is payable to the broker executing the transaction. The brokerage commission will vary by broker.

In either the purchase or sale of securities, a broker may make provision in the arrangements that it has with an investor that will require the investor to compensate the broker for any losses suffered by the broker in connection with a failed settlement of a purchase or sale of securities of the Company caused by the investor.

RESPONSIBILITY FOR COMPANY OPERATIONS

The Manager and Portfolio Adviser

The Manager, Morgan Meighen & Associates Limited, was incorporated under the laws of the Province of Ontario by certificate and articles of incorporation dated August 30, 1955 and is registered as an adviser in the category of portfolio manager and as a dealer in the category of exempt market dealer in the provinces Ontario, Alberta, British Columbia, and Manitoba. It is also registered as an investment fund manager in the province of Ontario. The head office and the principal office of the Manager are located at 10 Toronto Street, Toronto, Ontario, M5C 2B7 (website: www.mmainvestments.com, e-mail: mma@mmainvestments.com).

The Manager is also the portfolio adviser to the Company.

Subject to the terms of the Management Agreement, the Manager manages the investment portfolio and makes investment decisions, provides administrative services including making brokerage arrangements for the purchase and sale of securities, calculating the net asset value of the Company, maintaining financial and corporate records, preparing financial statements and all required regulatory filings and assists in promotional activities.

For services rendered pursuant to the Management Agreement, MMA is entitled to receive a fee of 1.0% per annum of the Company's investments at market value adjusted for cash balances, portfolio accounts receivable and portfolio accounts payable (calculated without regard to any securities owned by the Company in any company or other entity whose investment portfolio is managed by the Manager) calculated at the close of business at the last business day of the month and payable on the 15th of the following month.

Either party may terminate the Management Agreement by giving not less than 180 days' prior written notice of termination to the other party. Such notice may only be given by the Company to the Manager by a resolution passed by at least two-thirds of the votes cast at a meeting of common shareholders of the Company with two or more persons present in person or by proxy representing not less than 50% of common shares then outstanding. In the event of termination of the Management Agreement by the shareholders as described above, the Manager will be entitled to a termination payment in an amount equal to three-quarters of the fees paid or payable to the Manager during the most recently completed twelve-month period.

The Company may terminate the Management Agreement by written notice to the Manager in the event the Manager is materially in breach or default of the provisions of the Management Agreement and such breach has not been rectified within 30 days' notice of such breach. In such case, the Manager will not be entitled to a termination payment as described above.

The Manager may terminate the Management Agreement by written notice to the Company in the event that the Company is materially in breach or default of the provisions of the Management Agreement and such breach has not been rectified within 30 days' notice. In such case, the Manager will be entitled to the termination payment as described above.

Additional information with respect to the Management Agreement is contained in the Management Information Circular dated February 20, 2020 (the "2020 Circular") under *"Management Contract"* which is incorporated herein by reference. A copy of the 2020 Circular has been filed on SEDAR at www.sedar.com.

The following table summarizes the name, municipality of residence and position held for each of the directors and officers of the Manager:

Name and Municipality of Residence	**Office with the Manager**
Vanessa L. Morgan Mississauga, Ontario	President, Chief Executive Officer, Ultimate Designated Person and Director
Michael A. Smedley Toronto, Ontario	Executive Vice-President, Chief Investment Officer and Director
Jonathan A. Morgan Toronto, Ontario	Executive Vice-President, Chief Operating Officer and Director
Frank Fuernkranz Toronto, Ontario	Senior Vice-President, Operations, Chief Financial Officer & Secretary

D. Greg Eckel Toronto, Ontario	Senior Vice-President
Clive. W. Robinson Toronto, Ontario	Senior Vice-President
Christopher J. Esson Toronto, Ontario	Vice-President and Treasurer
D. Christopher King Toronto, Ontario	Vice-President
Alex Sulzer Oakville, Ontario	Vice-President
Charlene Storozuk Burlington, Ontario	Assistant Vice-President, Human Resources, Administration & Facilities
Niall C.T. Brown Toronto, Ontario	Assistant Vice-President
Laura Jess Burlington, Ontario	Chief Compliance Officer

The principal occupations of the above directors and officers correspond with their office held at MMA.

During the five years preceding the date of this Annual Information Form, each of the directors and officers of the Manager have been engaged in his or her principal occupation or in other capacities with the Manager with the exception of Laura Jess who, prior to April 2017, was Chief Compliance Officer at INFOR Financial Inc. and prior to May 2016 was Vice President, Compliance at Trapeze Asset Management Inc. and Trapeze Capital Corp.

The Company's Investment Policy, established and amended from time to time by the Board, provides direction concerning investment portfolio matters to the Manager. D. Greg Eckel, the Portfolio Manager for CGI, is responsible for the day-to-day management of the Company's portfolio, pursuant to policies, guidelines and constraints set out in the Investment Policy. Greg Eckel is a CFA charterholder and a CPA, CGA. He joined MMA in 1989, progressing through various financial and analytical roles resulting in his appointment as a full-time member of the investment team in the mid-1990s. Michael A. Smedley, who joined the Manager in 1987, is its Chief Investment Officer. In this role, Mr. Smedley provides interpretation and high-level guidance concerning portfolio matters for the Manager and in particular, with those applicable to CGI. He has been employed in the investment industry for over 30 years working with Canadian and U.S. investment firms in Canada, Hong Kong and London.

Directors and Officers of the Company

The following table summarizes the name, municipality of residence and principal occupation for each of the Directors and Officers of the Company as at the date of this Annual Information Form:

Name and Municipality of Residence	**Office with the Company**	**Principal Occupation**
Vanessa L. Morgan Mississauga, Ontario	Director (since 1997) and Chair	President, Chief Executive Officer and Ultimate Designated Person, Morgan Meighen & Associates Limited
Jonathan A. Morgan Toronto, Ontario	Director (since 2001) and President & CEO	Executive Vice-President and Chief Operating Officer, Morgan Meighen & Associates Limited
James F. Billett Toronto, Ontario	Director (since 2005)	President, J.F. Billett Holdings Ltd.(Financial consulting company)
A. Michelle Lally Toronto, Ontario	Director (since 2015)	Partner, Osler, Hoskin & Harcourt LLP (Law firm)
R. Neil Raymond Montreal, Quebec	Director (since 2002)	President, Feejay Corporation Canada Ltd. (Investment holding company)
Michael A. Smedley Toronto, Ontario	Director (since 1989)	Executive Vice-President & Chief Investment Officer, Morgan Meighen & Associates Limited
Richard O'C. Whittall Key Largo, Florida, USA	Director (since 2004)	President, 097146 BC Ltd. (Investment holding company)
Frank Fuernkranz Toronto, Ontario	Secretary and CFO	Senior Vice-President, Operations, Chief Financial Officer & Secretary, Morgan Meighen & Associates Limited
Christopher J. Esson Toronto, Ontario	Treasurer	Vice-President and Treasurer, Morgan Meighen & Associates Limited

During the five years preceding the date of this Annual Information Form, each of the Directors and Officers of the Company has been engaged in his or her principal occupation or in other capacities with the organization.

All Directors will serve until the next annual meeting of shareholders of the Company.

The Board has established three standing committees – the audit committee, the corporate governance committee and the independent directors committee. The current members of the audit committee are James F. Billett, R. Neil Raymond and Richard O'C. Whittall. The current members of the corporate governance committee are A. Michelle Lally, Jonathan A. Morgan and R. Neil Raymond. The current members of the independent directors committee are James F. Billett, A. Michelle Lally, R. Neil Raymond and Richard O'C. Whittall.

Information regarding the remuneration of directors may be found in the 2020 Circular under *"Remuneration of Directors"*, and is incorporated herein by reference.

Custodian and Securities Lending Agent

CIBC Mellon Trust Company is the custodian of the assets of the Company pursuant to a custodial agreement between the Company and CIBC Mellon Trust Company dated November 7, 2014 (the "Custodial Agreement"). The custodian holds all securities for the Company and ensures that those assets are kept separate from any other securities it might be holding. The custodian may hire sub-custodians to act on its behalf for the Company. The Custodial Agreement may be terminated on 90 days' written notice by either party to the agreement.

The custodian's head office is located at 320 Bay Street, P.O. Box 1, Toronto, Ontario, M5H 4A6.

In addition to custodial services, the custodian and certain of its affiliates provide securities lending services for the Company. The securities lending agreement may be terminated on 30 days' notice by either party to the agreement. See "*Corporate Governance – Securities Lending Operations*".

Registrar and Transfer Agent

The Canadian registrar and transfer agent for securities of the Company is Computershare Trust Company of Canada. The principal office of the registrar is 100 University Avenue, 8th Floor, Toronto, Ontario, M5J 2Y1, Canada.

The U.K. transfer agent is Computershare Investor Services PLC which is located at P.O. Box 82, The Pavilions, Bridgwater Road, Bristol, BS99 6ZY, United Kingdom.

Auditor

The auditor of the Company is PricewaterhouseCoopers LLP, located at Suite 2600, PwC Tower, 18 York Street, Toronto, Ontario, M5J 0B2.

Brokerage Arrangements

The Company has no contract or arrangement with any investment dealer or broker regarding portfolio security transactions. The Company's brokerage business is not allocated according to any specific formula, method or criteria nor is it based upon the provision of investment-making services or sales of securities of the Company. The Manager generally selects brokerage firms on a competitive basis, having regard to the best combination of price, research expertise, service and ability to execute orders, so as to achieve best execution for the Company.

PRINCIPAL SHAREHOLDERS

Of the Company

As of March 13, 2020, to the knowledge of the Directors and Officers of the Company, the only person or corporation that beneficially owned, directly or indirectly, or exercised control or direction over more than 10% of the outstanding common shares of the Company was Third Canadian General Investment Trust Limited ("Third Canadian") with 7,629,811 common shares (36.57% of the class). Jonathan A. Morgan and Vanessa L. Morgan beneficially own or exercise control over an aggregate of 100% of the common shares of Third Canadian. In addition, as of March 13, 2020: (i) New Annan Investments Ltd., owned as to 50% by each of Mr. Morgan and Ms. Morgan, held 994,644 common shares representing 4.77% of the class; (ii) Mr. Morgan beneficially owned 214,666 common shares (1.03% of the class); (iii) Ms. Morgan beneficially owned 67,389 common shares (0.32% of the class); and (iv) Mr. Morgan and Ms. Morgan are voting members and directors of The Catherine and Maxwell Meighen Foundation, a charitable foundation, which owned 2,047,759 common shares (9.82% of the class). In summary, as of March 13, 2020, Mr. Morgan and Ms. Morgan together owned directly or indirectly or exercised control or direction over an aggregate of 10,954,269 shares, representing 52.51% of the outstanding common shares of the Company.

As of March 13, 2020, the Directors and senior Officers of the Company and the Manager, as a group, owned, directly or indirectly, or exercised control or direction over 8,934,320 common shares of the Company (42.83% of the class). In addition, as described above, The Catherine and Maxwell Meighen Foundation owned beneficially and directly 2,047,759 common shares (9.82% of the class).

Additional information with respect to the ownership of the common shares of the Company is contained in the 2020 Circular under "*Election of Directors*", and is incorporated herein by reference.

Of the Manager

The following table shows the number of common shares of the Manager, owned of record or beneficially, directly or indirectly, as of the date hereof:

Name	*Class of Securities Held*	*Type of Ownership*	*Number Held*	*Percentage of Class*
New Annan Investments Ltd.*	Common shares	Of record and beneficial	1,690	84.50%
Michael A. Smedley	Common shares	Of record and beneficial	300	15.00%
Jonathan A. Morgan	Common shares	Of record and beneficial	5	0.25%
Vanessa L. Morgan	Common shares	Of record and beneficial	5	0.25%

*Owned as to 50% by each of Jonathan A. Morgan and Vanessa L. Morgan.

CONFLICTS OF INTEREST

As described under *"Responsibility for Company Operations – The Manager and Portfolio Adviser"*, the Company is party to a Management Agreement with MMA, a company under common control with CGI.

No person or company that provides services to the Company or the Manager in relation to the Company is an affiliated entity of the Manager.

CORPORATE GOVERNANCE

The Disclosure Rules and Transparency Rules of the U.K. Financial Services Authority (DTR 7.2) require the Company to provide a statement as to the corporate governance regime to which the Company is subject or with which the Company complies.

The Company is incorporated under the *Business Corporations Act* (Ontario) (the "OBCA") and is subject to the corporate governance regime provided for in that statute. The text of the OBCA is available at www.ontario.ca/laws. In addition, as an "investment

fund" for purposes of applicable securities laws in Canada, the prescribed corporate governance practices of the Company correspond to certain provisions of NI 81-102, National Instrument 81-106 *Investment Fund Continuous Disclosure* ("NI 81-106") and National Instrument 81-107 *Independent Review Committee for Investment Funds* ("NI 81-107"). As required by National Instrument 31-103 *Registration Requirements, Exemptions and Ongoing Registrant Obligations* ("NI 31-103"), the Company has appointed the Manager as the Company's "investment fund manager".

The Manager has adopted a Code of Ethics and Business Conduct designed to ensure the fair treatment of its clients, including the Company and its shareholders, and to ensure that at all times the interests of clients are placed above personal interests of the Manager, its employees, directors and officers. Appropriate written policies and procedures are maintained to ensure the proper management of the Company, including the monitoring and management of risk. In addition, these include policies and procedures required by NI 81-107 relating to conflicts of interest, including fees and expenses charged to the Company, trade allocations, portfolio pricing, best execution, proxy voting, personal trading and cross trading. Risk reporting is reviewed by both the audit committee and the Board.

Applicable Canadian securities laws, including NI 81-102, NI 81-106, NI 81-107 and NI 31-103, are available on the website of the Ontario Securities Commission (www.osc.gov.on.ca) which is the principal regulator of both the Company and the Manager. As a listed issuer, the Company is also subject to the various requirements of the TSX. The Company, through the oversight of the Board and its committees, and the Manager have complied with the corporate governance provisions of the OBCA and applicable Canadian securities laws.

Independent Review Committee

In accordance with the requirement of NI 81-107, the Manager has established an independent review committee ("IRC") for the Company.

The current members of the IRC are R. Neil Raymond (Chair), James F. Billett, A. Michelle Lally, and Richard O'C. Whittall, all of whom are independent members of the Board.

Pursuant to NI 81-107, any vacancies in the IRC are to be filled by the remaining IRC members.

The IRC members do not beneficially own, directly or indirectly, securities in the Company which in the aggregate exceed 10%. No IRC member beneficially owns, directly or indirectly, any securities in the Manager.

The IRC became fully operational on November 1, 2007 and, after that date, has functioned in accordance with applicable securities laws, including NI 81-107. The IRC has adopted a written charter that includes its mandate, responsibilities and functions, and the policies and procedures it will follow when performing its functions.

In accordance with NI 81-107, the mandate of the IRC is to consider and provide recommendations to the Manager on conflict of interest matters to which the Manager is subject when managing the Company. The Manager is required under NI 81-107 to identify conflict of interest matters inherent in its management of the Company, and request input from the IRC on how it manages those conflicts of interest, as well as on its written policies and procedures outlining its management of those conflicts of interest.

The Manager must refer its proposed course of action in respect of any such conflict of interest matter to the IRC for its review. Certain matters require the IRC's prior approval, but in most cases the IRC will provide a recommendation to the Manager as to whether or not in the opinion of the IRC, the Manager's proposed action provides a fair and reasonable result for the Company. For recurring conflict of interest matters, the IRC can provide the Manager with standing instructions.

The IRC will conduct regular assessments and provide reports to the Manager and annually to security holders of the Company on its activities, as required by NI 81-107. The annual report of the IRC will be available free of charge from the Manager on request by contacting the Manager at 416-366-2931 and will be filed on SEDAR and posted on the Manager's website at www.mmainvestments.com.

In accordance with NI 81-107, the Manager set the initial compensation for IRC members. Going forward, the IRC has sole authority to determine members' compensation. The main components of compensation for members of the IRC are annual fees and per meeting fees for each IRC meeting attended plus reimbursement of expenses. Effective November 1, 2019, each member of the IRC is entitled to receive an annual position fee and retainer of $4,700 ($7,800 for the Chair) and an attendance fee of $1,600 per meeting. Total 2019 compensation paid to each individual member of the IRC was as follows: R. Neil Raymond - $9,134, James F. Billett - $6,033, A. Michelle Lally - $6,033 and Richard O'C. Whittall - $6,033. Expenses of the IRC may include premiums for insurance coverage, legal fees, travel expenses and reasonable out-of-pocket expenses. During the fiscal year ended December 31, 2019, IRC members' fees and expenses were $28,000 in total.

Securities Lending Operations

The Company participates in a securities lending program with its custodian, CIBC Mellon Trust Company, Toronto, Ontario, as agent. The agent is not an associate or affiliate of the Manager. The agent is responsible for engaging in securities lending operations with dealers and institutions in Canada and abroad that are approved borrowers by its credit risk management department. It maintains controls, procedures and internal books, including a list of approved counterparties based on generally accepted solvency standards, limits pertaining to operations and credit for each counterparty and diversification standards for property given as security. The agent also determines, on a daily basis, the market value of the securities lent by the

Company in connection with the securities lending program. In the event that the value of the collateral is less than 105% of the market value of the lent securities, the agent will ask the counterparty to provide other liquid assets or securities, as collateral to the Company, to cover the shortage. Additionally, the Company restricts the aggregate market value of the securities lent to a maximum of 25% of the aggregate market value of all the assets of the Company.

In the event that any of the loaned securities are not returned to the Company and the value of the collateral held is less than the market value of the securities not returned, the agent shall indemnify the Company for any such shortfall.

The Manager is responsible for reviewing the agreement, prior to approval by the Company, and for ensuring the risks associated with securities lending are being properly managed. The Manager does not simulate stress conditions to measure risk associated with the Company's use of the securities lending program.

Proxy Voting Policies and Procedures

Pursuant to the Management Agreement, it is the responsibility of the Manager to vote, or decide to refrain from voting, all shares or other voting securities held by the Company in accordance with the Manager's best judgment. Matters to be voted on may be of a routine or a non-routine nature. Examples of routine matters include:

- The appointment and compensation of auditors
- The election of individual members of the board of directors or a slate of nominees for the board

Examples of non-routine matters include:

- Stock-based compensation
- Executive compensation arrangements
- Shareholder rights plans
- Corporate restructuring plans including mergers, acquisitions, and divestitures
- Going private, or management buyout transactions in connection with leveraged buyouts
- Lock-up arrangements
- Supermajority approval proposals
- Stakeholder or shareholder proposals

In general, the Manager usually only invests, on the Company's behalf, in the securities of an issuer if the Manager has confidence in the management of that issuer. As a result, in the normal course it is to be expected that the Manager will vote in favour of management's proposals for both routine and non-routine matters. However, it considers each such proposal on its own merits, and exercises the voting rights in accordance with what it believes to be the best interests of the Company. Based on its review, the Manager may deviate from the normal course of action and vote contrary to

management's recommendation if it believes that management's position is not in the best interests of CGI. In such instances, documentation will be kept on file to support the decision made.

In the event of a potential conflict of interest between the interests of the Company and those of MMA and/or the responsible individual portfolio manager of the Manager with respect to the voting of proxies, the individual portfolio managers must refer pertinent proxies to MMA's ultimate designated person ("UDP") for review and vote in a manner that is consistent with the spirit of the Company's investment objectives. However, if in the opinion of the UDP, should the contemplated vote provide the potential for a conflict of interest (and therefore subject to NI 81-107), then that proxy matter will be referred to the IRC according to the approved accelerated referral process which entails the UDP contacting and discussing the matter with the chair of the IRC.

MMA is related to the Company through common controlling shareholders and there could conceivably be potential for a conflict of interest between the interests of MMA and the interests of CGI in connection with the exercise of proxy voting. In order to balance the interests of the Company in voting non-routine proxies with the desire to avoid the perception of a conflict of interest, MMA has instituted procedures to help ensure that CGI's proxy is voted in accordance with the business judgment of the portfolio manager, uninfluenced by considerations other than the best interests of the Company.

MMA maintains a proxy voting record for each time the Company, in its capacity as security holder, receives materials relating to a meeting of security holders. The proxy voting record includes the name of the issuer, the exchange ticker symbol for the securities, the CUSIP number for the securities, the meeting date, a brief identification of the matter or matters voted on at the meeting, whether the matter or matters voted on were proposed by the issuer, its management or another person or company, whether the Manager voted on the matter or matters on behalf of the Company, and whether the votes cast by the Manager were for or against the recommendations of management of the issuer.

The Company's proxy voting record for the twelve month period beginning July 1 and ending June 30 of each year will be made available free of charge by the Manager to any shareholder of the Company upon request at any time after August 31 of the relevant year. The policies and procedures that the Manager follows when voting proxies relating to portfolio securities are available on request, at no cost, by calling 416-366-2931 (Toll-free: 1-866-443-6097) or by writing to 10 Toronto Street, Toronto, Ontario, M5C 2B7.

Short-Term Trading

Since the common shares and Series 4 Shares are listed on the TSX and, in the case of the common shares, the LSE, and are not issued and redeemed by the Company like shares or units of a conventional mutual fund, the Company has no need of, and

therefore has not developed, any policies with respect to the short-term trading by investors in those shares or entered into any arrangements with others to permit short-term trading.

CANADIAN FEDERAL INCOME TAX CONSIDERATIONS

The following is a summary of the principal Canadian federal income tax considerations generally applicable to holders of common shares and Class A Preference Shares (collectively, "Shares") of the Company. This summary is generally applicable to a holder who, for purposes of the Tax Act and at all relevant times is, or is deemed to be, resident in Canada, deals at arm's length with and is not affiliated with the Company, holds and will hold Shares as capital property and is not exempt from tax under Part I of the Tax Act (a "Holder"). Generally, Shares will be capital property to a Holder provided the Holder does not acquire or hold those Shares in the course of carrying on a business of trading or dealing in securities or as part of an adventure or concern in the nature of trade. Certain Holders, whose Shares would not otherwise qualify as capital property, may be entitled to make the irrevocable election permitted by subsection 39(4) of the Tax Act to deem the Shares (and all other "Canadian securities" as defined in the Tax Act) owned by such Holder in the year of election and in all subsequent taxation years to be capital property.

This summary is not applicable to a Holder (i) that is a "financial institution" for purposes of the "mark-to-market property" rules in the Tax Act or a "specified financial institution" (as defined in the Tax Act), (ii) an interest in which is a "tax shelter investment" (as defined in the Tax Act), (iii) that reports its "Canadian tax results" (as defined in the Tax Act) in a currency other than Canadian currency, (iv) that is a corporation resident in Canada and is or becomes, or does not deal at arm's length with a corporation resident in Canada that is or becomes, as part of a transaction or event or series of transactions or events that includes the acquisition of Shares, controlled by a non-resident person or group of non-resident persons for purposes of section 212.3 of the Tax Act, or (v) that has entered or will enter into, with respect to its Shares, a "derivative forward agreement" (as defined in the Tax Act). Such Holders are advised to consult with their own tax advisors.

This summary is of a general nature only and is not intended to be, nor should it be construed to be, legal or tax advice to any particular Holder. Accordingly, Holders should consult their own tax advisors with respect to their particular circumstances.

This summary is based upon the current provisions of the Tax Act, the regulations thereunder (the "Regulations"), all specific proposals to amend the Tax Act and such Regulations publicly announced by the Minister of Finance (Canada) prior to the date hereof (the "Proposed Amendments"), and the current administrative policies and assessing practices of the Canada Revenue Agency ("CRA") made publicly available prior to the date hereof. This summary does not otherwise take into account or anticipate any changes in law or in the administrative policies or assessing practices of

the CRA, whether by legislative, governmental or judicial action, nor does it take into account any provincial, territorial or foreign income tax legislation or considerations. No assurance can be given that the Proposed Amendments will be enacted in the form currently proposed, or at all.

Taxation of the Company

The Company currently manages its investments so as to satisfy the investment requirements of being an "investment corporation" for purposes of the Tax Act. This summary assumes that the Company currently qualifies, and will continue to qualify throughout each taxation year, as an investment corporation for such purposes. There can be no assurance that the Company qualifies or will continue in the future to qualify as an investment corporation, and, it is possible that the Company could cease to be an investment corporation as a consequence of actions outside the Company's control.

As an investment corporation, the Company is entitled in certain circumstances to a refund of tax paid by it in respect of its net realized capital gains. Also, as an investment corporation, the company maintains a capital gains dividend account in respect of capital gains realized by the Company, and from which it may elect to pay dividends ("capital gains dividends") which are treated as capital gains in the hands of shareholders. An investment corporation is also generally taxed at a reduced rate on its taxable income (other than taxable capital gains), if any, and is also generally not subject to tax under Part VI.1 of the Tax Act in respect of dividends paid on taxable preferred shares such as the Class A Preference Shares.

The Company will generally be required to include in computing its income all dividends received. In computing its taxable income, the Company will generally be entitled to deduct all taxable dividends received on shares of taxable Canadian corporations. Dividends received by the Company on other shares will, however, be included in computing the income of the Company, and will generally not be deductible in computing its taxable income. The Company will generally be subject to a tax under Part IV of the Tax Act on certain taxable dividends received during the year, to the extent such dividends are deductible in computing taxable income of the Company. This tax is refundable upon payment by the Company of sufficient dividends other than capital gains dividends ("Ordinary Dividends") in certain circumstances. The Company is also subject to a separate 10% tax on certain taxable dividends received by the Company on taxable preferred shares under Part IV.1 of the Tax Act. To the extent Part IV.1 tax is payable on a particular dividend, the rate of Part IV tax on such dividend is generally reduced by a corresponding amount.

In general, the investments of the Company are treated and reported by the Company as capital property for purposes of the Tax Act.

If the Company makes excessive "eligible dividend" designations (discussed below under *"Tax Treatment of Holders"*), the Company may be required to pay a penalty tax in respect of such excessive designations.

Tax Treatment of Holders

Dividends

Ordinary Dividends received or deemed to be received by a Holder that is an individual from the Company will be included in such Holder's income and, except in the case of certain trusts, will generally be subject to the gross-up and dividend tax credit rules normally applicable to taxable dividends received from taxable Canadian corporations, including the enhanced gross-up and dividend tax credit for dividends (including deemed dividends) designated by the Company as "eligible dividends". In general, the Company expects that any Ordinary Dividends paid on its shares will be designated as eligible dividends and will therefore be subject to the increased gross-up and dividend tax credit.

In the case of a Holder that is a corporation, Ordinary Dividends received or deemed received on Shares by such Holder will be included in computing such Holder's income and will generally be deductible in computing the Holder's taxable income. In certain circumstances, subsection 55(2) of the Tax Act will treat a taxable dividend received by a Holder that is a corporation as proceeds of disposition or a capital gain. Holders of Shares that are corporations should consult their own tax advisors having regard to their own circumstances.

With respect to the Class A Preference Shares, the Company has made the necessary election under Part VI.1 of the Tax Act so that Holders of such shares will not be subject to tax under Part IV.1 of the Tax Act on Ordinary Dividends received (or deemed to be received) on such shares.

A Holder that is a "private corporation", as defined in the Tax Act, or any other corporation controlled (whether by reason of a beneficial interest in one or more trusts or otherwise) by or for the benefit of an individual (other than a trust) or a related group of individuals (other than trusts), will generally be liable to pay a tax under Part IV of the Tax Act on Ordinary Dividends received (or deemed to be received) on the Shares to the extent such dividends are deductible in computing its taxable income, which tax may be refundable upon payment by the corporation of sufficient dividends in the circumstances specified in the Tax Act.

The amount of any capital gains dividend received by a Holder of the common shares from the Company will not be included in the Holder's income and will be deemed to be a capital gain of the Holder from the disposition of capital property in the taxation year of the Holder in which the capital gains dividend is received. The Company does not currently intend to pay capital gains dividends on the Class A Preference Shares.

Dispositions

A Holder who disposes (or is deemed to dispose) of Shares (including on a redemption, retraction, purchase for cancellation, or otherwise) will generally realize a capital gain

(or a capital loss) to the extent the Holder's proceeds of disposition, net of any reasonable costs of disposition, exceed (or are less than) the adjusted cost base of such Shares to the Holder immediately before the disposition or deemed disposition. The amount of any deemed dividend arising on the redemption or acquisition by the Company of Shares, as discussed below, will generally not be included in computing the Holder's proceeds of disposition for purposes of computing the capital gain or loss arising on disposition of such Shares.

If the Holder is a corporation, any capital loss arising on a disposition of Shares may in certain circumstances be reduced by the amount of any Ordinary Dividends received (or deemed to be received) on the Shares. Analogous rules apply to a partnership or trust of which a corporation, partnership or trust is a member or beneficiary. Such Holders should consult their own tax advisors.

For purposes of computing the adjusted cost base of each Share of a particular class or series, a Holder must average the cost of such Share to the Holder with the adjusted cost base of any Shares of that class or series, as applicable, already held as capital property immediately before the time of acquisition of such Share.

One-half of a capital gain (a "taxable capital gain") realized by a Holder in a taxation year is required to be included in the Holder's income for that year, and one-half of a capital loss (an "allowable capital loss") realized by a Holder in a taxation year may generally be deducted against taxable capital gains realized by the Holder in the year. Allowable capital losses in excess of taxable capital gains for a taxation year may be carried back and deducted in any of the three preceding taxation years or carried forward and deducted in any subsequent taxation year against net taxable capital gains realized in such years, to the extent and under the circumstances prescribed in the Tax Act.

Redemption

If the Company redeems a Holder's Shares, or otherwise acquires or cancels such Shares (other than by a purchase in the open market in the manner in which shares are normally purchased by any member of the public in the open market), the Holder will be deemed to have received a dividend equal to the amount, if any, paid by the Company in excess of the paid-up capital of such Shares at that time as computed for the purposes of the Tax Act. See "Dividends" discussed above. Generally, the difference between the amount paid by the Company and the amount of any deemed dividend will be treated as proceeds of disposition for purposes of computing the capital gain or capital loss arising on the disposition of such Shares. See "Dispositions" discussed above.

Alternative Minimum Tax

A Holder that is an individual or a trust (other than certain trusts, including a "mutual fund trust" as defined in the Tax Act) that receives or is deemed to receive Ordinary

Dividends or realizes net capital gains (including capital gains arising from capital gains dividends) may be subject to an alternative minimum tax under the Tax Act.

Aggregate Investment Income

A Holder that is throughout the taxation year a "Canadian-controlled private corporation" (as defined in the Tax Act) may be liable to pay an additional tax on its aggregate investment income for a year, which is generally defined to include an amount in respect of taxable capital gains (including taxable capital gains arising from a capital gains dividend), which tax may be refundable upon payment by the corporation of sufficient dividends in the circumstances specified in the Tax Act.

Eligibility for Investment

Provided a class of shares of CGI is listed on a designated stock exchange in Canada (which currently includes the TSX and LSE) at a particular time, common shares and Class A Preference Shares of the Company will be qualified investments under the Tax Act at that time for trusts governed by registered retirement savings plans, registered retirement income funds, deferred profit sharing plans, registered education savings plans, tax-free savings accounts and registered disability savings plans (each, a "plan trust").

Provided that the holder of a tax-free savings account or registered disability savings plan, the annuitant of a registered retirement savings plan or registered retirement income fund, or the subscriber of a registered education savings plan, as the case may be, (i) deals at arm's length with CGI within the meaning of the Tax Act, and (ii) does not hold a "significant interest" (as defined in the Tax Act) in CGI, the common shares and Class A Preference Shares of the Company will not be a prohibited investment for a trust governed by such tax-free savings account, registered retirement savings plan, registered retirement income fund, registered disability savings plan or registered education savings plan. The common shares and Class A Preference Shares of the Company will also not be prohibited investments for a trust governed by a tax free savings account, registered disability savings plan, registered retirement savings plan, registered retirement income fund or registered education savings plan provided that such shares are "excluded property" as defined in subsection 207.01(1) of the Tax Act for such trusts. Holders should consult their own tax advisors with respect to whether common shares or Class A Preference Shares of the Company would be a prohibited investment in their particular circumstances.

Enhanced Financial Account Information Reporting

Pursuant to the Canada-United States Enhanced Tax Information Exchange Agreement entered into between Canada and the United States on February 5, 2014 (the "IGA") and related provisions of the Tax Act, a Reporting Canadian "Financial Institution" such as the Company or the registered dealers through which holders hold their Shares, is required to report certain information with respect to holders who are U.S. residents and

U.S. citizens (including U.S. citizens who are residents and/or citizens of Canada), and certain other "U.S. Persons", including information relating to "controlling persons" in the case of certain entities, as defined under the IGA (excluding plan trusts), to the CRA.

The Company intends to satisfy its obligations under this regime. Consequently, certain shareholders may be requested to provide information to the Company or their registered dealer relating to their citizenship, residency and, if applicable, a U.S. federal tax identification number. If a shareholder (or, if applicable, any of its controlling persons) is identified as a U.S. person or if the shareholder does not provide the requested information, unless the investment is in a plan trust, the IGA and Part XVIII of the Tax Act will generally require information about the shareholder's investment in the Company to be reported to the CRA and the CRA will then provide that information to the U.S. Internal Revenue Service.

Pursuant to the provisions of the Tax Act that implement the Organization for Economic Co-operation and Development Common Reporting Standard (the "CRS Provisions"), "Canadian financial institutions" (as defined in the CRS Provisions) are required to have procedures in place to identify accounts held by residents of foreign countries (other than the U.S.) or by certain entities the "controlling persons" of which are resident in a foreign country (other than the U.S.) and to report required information to the CRA. Such information is exchanged on a reciprocal, bilateral basis with the countries that have agreed to a bilateral information exchange with Canada under the Common Reporting Standard and in which the account holders or such controlling persons are resident.

The Company also intends to comply with the due diligence and reporting requirements under the CRS Provisions. Holders are required to provide certain information including their tax identification numbers for the purpose of such information exchange, unless the Shares are held within plan trusts.

MATERIAL CONTRACTS

Copies of the articles of incorporation, as amended, the Management Agreement and the Custodial Agreement have been filed on SEDAR at www.sedar.com and are also available for inspection at the head office of the Company during business hours.

RISK FACTORS

The reader should consider the following factors when making decisions with respect to an investment in the Company.

Equity Risk

The value of the Company's shares will vary according to the value of the securities in which the Company invests, which will depend, in part, upon the performance of the issuers of such securities. Economic conditions, investor sentiment, global events and many other factors contribute to the day-to-day changes in security prices and the overall trend of the market.

Currency Risk

The Company holds investments denominated in currencies other than the Canadian dollar and, accordingly, the value of these investments, when measured in Canadian dollars, will be affected by fluctuations in the value of such currencies relative to the Canadian dollar.

Commodities Pricing Risk

Investments in companies whose businesses depend on commodities, such as oil and gas or gold, will be affected by changes in the price of commodities. If commodity prices decline, a negative impact can be expected on the earnings of companies whose businesses are dependent on commodities. Commodity prices tend to be cyclical and are influenced by a number of factors, including supply and demand, government regulations, central bank monetary activities and political or economic instability.

Liquidity Risk

Some investments may be more difficult for the Company to buy or sell. Investments may be less liquid due to legal restrictions, the nature of the investment itself, or because there is a shortage of buyers or sellers. If the Company has difficulty selling an investment, it could lose value or incur extra costs. In addition, illiquid investments may be more difficult to value accurately.

Leverage Risk

One element of the Company's investment strategy is the utilization of leverage, currently in the form of Class A Preference Shares and the Amended and Restated Credit Facility, to invest in securities. The risk to common shareholders may increase if securities purchased using leverage decline in value.

Discount

Being a closed-end investment fund, the Company's common share price generally trades at a lower value than its NAV. This is known as the "discount". As a result, the return experienced by a holder of common shares will likely differ from the underlying performance of the Company. The common share price is established by competitive markets which reflect the buying demand and the selling supply of common shares.

Factors which are thought to influence common share price, and therefore discounts and their converse, premiums, include a fund's relative performance, the liquidity of the fund's common shares, dividend yield, the use of a managed distribution policy, confidence in the fund/portfolio manager, investors' perceptions and expectations regarding the outlook of the country/sector/market where the fund invests.

Status as Investment Corporation

The Company currently manages its investments so as to satisfy the investment requirements of being an ''investment corporation'' for the purposes of the Tax Act. However, it is possible that the Company could lose its status as an ''investment corporation'' for reasons that are beyond the Company's control including certain actions which could be taken by the Company's principal shareholders, changes to income tax laws, or potentially in certain circumstances upon the redemption of any shares of the Company. In addition, the Company, as directed by the Board, may determine in the future that it does not wish to maintain such status any longer. The loss of such status could result in the loss of certain significant benefits currently available under the Tax Act, including those described under *"Name, Formation and History of the Company"*.

Changes in Legislation

There can be no assurance that income tax laws and other legislation relating to the treatment of closed-end investment funds or entities in whose securities the Company invests will not be changed in a manner that adversely affects the performance of those investments, the NAV, the distributions received by the Company and its shareholders and the overall results of the Company's operations.

Regulatory Environment

The ability of the Manager to carry on its business and to perform its obligations under the Management Agreement is dependent upon its continued registration under the various securities acts under which the Manager and its employees are currently registered. Any change in the regulatory framework or failure to comply with any of these laws, rules or regulations could, as a result, have an adverse effect on the Manager and its ability to perform its obligations under the Management Agreement.

Termination of Management Agreement

As the Management Agreement is terminable at the option of the Manager for any reason on 180 days' notice, there is no guarantee that the Manager will continue to act as the Company's investment manager. The termination of the Management Agreement by the Manager could have an adverse effect on the Company.

Reliance on Management and Key Personnel

The contribution of certain of the Manager's professionals is particularly important to the performance of the Company's investment portfolio and, in turn, to the Company's profitability and ability to make distributions to its shareholders. Individuals employed by the Manager may, however, leave at any time. The loss of certain of the Manager's professionals could have an adverse effect on the Company.

Conflicts of Interest

Although none of the directors or officers of the Manager will devote his or her full time to the business and affairs of the Company, each director and officer of the Manager will devote as much time as is necessary to supervise the management of (in the case of the directors) or to manage the business and affairs of (in the case of officers) the Company and the Manager, as applicable.

CANADIAN GENERAL INVESTMENTS, LIMITED

Additional information about Canadian General Investments, Limited is available in the most recently filed annual financial statements and any interim financial statements filed subsequent to those annual financial statements and the most recently filed annual management report of fund performance and any interim management report of fund performance filed subsequent to that management report. These documents are incorporated by reference into this document, which means that they legally form part of this document just as if they were printed as a part of this document.

You can get a copy of these documents, at your request, and at no cost, by calling the Company at 416-366-2931 or toll-free at 1-866-443-6097, or from your dealer or financial adviser. These documents are also available at www.canadiangeneralinvestments.ca or by contacting the Company by e-mail at cgi@mmainvestments.com. These documents and other information about the Company, including the most recent management information circular and material contracts, are also available on the Internet at www.sedar.com.

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