

Tax-efficient investing at its best



CORPORATE
CLASS

Do you enjoy paying tax?

If you are investing outside of a registered plan, distributions and transactions could result in a tax bill. You can reduce the impact of taxes on your investments with CI Corporate Class.

CI Corporate Class provides many of the benefits that can be found with tax-free savings accounts or other registered accounts, including the ability to defer tax on investment income and capital gains. This allows for increased compound growth over the long term and the ability to make investment decisions, such as rebalancing your portfolio, without worrying about the tax consequences. Corporate Class also allows you to draw tax-efficient cash flow from your investments through T-Class funds.

CI Corporate Class is an ideal choice for all non-registered investments.



CORPORATE
CLASS



What is CI Corporate Class?

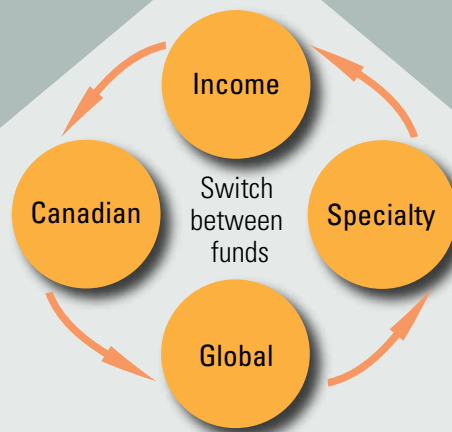
CI Corporate Class is, as the name suggests, a mutual fund corporation. Mutual funds can be structured two ways – either as a trust or a corporation. From an investment perspective, both can be managed in the same way, hold identical portfolios and produce similar returns.

The main difference is that a mutual fund trust is generally only one fund, whereas a corporation is one entity that may consist of any number of share classes, each representing a separate fund. According to the Income Tax Act, an investor may switch between classes of capital stock of the same corporation without tax consequences. This principle is the basis for CI Corporate Class and it can result in significant tax benefits for investors.

Effectively, the structure creates an umbrella for the funds in the corporation. Under this umbrella, investors can switch between classes, or funds, without triggering a capital gain or loss. This only occurs when you redeem from the corporation. In addition, distributions to shareholders of the mutual fund corporation will only be a Canadian dividend or a capital gains dividend – both of which receive preferential tax treatment. (See chart on page 9.) In comparison, a trust can also pay out interest income – which attracts the highest level of tax.

If a mutual fund realizes a capital loss in a year, it cannot be claimed by investors for tax purposes. However, the fund can use these losses to offset capital gains. The Corporate Class umbrella allows these losses and gains to be spread over a wide base of many funds, instead of being confined to only one fund, as it is with a trust.

The Benefits of the Corporate Class umbrella



CI Corporate Class provides the most tax-efficient investments across the widest selection of asset classes.

With the Corporate Class structure you can:

- ▶ switch among funds without tax consequences
- ▶ receive tax-efficient capital gains or Canadian dividends from traditional income funds, and
- ▶ defer paying tax on distributions, given the low dividend payout of the fund.

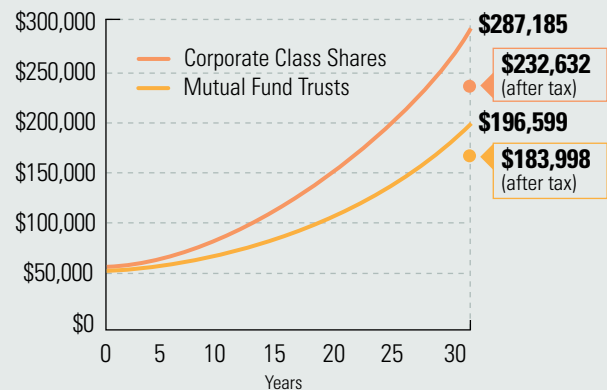
Since switches are allowed among the share classes, you can rebalance to lock in investment gains. Capital gains on switches to other share classes are tax deferred, which allows you to maximize your investment returns. This means you can move from one fund to another based on your investment strategy, without worrying about the possible tax consequences. Or you can adjust your portfolio to capitalize on changing market trends. In addition, you can control the timing of capital gains and losses to minimize taxes.

The corporate structure minimizes or eliminates annual dividends. If there are distributions from these funds, they will only be paid as capital gains or Canadian dividends – currently the most tax-advantaged forms of income. This means that you can invest in traditional income funds and be assured that you will not receive a distribution of highly taxed interest income. And when you are ready to withdraw income from your investments, you can defer paying tax even longer with T-Class, our tax-effective cash flow solution based on Corporate Class. T-Class pays out return of capital or capital gains.

The Power of Tax-Deferred Compounding†

Without the ongoing tax burden, CI Corporate Class takes advantage of the power of compounding, because more of your money stays invested and less goes to the taxman.

Long-term tax-deferred compounding is very powerful and can result in significantly higher returns for your portfolio. The chart compares the growth of a \$50,000 non-registered investment in Corporate Class and a mutual fund trust. Each is compounding at 6% annual capital appreciation with annual rebalancing and subject to 46% tax. With Corporate Class, tax is deferred until funds are redeemed at the end of 30 years, when it is taxed as capital gains. In the mutual fund trust, tax is paid annually on interest income (1.5%), dividends (1.5%), and realized gains (1%), with some capital gains (2%) being realized at the end of the period. (Please note that Corporate Class may pay annual dividends of Canadian dividends and/or capital gains.)



†The returns shown are used only to illustrate the effects of the compounding and are not intended to reflect future values or returns on investments.

Suitability

CI Corporate Class funds are suitable for a variety of different investors, including:

- ▶ those investing outside of a registered plan
- ▶ those who wish to rebalance their portfolio on a regular basis or adjust their holdings to take advantage of market trends
- ▶ income investors looking for a tax-efficient source of cash flow
- ▶ seniors who are collecting Old Age Security benefits
- ▶ those who plan to make charitable donations with their investments
- ▶ incorporated business owners, and
- ▶ parents and grandparents who set up in-trust accounts for minor children.

Portfolio management expertise

CI's strength comes from our outstanding lineup of portfolio managers and the variety of expertise and experience that they provide – all under one roof. Rather than offering just one investment style, CI has engaged leading money managers in all disciplines: value, blend (growth at a reasonable price) and growth. These managers have been selected for their strategic focus, consistent discipline and long-term track record of investing here in Canada and around the world.



The expertise of our managers has received broad industry recognition. CI and its managers have received 35 Canadian Investment Awards in the past 10 years, including:

- ▶ the prestigious Analysts' Choice Investment Fund Company of the Year in 2006, 2007 and 2009
- ▶ Morningstar Manager of the Year for Gerry Coleman, Chief Investment Officer of Harbour Advisors in 2001 and 2008
- ▶ Morningstar Equity Fund Manager of the Year for Eric Bushell, Chief Investment Officer of Signature Global Advisors in 2009, and
- ▶ Morningstar Fund Manager of the Decade for Eric Bushell, Chief Investment Officer of Signature Global Advisors, in 2010.

CI Corporate Class offers a wide choice of investments with more than 60 funds covering Canadian and global income, balanced and equities, as well as Portfolio Select Series managed portfolios.





T-Class – Creating income from Corporate Class

T-Class provides an income solution that creates a predictable tax-efficient cash flow using CI Corporate Class funds.

By tapping into the unrealized gains in Corporate Class funds, you can create a predictable, monthly income stream and still allow your investments to continue growing at rates that can potentially match, or outstrip the rate of withdrawal. You receive tax-efficient cash flow without sacrificing the potential for growth.

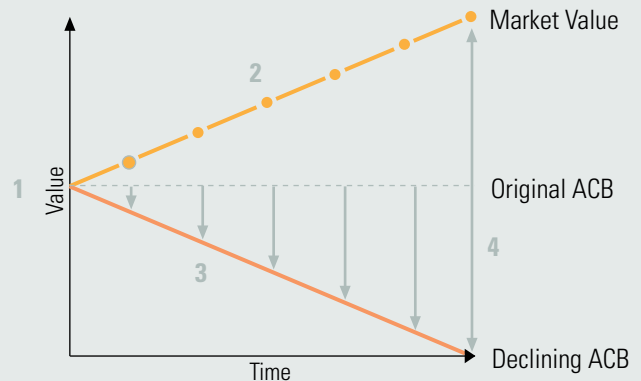
With T-Class you are able to create a regular cash flow from non-conventional income sources, such as equities and balanced portfolios. You also receive:

- ▶ monthly distributions of 100% return of capital (ROC)
- ▶ a choice of more than 30 CI Corporate Class funds
- ▶ the ability to customize your level of cash flow.

How it works

This chart represents how T-Class works over time.

1. The original investment – which equals the adjusted cost base (ACB)
2. Represents the increase in the market value of the portfolio as it grows over time
3. As you make monthly withdrawals, which are in the form of ROC, each withdrawal lowers the adjusted cost base, until such time that...
4. The ACB reaches zero – and from there on any future withdrawals will be tax-advantaged capital gains.



Benefits of T-Class

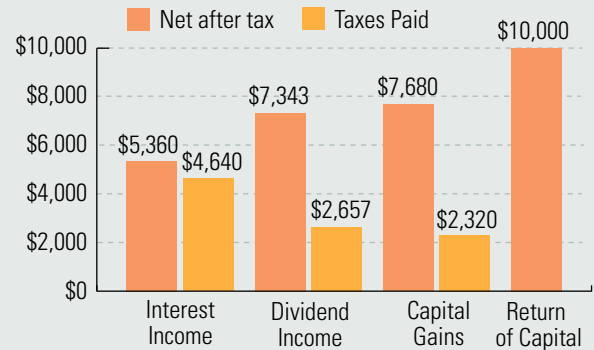
- ▶ Switch or rebalance between T-Class funds and other funds within Corporate Class without triggering taxable gains or losses
- ▶ Customize your level of cash flow
- ▶ Create a diverse portfolio that suits your individual investment objectives, including benefiting from the growth of equities.

Together, T-Class and Corporate Class provide:

- ▶ tax-efficiency to generate more after-tax income
- ▶ the ability to stop, start or modify your cash flow at will
- ▶ the potential to defer taxation until you are in a lower tax bracket
- ▶ a more balanced asset mix to achieve a better after-tax income.

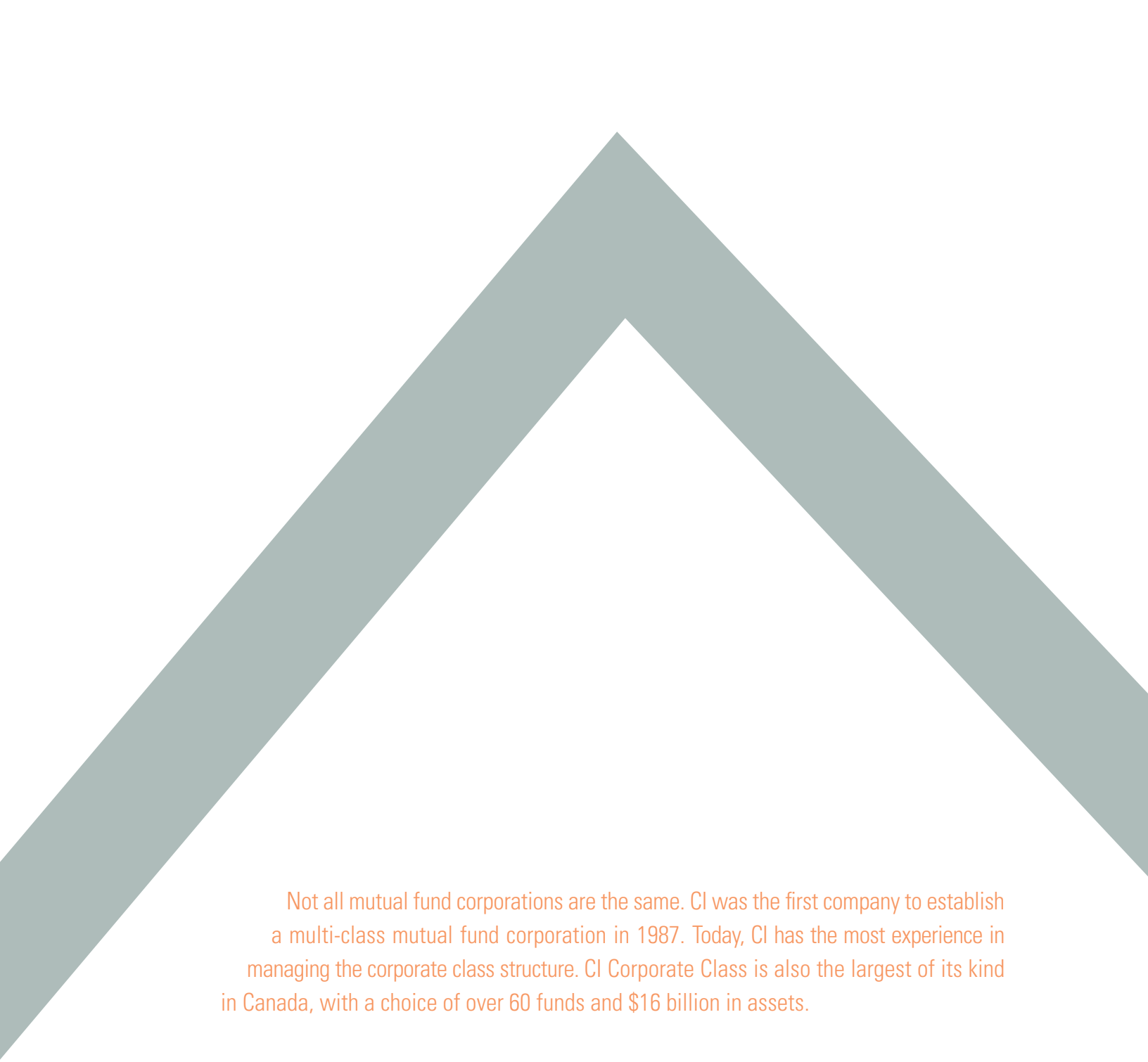
Why is tax-efficiency important?

The difference in the after-tax value of \$10,000 in income from interest, dividends, capital gains and return of capital*

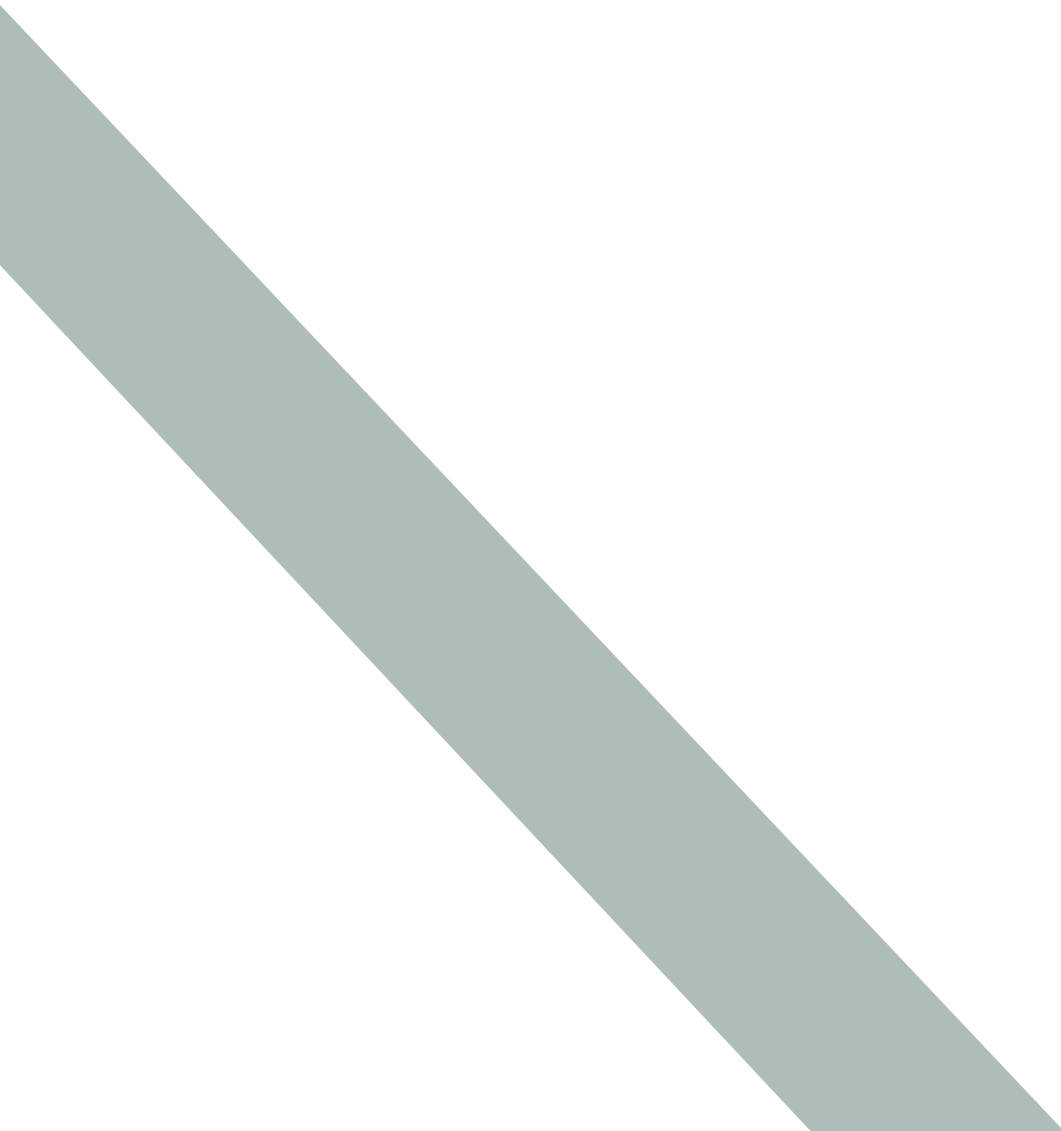


* Assumes a top marginal tax rate for Ontario of 46.4% for 2010





Not all mutual fund corporations are the same. CI was the first company to establish a multi-class mutual fund corporation in 1987. Today, CI has the most experience in managing the corporate class structure. CI Corporate Class is also the largest of its kind in Canada, with a choice of over 60 funds and \$16 billion in assets.



**For more information about Corporate Class,
please visit www.ci.com/corporateclass.**

All charts and illustrations in this guide are for illustrative purposes only. They are not intended to predict or project investment results.

Commissions, trailing commissions, management fees and expenses may be associated with mutual fund investments. Please read the prospectus before investing. Mutual funds are not guaranteed, their values change frequently and past performance may not be repeated. ®CI Investments, the CI Investments design, Synergy Mutual Funds, Harbour Advisors, Harbour Funds, and Signature Global Advisors are registered trademarks of CI Investments Inc. ™Cambridge, Portfolio Series and Signature Funds are trademarks of CI Investments Inc.



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