



# Caldwell Securities Ltd.

## *Independent Investment Advisors* STATEMENT OF POLICIES

This Statement of Policies with respect to related or connected issuers is for clients of Caldwell Securities Ltd. (“CSL”). It is issued in accordance with Section 223 of the Regulations under Securities Act (Ontario) to provide information regarding activities with respect to issuers related or connected to CSL that might appear to be material to prospective purchasers of the securities referred to below.

- CSL is an independent investment dealer. CSL does not finance or underwrite financial issues of any corporate or other entity; its sole business is the provision of brokerage services and investment management advice on a fully discretionary basis.
- Urbana Corporation is a reporting issuer and is listed for trading on the Toronto Stock Exchange. Urbana Corporation has a major shareholder who is its President and is also the Chairman of CSL; Urbana Corporation is therefore a related or connected issuer of CSL.
- Caldwell Investment Management Ltd., an affiliate of CSL, is an investment counsel and portfolio manager and the manager of the Caldwell Balanced Fund, Caldwell Income Fund, Caldwell Canada Fund, Caldwell Exchange Fund, Caldwell New York Limited Partnership, Caldwell New York LP II, Caldwell New York LP IV, Caldwell Palos New York LP, Caldwell ICM New York LP, Caldwell Growth Opportunities Trust and Caldwell High Income Trust, Caldwell Institutional Equity Pool, Caldwell Institutional Bond Pool and Caldwell ICM Market Strategy Trust (collectively the “Caldwell Issuers” and individually, a “Caldwell Issuer”) and therefore such issuers are related or connected issuers.
- CSL and CIM do not purchase securities of any Caldwell Issuer on behalf of investment management discretionary accounts, unless a written authorization to do so has been received by the portfolio manager responsible for the specific client account.
- Caldwell Independent Research Ltd. (“CIR”), an affiliate of CSL, is a securities adviser that from time to time conducts research on public companies. CIR will not publish research reports on any Caldwell Issuer.
- Caldwell Insurance Services Ltd. (“CIS”) is an agency insurance firm. CIS provides personal and corporate insurance ranging from life, disability and critical illness, to buy-sell agreements and key man insurance. CIS also offers health, dental and travel insurance. Insurance policies are written through a variety of Canadian Insurance companies, the main one being Manulife Financial. Tied selling is not conducted between CIS, CSL and CIM.
- In the event of any significant change in this Statement, CSL undertakes to advise the Ontario Securities Commission, prepare and file a new Statement of Policies and furnish copies of it to its clients as required by the Regulations.

**The securities laws of the Province of Ontario require securities dealers and advisors, 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 advisors, 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 advisor.** September 2008