



Cypress Capital Management US Ltd

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Canada

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This brochure provides information about the qualifications and business practices of Cypress Capital Management US Ltd. ("CCMUS"). If you have any questions about its contents, please contact us at 604 659 1850. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission ("SEC"), by any state securities authority, The British Columbia Securities Commission in Canada or any other security authority or regulator.

CCMUS is a registered investment adviser with the SEC. Registration does not imply any level of skill or training. Cypress Capital Management Ltd. ("CCM") is registered in Canada as an adviser in the category of Portfolio Manager, where prescribed proficiencies and experience permit individuals to be registered as portfolio managers.

Oral and written communications from an investment adviser, including this brochure, provide you with information which enables you to determine whether or not to hire or retain that or any investment adviser.

Additional information about CCMUS also is available on the SEC'S website at www.adviserinfo.sec.gov.

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Our Advisory Business

Cypress Capital Management US Ltd. (“CCMUS,” “our” or “we”) provides discretionary investment management services for high net-worth private clients. Cypress Capital Management Ltd. (“CCM”) owns 100% of the shares of CCMUS and is an adviser in Canada registered with various provincial securities commissions. CCMUS was created on November 23, 2005 in Canada and changed its name to CCMUS on September 26, 2006. CCMUS was registered federally with the SEC on April 6, 2006, and registered in the jurisdiction of Washington State on January 12, 2010. CCM was formed in October 1998. Consolidated assets under management approximate CAD \$2.0 billion including private clients, foundation and institutional mandates, with approximately US\$48m in CCMUS.

On June 30, 2004, AGF Management Limited (“AGF”), a publicly listed company on the Toronto Stock Exchange, acquired 100% of the outstanding shares of CCM. Founded in 1957, AGF Management Limited is a premier Canadian-based investment solutions firm with more than 50 years in the business, providing industry leading investment management services through our core business: AGF Investments. More than one million investors and CAD\$46 billion in assets under management, AGF Management Limited serves clients that span the globe with offices and subsidiaries in Canada, the United States, Europe and Asia.

In order to meet the needs of our clients, CCMUS engages one or more affiliates and their personnel in the provision of services to our clients. For example, our portfolio managers are also portfolio managers of CCM, our parent and affiliated adviser licensed and operating in Canada. Research and trading teams used by CCMUS are employed by CCM. We also delegate certain portfolio accounting and reporting and client servicing to CCM.

AGF operates a shared services model, whereby the provision of legal, compliance, human resources, internal audit and other similar services are provided to all AGF subsidiaries globally. All services provided by affiliated entities are done via services agreements and apply with applicable laws and regulations.

Our Services

CCMUS offers discretionary investment management services for a fee to high net-worth clients. Our services are available directly to prospective advisory clients, each negotiating an investment management agreement with us, which incorporates specific investment guidelines and restrictions mutually agreed upon in consultation with the

portfolio managers and our clients. As a result, separately managed accounts may be customized to meet a client's specific requirements, and which may be updated from time to time as renegotiated with clients as circumstances warrant. Client guidelines and restrictions typically impose limitations on security types and percentage allocations or asset allocation target mixes.

Our private client mandates include managing portfolios for individuals and families. We work closely with our clients to determine objectives, risk tolerance and review any considerations that are relevant to the portfolio management process. We manage client portfolios in accordance with the investment objectives, policies and restrictions, including any specific investment instructions that the client and CCMUS have agreed upon, as specified in the client's Investment Policy Statement. Portfolios are managed on a discretionary basis, but we are in regular contact with clients to ensure the asset mix and specific holdings remain appropriate.

Our Investment Process

At CCMUS, each investment mandate is tailored to the needs of the individual client. In general, the investment process followed by our portfolio management professionals follows three general steps designed to manage inherent risks associated with the mandate considering the investment horizon associated with the mandate.

Step 1 – Capital Market Forecast

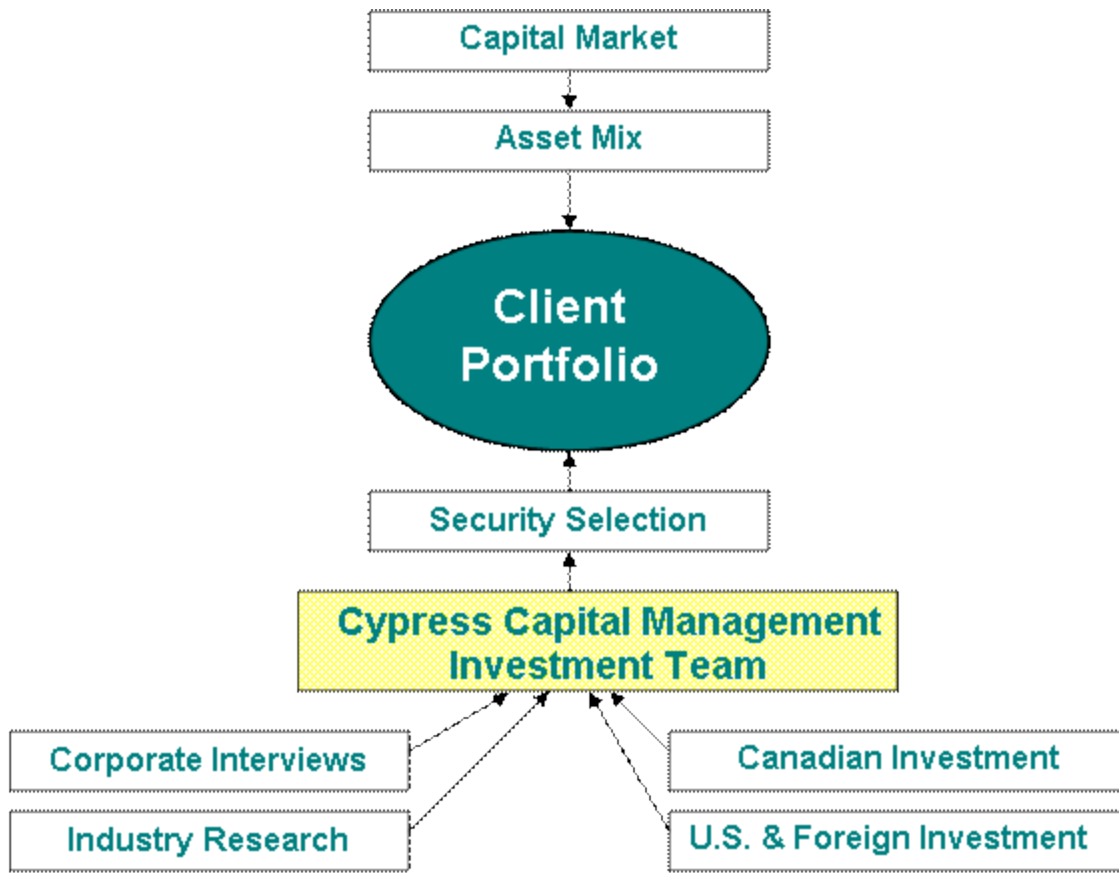
We perform a capital market forecast, which involves a review of the existing economic conditions and how they relate to equities, bonds, and cash. Some of the critical economic variables we discuss and forecast include corporate earnings, equity valuations, interest rates, inflation, GDP growth, government finances, and currencies.

Step 2 – Determine Asset Mix

CCMUS investment professionals determine an appropriate asset mix by relating the objectives back to our capital market forecast. The asset mix is the adjusted to client-specific investment objectives and requirements.

Step 3 – Security Selection

In determining which securities to maintain within the ideal asset mix, comprehensive research, from multiple sources, is completed. Research and analysis is completed using information obtained from public sources, from information obtained from investment dealers and from company visits and management interviews.



Our Fees and Compensation

In general, our fees are based on a percentage of the value or assets under management, as determined in good faith by CCMUS. We retain discretion over the fees we charge, subject to applicable law, and our fees for a particular investment strategy or mandate may differ across clients. Fees are generally negotiable in light of special circumstances of clients, including but not limited to, specific servicing or reporting requirements, asset levels, or other factors, in our sole discretion.

Generally our management fees do not include fees charged by clients' custodians and other expenses charged to or deducted from the assets of the clients' account. Additionally, client accounts will incur brokerage costs associated with the buying and selling of securities in the account. Refer to Brokerage Activities for more information.

To provide our clients with favorable pricing alternatives, CCMUS has negotiated a preferred pricing service with a custodian that CCMUS refers its clients to. To benefit from fee schedules available to larger institutional type clients, CCMUS has negotiated a fee structure where CCMUS pays the custodian a fee which covers client custody and reporting fees of the custodian. Additionally, the custodian has reduced certain transaction costs; to the extent CCMUS directs certain trades to them. Where clients have selected to use the services of the custodian, CCMUS charges the client a single fee, which covers CCMUS' management fees and the custodian fees charged for the provision of custody and reporting services. Additionally, where CCMUS uses the custodian for certain portfolio transactions, the client incurs reduced commission charges. The net effect to the client is that the client pays CCMUS a management fee and also pays, through CCMUS lower custodial fees that the client would not have otherwise been able to negotiate. CCMUS is not compensated for the referral.

CCMUS fees are charged quarterly based on the market value of the assets. Our standard fee schedule is as follows and we reserve the right to negotiate fees based on client specific factors:

- 1.0% per annum on assets up to \$1 million
- 0.75% per annum on the next \$1 million in assets
- 0.50% per annum on the next \$3 million in assets
- 0.40% per annum on the balance

In calculating fees, all related "family" accounts of a client are aggregated and fees prorated to give clients the benefit of lower fee rates on larger values. The fee schedule listed above is CCMUS's standard fee schedule. Where the client does not opt to use the CCMUS referred custodian, the fees to be charged by CCMUS would be reduced by the client's actual custodian costs.

Calculation and Payment of Fees

Charges are computed and invoiced at the end of each quarter and payable in arrears. If the investment management agreement is terminated on a date other than a quarter end, our fee will be prorated for the number of days prior to the effective date of termination.

The client is responsible for all custodian charges, brokerage fees, commissions, costs and other duties, taxes, governmental charges, transfer fees, registration fees and other expense payable for buying, holding or selling securities, for making deposits in any foreign exchange transactions for their account, and for any other account expenses.

Any withholding taxes payable and required to be withheld by issuers, their agents, or other will also reduce the assets in the client account.

Side-by-Side Management and Performance-Based fees

CCMUS does not accept any performance-based fees.

CCMUS may manage client accounts having differing fee arrangements but with substantially similar investment styles, or accounts that may otherwise compete for investment opportunities or have differing abilities to engage in similar investment strategies with differing fee arrangements, any of which may create an incentive to favor certain accounts over others that may be less lucrative. CCMUS has adopted policies and procedures with respect to, among other things, the allocation of investment and trading opportunities, which CCMUS believes are reasonably designed to mitigate these and other conflicts associated with “side-by-side” management. Refer to Brokerage Activities for additional information.

Types of Clients

CCMUS provides advisory services to high net-worth private clients and trusts.

We generally require clients to have a minimum account size of \$500K to receive discretionary investment management services, though we may from time to time waive the minimum based on client specific circumstances. The ability to waive or modify our minimums will give rise to situations where clients with similar investment mandates are offered different minimums to establish the account.

Methods of Analysis, Investment Strategies and Risk of Loss

Portfolio managers, in managing portfolios consistent with their fiduciary obligations, make investment decisions in the best interests of clients without consideration to socially conscious or other ethical or religious conscious filters. Decisions are made primarily with a view to the best positive economic outcome for a client’s account.

There are inherent risks associated with investing in capital markets. There is no assurance that portfolio objectives, including specific performance objectives, will be achieved. Risks vary based on the investment mandate, strategy, restrictions and the nature of securities held in a portfolio. The risk of loss in an account is a risk clients should be prepared to bear.

Individual portfolio managers employ differing methods of security analysis and selection based on the private clients they are individually responsible for. Those approaches differ on an array of factors including but not limited to, market capitalization ranges, issuer and/or sector concentration, geographic considerations, cash flows and liquidity needs. Within an Investment Policy Statement, customization to meet client specific requirements and situations (e.g. cash flow and liquidity needs) may result in differing approaches. Individual portfolio managers will make different investment decisions for different clients which may be based on objective criteria (e.g. industry, capitalization and other market metrics) and based on subjective professional judgment about the suitability of an investment for a specific account.

In general, the primary methods employed by CCMUS portfolio managers involve fundamental analysis, the analysis and study of individual company, market and industry data, based on information obtained from companies, either obtained from public sources or from meetings with management of the companies, and market and industry data obtained from sell-side research sources. Objective criteria is used as a filter to identify investment opportunities and portfolio managers then use their professional judgment in deciding when and what to buy or sell from individual client accounts.

The material risks involved and considered as a result of our primary methods of analysis include:

- Market risk;
- Issuer risk;
- Liquidity risk;
- Geographic and/or political risk;
- Sector risk.

Various investment strategies are employed across our client accounts based on the objectives and strategies of the clients. Segregated accounts with similar mandates, investment guidelines and strategies are managed similarly (though individual holdings may differ).

Where a particular portfolio transaction is requested for multiple accounts, CCMUS, in accordance with its Trade Allocation Policy ("Allocation Policy"), may seek to acquire or dispose of the same securities for multiple accounts contemporaneously and will, to its best effort, seek to aggregate into a single trade order several contemporaneous orders for a single security through CCMUS's trading desk.

CCMUS seeks to aggregate trade orders in a manner that is consistent with its duty to (1) seek best execution of client orders; (2) treat all accounts fairly and equitably over

time; and (3) not systematically advantage any single account or group of accounts over time. When an aggregate trade order is filled in its entirety, each participating account generally participates at the average share price for the aggregated order.

The Allocation Policy is intended to promote fairness, to mitigate potential conflicts of interest, and to conform to applicable regulatory principles. CCMUS forbids any allocation request or allocation decision that favors one account over another based on the self-interest of CCMUS or of its personnel.

Disciplinary Information

There is no pending litigation, regulatory matters, litigation matters or other such matters concerning CCMUS or its parent, CCM. Certain affiliated entities may be involved in other legal, regulatory or litigation matters concerning their respective business activities that have no, direct or indirect, material adverse consequence or impact to CCMUS, its operations or the ongoing ability for CCMUS to provide its services.

Other Financial Activities and Affiliations

CCMUS is a wholly owned subsidiary of CCM. CCM is owned by AGF Investment Inc. (“AGFII”), which is itself owned by AGF Management Limited. CCMUS and CCM, though separate firms, are registered in the same capacity in separate jurisdictions and share resources and operational processes. CCM may and currently does provide investment management services to some of AGFII’s Canadian investment funds

AGFII, is a Canadian registered adviser that maintain similar registrations in other foreign (non-US) jurisdictions. AGFII offers investment management services to Canadian and international investors through its retail advisor, institutional and private counsel businesses. AGFII has deep Canadian roots providing Canadian investment advisors, independent of AGFII, with a wide range of mutual funds and managed assets programs. AGFII offers a broad spectrum of strategies tailored to the needs of institutional investors across Canada, the United States, Europe and Asia. AGFII also includes 3 independent investment counsel firms, of which CCM is included, to serve private clients in their local regions.

Code of Business Conduct, Ethics and Personal Trading

CCMUS has adopted a Code of Ethics (“COE”) applicable to all individuals who provide services to it and its clients (“Supervised Persons”). The COE defines the high standard of business conduct CCMUS prides itself on in meeting its fiduciary duties to its clients.

All Supervised Persons must acknowledge receipt of the code of ethics at least annually.

CCMUS has adopted a Personal Trading Policy applicable to all Supervised Persons, who have formally acknowledged and agreed to abide thereto. The policy restricts the types of investments to be made by Supervised Persons and prohibits any form of front-running activities.

In order to address conflicts of interest that may arise when a Supervised Person is offered or gives a gift, favor, special accommodation, or other items of value, CCMUS places restrictions on gifts and certain types of business entertainment. No Supervised Person may give or receive any gift, service, or other item from any person or entity that does business with or potentially could conduct business with or on behalf of CCMUS. No Supervised Person may receive entertainment of more than CAD \$250, from any person or entity that does business with or potentially could conduct business with or on behalf of CCMUS. No Supervised Person may give or offer any gift to existing investors, prospective investors, or any entity that does business with or potentially could conduct business with or on behalf of CCMUS. That notwithstanding, CCMUS may give or offer any gift to existing investors, prospective investors, or any entity that does business with or potentially could conduct business with or on behalf of CCMUS subject to the gift being at or below the de minimis amount and with the prior written approval of the Chief Compliance Officer.

Brokerage Practices

In general, trade orders are forwarded to the CCM trading desk for placement in the market with executing brokers. CCMUS portfolio managers and CCM traders have responsibility for the selection of brokers and the overall trade execution in accordance with the CCMUS Trading Policy.

In accordance with our trade allocation policy, when there are open orders in the same security for more than one client account, the CCM trading desk will aggregate the orders, placing a single block order with one or more executing brokers. In the event there exists open orders at CCM in the same security being traded by CCMUS, the CCM trading will direct both the CCM and CCMUS block order to the same executing brokers to ensure the average trading price across all accounts participating.

In considering whether to aggregate orders, the CCM traders consider liquidity, market conditions and volume, the speed and ability to execute a complete order. In limited circumstances similar orders may not be aggregated, which may include client restrictions and/or client broker selection requirements.

Filled orders are allocated pro rata amongst participating accounts based on the order size. Where filled through multiple executions, we allocate where possible at the average execution price and commission. CCMUS believes pro rata allocation treats clients fairly in most instances, recognizing that a mathematical approach does not always lead to equitable results.

From time to time, the different investment mandates and strategies may cause us to execute trades for one client that differs from, or conflicts with, trades being executed for another client. For example, one portfolio manager may be buying a particular security and another manager selling the same security. In all circumstances we seek to obtain best execution on all orders, which incorporates but is not limited to best price. One client may appear to receive a more favorable price, for example, than the other competing client. In the event CCMUS has orders to buy and sell the same security at the same time and on the same terms, direct trading (e.g. cross trading) may be considered by the CCM trading desk. Direct trades provide a benefit to clients in the form of reduced transaction costs, however not all client may be permitted to engage in direct trades. Direct trading, to the extent permitted by law and clients, may only be considered in the rare circumstances that all conditions and expectations perfectly align and it is in the best interests of all the clients involved

In a very limited number of circumstances, clients may request CCMUS to direct trades to a specific broker or to trade a specific security. CCMUS will evaluate the request advising the client on the suitability of executing such transactions. Clients are requested to acknowledge they may not obtain best execution in terms of best price, speed or liquidity as a result of executing the requested transaction. CCMUS generally discourages client directed trades.

Broker Selection, Best Execution and Use of brokerage commissions

CCMUS portfolio managers and the CCM trade desk continually reviews broker performance for best execution, which include but are not limited to, the ability to execute unique/difficult or complex transactions, access to particular markets, anonymity, access to management of issuers of securities, counterparty relationships, speed and liquidity, sophistication and technology and access to permitted research and

market information to assist in the investment decision making process, including timing the transaction.

Brokers typically provide a bundle of services, including research and brokerage products or services (“soft dollar items”), in addition to the execution of transactions. Soft dollar items provided by brokers who bundle their services include but are not limited to written research material (not otherwise available for purchase), access to management of companies whose securities CCMUS may be interested in, access to professionals (e.g. industry or market experts) and other such services used by portfolio managers in compiling their research to assist in the investment decisions making process.

In allocating brokerage, the CCM traders may review the selection of brokers based on both an assessment of the broker’s ability to provide quality execution and a belief that any soft dollar items provided by the broker, without solicitation, may benefit CCMUS’s clients. Because is often not possible to place, with precision, a dollar value on the quality executions or on certain soft dollar items receives from brokers effecting transactions in portfolio securities, CCMUS may pay commissions in respect of certain portfolio transactions in an amount or at a rate that exceeds the commission another broker might have charged for effecting a similar transaction when CCMUS determines, in good faith, that such amounts are reasonable in relation to the value of the soft dollar items or superior qualitative executions provided by those brokers, viewed either in terms of a particular transaction or its overall duty to clients.

The receipt of soft dollar items also benefits CCMUS by, among other things, allowing portfolio managers, at no direct cost to (1) supplement its own research, analysis and execution facilities, (2) receive the views and information from other professionals and (3) gain access to persons having special expertise on certain companies, industries, economic areas and market factors. This may relieve CCMUS of expenses that it might otherwise bear in obtaining comparable information or research items on its own.

Soft dollar items obtained are not always used, in whole or in part, for the specific account that generated brokerage from which the items were obtained. CCMUS does not typically allocate the relative costs or benefits with precision among client accounts because it believes that in the aggregate the soft dollar items received benefit clients by assisting portfolio managers in fulfilling their overall duty. To the extent that CCMUS aggregates orders, brokerage commissions attributable to one or more accounts may be allocated to brokers who provide soft dollar items (such as statistical data or research) used by CCMUS in managing other accounts, and vice versa. For this reason, commissions paid in one account may, in effect, subsidize soft dollar items that benefited another account. Additionally, consistent with the safe harbor, CCMUS may

use soft dollars generated by trades for one type of account (e.g., equity) to acquire soft dollar items which may benefit other types of accounts (e.g., fixed income).

CCMUS generally does not use brokerage to pay for “mixed use” items and pay directly for any non-eligible services directly.

Where CCMUS participates in soft dollar arrangements, the arrangements must meet the conditions outlined in the legislation to ensure the general obligation of the portfolio manager to act fairly, honestly and in good faith with its clients and to reasonably achieve best execution. Client brokerage commissions (i.e. brokerage commissions paid for out of, or charged to, a client account or investment fund managed by CCMUS) will not be used as payment for anything other than order execution goods and services or research goods and services.

Review of Accounts

Portfolio managers are responsible for ensuring investments are suitable for client accounts based on the Investment Policy Statement including specific client guidelines and restrictions.

The quarterly investment report provided to all clients is independently reviewed by the compliance department and includes market commentaries and the statement of portfolio holdings for the period. Additionally, clients have access to portfolio managers to discuss investment performance, trends and themes impacting their account.

Client Referrals and Other Compensation

CCMUS sources new business primarily through referrals from existing clients. No fees are paid by CCMUS for referrals. CCMUS does not engage in active solicitation activities beyond the maintenance of its website. CCMUS will respond to requests for proposals received from industry professionals who are engaging in investment manager searches on behalf of their clients. CCMUS generally does not incur charges for participating in such requests for proposal.

Custody

CCMUS does not maintain custody of client accounts.

Furthermore, CCMUS does not have any authority to obtain possession of client funds/securities except in the case of authorizing payment of CCMUS’s fees as per the

Investment Management Agreement. It is also the policy of CCMUS to ensure all assets of the clients managed by CCMUS are held with a qualified custodian. From time to time however, CCMUS may be asked by clients to forward on to their custodian checks, made payable to the custodian, for deposit into their accounts. In such cases, CCMUS merely redirects the client's check to the client.

CCMUS receives custodial reports from the client's custodian and regularly reconciles its records to those of the custodian to ensure completeness and accuracy. Reconciliations are performed by the CCM operations department that is independent from CCM traders, the settlements desk and portfolio managers and their teams. This control provides increased controls over the safeguarding of client assets. In addition to custodial reports clients receive from their custodians, clients also receive detailed portfolio positions reports from CCMUS quarterly. Clients are encouraged to compare these reports.

Investment Discretion

CCMUS clients all enter into written agreements with CCMUS detailing the services to be provided, the authority and discretion CCMUS is given in respect of the managing the assets and the client's specific investment policy statement, guidelines and restrictions (referred to as the client IPS).

The client IPS is incorporated into the investment management agreement and allows clients to detail their specific investment objectives, guidelines and any specific restrictions. Monitoring of compliance with the client IPS is conducted manually by portfolio managers. Some restrictions may be exceeded or compromised as a result of events beyond the control of CCMUS and portfolio managers. For example, corporate actions, market liquidity events, corporate share buybacks and other similar events.

Voting Client Securities

CCMUS votes the top 200 proxies (by market-value) in accordance with recommendations from ISS Voting Analytics. Our proxy voting guidelines set forth general guidelines for voting proxies however, portfolio managers retain discretion to vote proxies on a case-by-case basis taking into account all relevant circumstances applicable to each client. CCMUS documents reasons for voting proxies contrary to the recommendations of ISS. Proxy voting for conflicted securities (Cypress' restricted list) must be reviewed by the operations manager and is subject to review by compliance before any action is taken. Proxy voting for conflicted securities requires prior approval and sign-off of CCMUS compliance.

Information on how client securities were voted is made available upon request to clients, or as outlined in the investment management agreement.

Conflict of Interest Matters

While certain situations of conflict have been covered throughout this document (e.g. personal trading practices, fair allocation of investment opportunities, broker selection, and securities valuation practices), conflicts of interest may arise beyond these ordinary course of business situations. Certain conflicts cannot be avoided or CCMUS has chosen not to avoid them as there may be an adverse impact to processes implemented designed to ensure the best interests of clients are placed ahead of those of CCMUS and its supervised persons and employees. Instead, CCMUS has implemented practices designed to identify and manage such conflicts so as to fulfill our obligations to clients, including our fiduciary obligations.

CCMUS acknowledges that certain conflicts may arise directly from client and/or portfolio manager relationships and outside business activities. For example, where a portfolio manager seeks participation on the board of directors of a firm, prior approval from the Chief Compliance Officer is required. In such cases where approval may be granted, to the extent the entity issues securities, securities of said issuer are restricted from trading in client accounts and personal accounts of Supervised Persons. In a situation where a client may be an insider of firm, securities of that firm are flagged such that proposed trades in that client's account are flagged as inside trades, requiring prior approval from the client before execution.

CCMUS's practices involve the requirement to comply with all policies and procedures consistently and effectively to meet their objectives. AGF's internal audit and compliance departments each conduct routine reviews, audits and assessments of the effectiveness of internal controls designed to meet stated control objectives, the degree of compliance with internal controls and the overall effectiveness in the design of controls to meet stated control objectives. Reports are issued to management and to the board of directors of AGF Management Limited.