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**GE Asset Management Canada Company**

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March 16, 2012

**This brochure provides information about the qualifications and business practices of GE Asset Management Canada Company. If you have any questions about the contents of this brochure, please contact us at (514) 394-2940 and/or [GEAMCmplnc@corporate.ge.com](mailto:GEAMCmplnc@corporate.ge.com). The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission ("SEC") or by any state securities authority.**

**Additional information about GE Asset Management Canada Company will also be available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).**

**Item 2: Material Changes**

Not applicable

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#### **Item 4: Advisory Business**

At GE Asset Management Canada Company, we provide fully-discretionary investment management services to institutional investors. GE Asset Management Canada Company was incorporated in 2000 and is a wholly owned direct subsidiary of GE Asset Management Incorporated. GE Asset Management Incorporated is a wholly owned direct subsidiary of General Electric Company. GE Asset Management Incorporated along with GE Asset Management Canada Company and GE Asset Management Limited are referred to herein as GE Asset Management.

GE Asset Management conducts its investment management business through GE Asset Management Incorporated, GE Asset Management Limited, GE Asset Management Canada Company and certain other affiliated entities. Each of the foregoing GE Asset Management entities may use the services of appropriate personnel of one or more of the other entities for client solicitation, investment advice, portfolio execution and trading, and client servicing, except to the extent contractually restricted by the client or not permitted under applicable law. Arrangements among the GE Asset Management affiliates could include dual employee or delegation arrangements or formal sub-advisory or servicing agreements. GE Asset Management's objective is to make our global capabilities seamlessly available to our clients. Except as otherwise expressly agreed with our client, the contracting GE Asset Management entity remains fully responsible for the account from a legal and contractual perspective and no additional fees are charged for any GE Asset Management affiliates' service.

As noted above, our accounts are fully-discretionary accounts where we have the authority to decide which securities to purchase, hold and sell for the client, subject to any contractual restrictions including investment guidelines.

GE Asset Management Canada Company provides discretionary management services with respect to certain securities and other investments. The particular types of securities and investments subject to our management or advice for any specific client would generally be identified by broad categories (e.g., Canadian Equity) and subject to restrictions and guidelines agreed with the applicable client in the governing documents. The types of securities and investments for which GE Asset Management Canada Company provides the investment services described above generally relate to, but are not limited to, publicly traded and private equity securities of non-U.S. issuers, and warrants, rights and initial public offerings ("IPOs").

We also offer advice to collective investment vehicles which have been sponsored by GE Asset Management Canada Company that are organized to make investments primarily in publicly traded equity securities.

We may also provide advice to our clients from time to time with respect to exchange-traded funds (each an "ETF"). ETFs have annual operating expenses such as advisory fees and may also impose certain shareholder fees. Such fees and expenses would be paid by clients whose assets were invested in an ETF and these fees would be in addition to the fee charged by us for our advisory services (as disclosed in the investment management agreement, offering memorandum or prospectus, as applicable).

In general, GE Asset Management Canada Company has developed and continues to develop certain investment strategies based largely on the needs identified by our existing clients. To the extent we believe it appropriate, GE Asset Management Canada Company may then make these investment strategies available for other institutional investors. Our investors are institutional entities and they would generally select the “model” or default strategy which is most appropriate for their overall investment needs. . We will permit our investors to make certain modifications to the model strategy selected (e.g., restricting certain identified securities or groups of securities) and such changes would be evidenced in the agreement governing our relationship, typically an investment management agreement. Such modifications would typically be made to accommodate the unique risk or contractual or regulatory conditions to which the investor is subject and would generally not materially impact the overall integrity of the strategy. However, any change to the model strategy made at the request of an investor will likely cause the performance of the investor’s portfolio to differ from that of the relevant model portfolio.

We do not participate in wrap fee programs. Wrap fee programs are advisory programs under which a specified fee or fees not based directly upon transactions in a client’s account is charged for investment advisory series and the execution of client transactions.

As of March 31, 2012, we managed \$3,608,176,000 client assets on a discretionary basis.

## **Item 5: Fees and Compensation**

We generally charge fees based on a percentage of assets under management. We may from time to time enter into performance or incentive fee arrangements as permitted under applicable law and described in Item 6. In certain limited cases, we may also enter into an agreement under which we receive fixed fees for our services. Set forth below is our standard fee schedule for our strategies. It should be noted that in certain cases we may enter into a lower fee schedule with a client than the corresponding standard fee schedule. Some examples of when we may enter into a lower fee schedule would be: (a) when a client has invested in multiple strategies; or (b) when a client requires asset management in accordance with a unique strategy not generally available to potential clients.

GE Asset Management Canada Company acts as adviser or subadvisor to a number of employee benefit plans sponsored by General Electric Company (“GE”) or an affiliate thereof. Payments received by us for providing services to such plans (either directly or indirectly through commingled funds) are subject to restrictions imposed by the Employee Retirement Income Security Act of 1974, as amended (“ERISA”) and other applicable laws. GE Asset Management Canada Company generally does not receive any management fees in these cases though we may be reimbursed by such plans for certain of our allowable costs in providing service. We may also charge reduced fees to affiliated non-ERISA entities.

In addition to the management fees described below, a client for which GE Asset Management Canada Company provides separate account services will have responsibility for payment of their custodian’s fees. Such fees would be the subject of agreement between the client and their chosen custodian. The client will also be responsible for all brokerage and

related charges and expenses. Please see Item 12 of this brochure for a description of brokerage.

Investors in commingled pools will be indirectly responsible for all costs and expenses which are identified in the relevant fund's governing documents. Generally, such costs and expenses would include but may not be limited to custodian charges, brokerage and related charges and expenses, audits, trustee fees, filing fees and legal fees and would be paid from the fund. In certain cases, GE Asset Management Canada Company or GE Asset Management Incorporated, may agree to pay some or all of such fees as contemplated by the relevant fund's governing documents.

Please see Item 4 above for a description of certain additional fees which would be incurred (though not paid to GE Asset Management Canada Company) for any account purchasing ETFs.

Certain sales personnel of GE Asset Management Canada Company receive compensation based on performance measured in various ways such as client generation and sale of certain products. There may be a conflict of interest to the extent that a product or a service may result in a larger commission than other products or services.

### **Canadian Based Commingled Funds**

GE Asset Management Canada Company's standard, non-negotiated annual management fees for serving as investment adviser (which fee is also inclusive of any management fee charged by GE Asset Management Incorporated, as sub-adviser) to various sections of a Canadian based commingled product are as follows:

#### **Canadian Equity Fund**

- (i) .45% on first CAD \$10 million; plus
  - (ii) .35% on next CAD \$50 million; plus
  - (iii) .25% thereafter
- Minimum Investment: CAD \$10,000,000

#### **Canadian Equity II Fund**

- (i) .45% on first CAD \$10 million; plus
  - (ii) .35% on next CAD \$50 million; plus
  - (iii) .25% thereafter
- Minimum Investment: CAD \$10,000,000

#### **Global Equity Fund\***

- (i) .75% on first CAD \$25 million; plus
  - (ii) .60% on next CAD \$25 million; plus
  - (iii) .45% on next CAD \$50 million; plus
  - (iv) Upon request thereafter
- Minimum Investment: CAD \$10,000,000

\*Services provided by GE Asset Management Incorporated, parent company of GE Asset Management Canada Company

International Equity Fund\*

- (i) .75% on first CAD \$25 million; plus
- (ii) .60% on next CAD \$25 million; plus
- (iii) .45% on next CAD \$50 million; plus
- (iv) Upon request thereafter

Minimum Investment: CAD \$10,000,000

\*Services provided by GE Asset Management Incorporated, parent company of GE Asset Management Canada Company

Emerging Markets Equity Strategy\*

- (i) .95% on first CAD \$25 million; plus
- (ii) .85% on next CAD \$25 million; plus
- (iii) .80% on next CAD \$100 million; plus
- (iv) Upon request thereafter

Minimum Investment: CAD \$10,000,000

\*Services provided by GE Asset Management Incorporated, parent company of GE Asset Management Canada Company

China Select Equity Fund\*

- (i) 1.50% on first CAD \$10 million; plus
- (ii) 1.40% on next CAD \$25 million; plus
- (iii) 1.30% thereafter

Minimum Investment: CAD \$5,000,000

\*Services provided by GE Asset Management Incorporated, parent company of GE Asset Management Canada Company

Multi-Style Equity Fund\*

- (i) .50% on first CAD \$10 million; plus
- (ii) .40% on next CAD \$50 million; plus
- (iii) .30% on next CAD \$50 million; plus
- (iv) Upon request thereafter

Minimum Investment: CAD \$10,000,000

\*Services provided by GE Asset Management Incorporated, parent company of GE Asset Management Canada Company

## **Separate Accounts**

GE Asset Management Canada Company's standard, non-negotiated annual management fees for serving as investment adviser or sub-adviser (which fee is also inclusive of any management fee charged by GE Asset Management Incorporated or GE Asset Management Limited, as adviser) are as follows;

Canadian Equity Strategy

- (i) .45% on first CAD \$10 million; plus
- (ii) .35% on next CAD \$50 million; plus

(iii) .25% thereafter  
Minimum Investment: CAD \$25,000,000

Research Enhanced U.S. Equity Strategy\*

(i) .30% on first CAD \$75 million; plus  
(ii) .20% thereafter  
Minimum Investment: CAD \$25,000,000

U.S. Research Select Equity Strategy\*

(i) .50% on first CAD \$75 million; plus  
(ii) .40% on next CAD \$75 million; plus  
(iii) .30% on next CAD \$150 million; plus  
(iv) Upon request thereafter  
Minimum Investment: CAD \$25,000,000

U.S. Multi-Style Equity Strategy\*

(i) .50% on first CAD \$10 million; plus  
(ii) .40% on next CAD \$50 million; plus  
(iii) .30% on next CAD \$50 million; plus  
(iv) Upon request thereafter  
Minimum Investment: CAD \$25,000,000

U.S. Equity Select Strategy\*

(i) .60% on first CAD \$50 million; plus  
(ii) .50% on next CAD \$50 million; plus  
(iii) .45% on next CAD \$100 million; plus  
(iv) Upon request thereafter  
Minimum Investment: CAD \$25,000,000

U.S. Select Value Equity Strategy\*

(i) .60% on first CAD \$50 million; plus  
(ii) .50% on next CAD \$50 million; plus  
(iii) .45% on next CAD \$100 million; plus  
(iv) Upon request thereafter  
Minimum Investment: CAD \$25,000,000

U.S. Premier Growth Equity Strategy\*

(i) .60% on first CAD \$50 million; plus  
(ii) .50% on next CAD \$50 million; plus  
(iii) .45% on next CAD \$100 million; plus  
(iv) Upon request thereafter  
Minimum Investment: CAD \$25,000,000

U.S. Value Equity Strategy\*

(i) .55% on first CAD \$50 million; plus  
(ii) .45% on next CAD \$50 million; plus  
(iii) .40% on next CAD \$100 million; plus  
(iv) Upon request thereafter

Minimum Investment: CAD \$25,000,000

U.S. Mid Cap Equity Strategy\*

- (i) .80% on first CAD \$25 million; plus
- (ii) .60% on next CAD \$25 million; plus
- (iii) .55% on next CAD \$50 million; plus
- (iv) Upon request thereafter

Minimum Investment: CAD \$10,000,000

U.S. Mid Cap Growth Equity Strategy\*

- (i) .80% on first CAD \$25 million; plus
- (ii) .60% on next CAD \$25 million; plus
- (iii) .55% on next CAD \$50 million; plus
- (iv) Upon request thereafter

Minimum Investment: CAD \$10,000,000

U.S. Disciplined Growth Equity Strategy\*

- (i) .50% on first CAD \$50 million; plus
- (ii) .40% on next CAD \$50 million; plus
- (iii) .35% on next CAD \$100 million; plus
- (iv) Upon request thereafter

Minimum Investment: CAD \$25,000,000

U.S. Core Value Equity Strategy\*

- (i) .50% on first CAD \$50 million; plus
- (ii) .40% on next CAD \$50 million; plus
- (iii) .35% on next CAD \$100 million; plus
- (iv) Upon request thereafter

Minimum Investment: CAD \$25,000,000

US Equity Yield Strategy\*

- (i) .50% on first CAD \$50 million; plus
- (ii) .40% on next CAD \$50 million; plus
- (iii) .35% on next CAD \$100 million; plus
- (iv) Upon request thereafter

Minimum Investment: CAD \$25,000,000

International Equity Strategy\*

- (i) .75% on first CAD \$25 million; plus
- (ii) .60% on next CAD \$25 million; plus
- (iii) .45% on next CAD \$50 million; plus
- (iv) Upon request thereafter

Minimum Investment: CAD \$25,000,000

Global Equity Strategy\*

- (i) .75% on first CAD \$25 million; plus
- (ii) .60% on next CAD \$25 million; plus
- (iii) .45% on next CAD \$50 million; plus

(iv) Upon request thereafter  
Minimum Investment: CAD \$25,000,000

Global Select Equity Strategy\*

(i) .75% on first CAD \$50 million; plus  
(ii) .55% on next CAD \$50 million; plus  
(iii) .45% on next CAD \$150 million; plus  
(iv) Upon request thereafter  
Minimum Investment: CAD \$25,000,000

International Opportunities Strategy\*

(i) .90% on first CAD \$50 million; plus  
(ii) .80% on next CAD \$50 million; plus  
(iii) .75% on next CAD \$50 million; plus  
(iv) Upon request thereafter  
Minimum Investment: CAD \$25,000,000

Emerging Markets Equity Strategy\*

(i) .95% on first CAD \$25 million; plus  
(ii) .85% on next CAD \$25 million; plus  
(iii) .80% on next CAD \$100 million; plus  
(iv) Upon request thereafter  
Minimum Investment: CAD \$25,000,000

India Equity Strategy\*

(i) 1.50% on first CAD \$10 million; plus  
(ii) 1.40% on next CAD \$25 million; plus  
(iii) 1.30% thereafter  
Minimum Investment: CAD \$10,000,000

Europe Equity Strategy\*\*

(i) .75% on first CAD \$25 million; plus  
(ii) .60% on next CAD \$25 million; plus  
(iii) .45% on next CAD \$50 million; plus  
(iv) Upon request thereafter  
Minimum Investment: CAD \$25,000,000

Europe Select Equity Strategy\*\*

(i) .75% on first CAD \$50 million; plus  
(ii) .55% on next CAD \$50 million; plus  
(iii) .45% on next CAD \$150 million; plus  
(iv) Upon request thereafter  
Minimum Investment: CAD \$25,000,000

Euroland Equity Strategy\*\*

(i) .75% on first CAD \$25 million; plus  
(ii) .60% on next CAD \$25 million; plus  
(iii) .45% on next CAD \$50 million; plus

(iv) Upon request thereafter  
Minimum Investment: CAD \$25,000,000

Japan Equity Select Strategy\*

(i) .75% on first CAD \$25 million; plus  
(ii) .60% on next CAD \$25 million; plus  
(iii) .45% on next CAD \$50 million; plus  
(iv) Upon request thereafter  
Minimum Investment: CAD \$25,000,000

China H Share Equity Strategy\*

(i) 1.50% on first CAD \$10 million; plus  
(ii) 1.40% on next CAD \$25 million; plus  
(iii) 1.30% thereafter  
Minimum Investment: CAD \$10,000,000

\* Services provided predominantly by GE Asset Management Incorporated, parent company of GE Asset Management Canada Company.

\*\* Services provided predominantly by GE Asset Management Limited, an affiliate of GE Asset Management Canada Company.

**In all cases above, we retain the discretion to accept a lesser amount.**

**Item 6: Performance Fees and Side-By-Side Management**

GE Asset Management Canada Company receives fees for its services which are based on a percentage of assets under management. We may also enter into performance or incentive fee arrangements with clients. A conflict of interest may arise when an adviser simultaneously manages a performance-fee based account and an account charged fees which are not based on performance. This could occur because the adviser or its supervised persons may have an incentive to favor accounts for which the adviser or its supervised person receive a performance-based fee. However, for the reasons which follow, GE Asset Management Canada Company believes that it has largely mitigated the potential for this conflict of interest.

With respect to equities, in general, each trade for multiple GE Asset Management client accounts invested in the same strategy (e.g., Canadian Equity) will be allocated according to a ratio determined in advance and which is based on each account's market value relative to all the accounts participating in the order. All clients in a particular order will also receive the same average price. The same methodology is to be followed for initial public offerings ("IPOs"). . Deviations from this general rule are only permitted under certain circumstances. GE Asset Management Incorporated and GE Asset Management Limited have adopted the same policy.

In addition, our Trading Practices Policy does expressly state that in no case may allocations of trades be based upon account performance, the amount of management fees charged or whether the account is public or private.

## Item 7: Types of Clients

We provide investment advice to institutional entities, including but not limited, to:

- (A) pensions and profit sharing plans (other than plan participants);
- (B) pooled investment vehicles;
- (C) charitable organization;
- (D) insurance companies; and
- (E) government entities.

We have certain requirements for opening or maintaining an account, such as a minimum account size. Please see Item 5 above for information on minimum investment requirements for our Canada based commingled and separate accounts.

In all cases above, we retain (or retained) the discretion to accept a lesser amount.

## Item 8: Methods of Analysis, Investment Strategies and Risk of Loss

GE Asset Management Canada Company d manages equities for our clients. Each of our available investment strategies along with the vehicle in which such strategies are made available is listed in response to item 5 herein.

While the precise investment technique will vary, we largely utilize a fundamental, bottom-up issuer selection process with top-down positioning to assist with prudent diversification or with the objective to capture perceived value opportunities. In furtherance of this investment process, we may from time to time obtain information regarding issuers and investments from sources within General Electric Company. Such information would typically relate to general industry, sector, country or regional facts.

In all cases, investment in securities involves risk of loss that clients should be prepared to bear. In addition, each of our strategies has certain risks that are largely a function of the overall asset class and specific investment focus. We have described such risks below.

### All Strategies:

**Securities Market Risk** is the risk that the value of securities may go up or down, sometimes rapidly or unpredictably, due to factors affecting particular companies or the securities markets generally. A general downturn in the securities market may cause multiple asset classes to decline in value simultaneously, although equity securities generally have greater price volatility than fixed income securities. In addition, clients could experience a loss when selling securities in order to meet unusually large or frequent redemption requests in times of overall market turmoil or declining prices for the securities sold.

**Diversification Risk** is the risk that a single name (or sector or geographical region) may have a more pronounced impact on the performance of the strategy. Although each strategy will be diversified, certain strategies may invest in securities of a limited number of issuers or may target a more narrow investment universe in an effort to achieve a potentially greater investment return

than a strategy that invests in a larger number of issuers or achieve a specific investment objective. As a result, price movements of a single issuer's securities (or the target sector or geography) will have a greater impact on the strategy's value and may also cause greater volatility in the strategy's performance than may be experienced from a more widely diversified strategy.

**Redemption Risk** is the risk that an investor (or pool) could experience a loss when selling securities to meet redemption requests if the redemption requests are unusually large or frequent, occur in times of overall market turmoil or declining prices for the securities sold, or when the securities to be liquidated are illiquid. Redemption Risk is likely to be greater in the context of a commingled pool.

**Allocation Risk** is the risk that GE Asset Management Canada Company may not allocate assets of the strategy among investment management styles in an optimal manner, if, among other reasons, it does not correctly assess the attractiveness of an investment style and in which case performance may be impacted.

#### Equities Strategies:

**Growth Investing Risk** is the risk of investing in growth stocks that may be more volatile than other stocks because they are more sensitive to investor perceptions of the issuing company's growth potential. GE Asset Management growth-oriented equity strategies (e.g., Premier Growth Equity), will typically underperform when value investing is in favor.

**Value Investing Risk** is the risk of investing in undervalued stocks that may not realize their perceived value for extended periods of time or may never realize their perceived value. Value stocks may respond differently to market and other developments than other types of stocks. GE Asset Management value-oriented equity strategies (e.g., U.S. Core Value) will typically underperform when growth investing is in favor.

**Foreign Investment Risk** is the risk that investing in foreign (non-Canadian.) securities may result in the strategy experiencing more rapid and extreme changes in value than a strategy that invests predominantly or exclusively in securities of Canadian. companies, due to smaller markets, differing reporting, accounting and auditing standards, nationalization, expropriation or confiscatory taxation, currency blockages and political changes or diplomatic developments. The costs of investing in many foreign markets are higher than the Canada. and investments may be less liquid. Foreign Investment Risk will be most prominent in GE Asset Management strategies which invest predominantly or exclusively in non Canadian. securities (e.g., International Equity, Global Equity, Emerging Markets, China A, China Select, India).

**Emerging Markets Risk** is the risk of investing in securities of issuers located in emerging market countries, which primarily includes increased foreign investment risk. Emerging markets countries may have unstable governments and/or economies that are subject to sudden change, and may also lack the legal, business and social framework to support securities markets, which tends to make investments less liquid and more volatile. Emerging Markets Risk will be most prominent in GE Asset Management strategies which invest predominantly or exclusively in emerging markets (e.g., Emerging Markets, China A, China Select, India).

**Currency Risk** is the risk that the values of foreign investments may be affected by changes in currency rates or exchange control regulations. If a foreign currency weakens against the Canadian Dollar, the value of a foreign investment denominated in that currency would also decline in Canadian Dollar terms. See Foreign Investment Risk and Emerging Markets Risk above for strategies which would be most impacted by currency risk.

Finally, we may also use other investment strategies not listed above, as may be agreed to with a client, and in which case, we would provide appropriate risk disclosures in the applicable governing documents.

#### **Item 9: Disciplinary Information**

None.

#### **Item 10: Other Financial Industry Activities and Affiliations**

GE Investment Distributors, Inc. (“GEID”), a wholly owned subsidiary of GE Asset Management Incorporated, is a registered broker-dealer with the SEC and a member of the Financial Industry Regulatory Authority (“FINRA”).

Neither GE Asset Management Canada Company nor any of our management persons are registered, or have an application pending to register, as a futures commission merchant, commodity pool operator, a commodity trading advisor, or an associated person of the foregoing entities.

We have relationships or arrangements that are material to our advisory business and or to our clients with the following related persons:

1. **Investment Company or other pooled investment vehicle:** We receive compensation as an investment adviser to various pooled investment vehicles.. We are unaware of any unique material conflict of interest with our clients as a result of our acting as adviser to the above entities. However, as GE Asset Management Canada Company’s fees for serving as investment adviser to the pooled vehicles will directly vary with the amount of assets invested in such pooled vehicles, there is an incentive for GE Asset Management Canada Company to recommend investment in our managed products. It should be noted however that we do not offer investment vehicles managed by non-affiliated entities. We believe that our clients understand that GE Asset Management Canada Company has an incentive to offer and sell its products. In addition, as the fees associated with various investment vehicles will vary, we will of course receive greater revenue to the extent a client invests in the vehicle with the highest fee. The investment vehicles often times have specific admissibility requirements and therefore, a client may not qualify for investment in multiple vehicles. In that case, potential conflicts will be minimized. To the extent a client may qualify for multiple investment vehicles, we would typically present all qualifying vehicles and describe material differences in such vehicles and the applicable fees. Ultimately, the client will then choose which vehicle presents the best fit based on such client’s particular needs.

2. **Other investment adviser or financial planner:** GE Asset Management Canada Company has the following two investment adviser affiliates: GE Asset Management Incorporated, a US-based, SEC-registered investment adviser, and GE Asset Management Limited, a UK-based Financial Services Authority registered adviser. As noted earlier, we have entered into and expect to continue to enter into subadvisor arrangements with each of the foregoing affiliates, which arrangements would typically provide that we would receive (or pay) compensation from the affiliates for services provided (received). We are unaware of any unique material conflict of interest with our clients as a result of these relationships.
3. **Insurance company or agency:** GE Asset Management also acts as adviser to a number of affiliated and non-affiliated insurance companies. GE Asset Management manages significant assets for our affiliated insurance companies. This relationship could create a material conflict of interest with our clients since the interests of our affiliated insurance company would diverge from the interests of our other managed client accounts in certain cases. For example, it is possible that a security which GE Asset Management wished to purchase for both the insurance company and other managed clients was in limited supply. It would have a conflict in allocation of such investment. We have mitigated this conflict through our Trading Practices Policy which addresses the allocation of investment opportunities. Please see Item 6 above. We may also have a conflict of interest should the interest of the affiliated insurance company differ from our other managed clients in connection with a proxy vote or other corporate action. We have mitigated this conflict by establishing a proxy voting process which is contained in our Proxy Voting Policy and which, among other things, specifically deals with material conflicts of interest. Should a material conflict of interest exist, a third party would be responsible for exercising the proxy or corporate action. Finally, in order to address other material conflicts of interest that could result due to the affiliation noted above, GE Asset Management has instituted a Policy to Safeguard Against Conflict of Interest and a Transactions with Affiliates Policy.

#### **Item 11: Code of Ethics, Participation or Interest in Client Transactions and Personal Trading**

GE Asset Management maintains a Code of Ethics (the “Code”), which is designed to alert our employees and certain other individuals to the ethical and legal obligations that result from their association with an investment adviser and which must be fulfilled in order to maintain the confidence and trust of our clients and to protect the assets entrusted to us. The Code requires that all employees comply fully with applicable federal securities laws, including the laws prohibiting insider trading and stock tipping.

The principal objectives of the Code are (a) to provide guidelines and procedures consistent with applicable laws and regulation, including Section 204A of the Investment Advisers Act of 1940 (and Rule 204A-1 thereunder) and Rule 17j-1 under the Investment Company Act of 1940; and (b) to ensure that employee’s personal trading activities are conducted in a manner consistent with applicable laws and regulations and the general principles set forth in the Code. Our Code is designed to avoid even the appearance of impropriety.

Pursuant to the Code, personal trade orders for all of our employees and, where appropriate, certain other designated person, must be pre-cleared through an automated online system which determines whether the personal trade should be permitted. For example, if a client order with respect to the requested security is open, the personal trade will automatically be rejected. With certain exceptions, our employees are also limited to holding accounts with certain specified brokers and are required to request duplicate confirmations and periodic statements be sent to GE Asset Management Incorporated's Compliance Department. Additionally, our employees are required to have a sixty day holding period on securities with capital gains and are not permitted to participate in IPOs. Portfolio managers and analysts are subject to further restrictions with respect to the accounts they manage. They are prohibited from trading a security in their own personal account within seven calendar days before or after all transactions for their assigned accounts have been completed for that security. Portfolio manager are also required to notify their managers in advance of any personal transactions in excess of \$25,000 (or foreign currency equivalent) in any registered investment company or investment trust over which they have discretionary trading authority.

The Code also addresses insider information and the restrictions applicable thereto. All of our employees acknowledge their receipt and understanding of the Code and affirm their commitment to comply with the Code on an annual basis. However, with the exception of our employees, officers and directors, we do not monitor the trading activities of other related parties and do not share information with such parties except with respect to our advisory affiliates which have instituted their own written procedures or as may otherwise be required to comply with applicable law.

A copy of our Code of Ethics is available to any client or prospective client upon request.

GE Asset Management Incorporated and GE Asset Management Limited have also adopted the Code.

As noted earlier, GE Asset Management Canada Company is a wholly-owned direct subsidiary of GE Asset Management Incorporated which is a wholly-owned direct subsidiary of General Electric Company ("GE"). We may under certain limited circumstances and upon the prior written approval of the affected client, trade shares of GE common stock for such client's account. All such purchases would only be affected pursuant to a written agreement that described the parameters of the program pursuant to which GE stock may be purchased, held or sold. Such program has been designed to hold a specified index weight of GE stock, subject to certain tolerances, and thereby remove much of the discretion we would otherwise have to manage GE stock for our clients. All purchases of GE stock by us for any account or entity are coordinated so that such purchases are made alongside any order we may place on behalf of GE for that day in connection with any then applicable GE stock repurchase program. In addition, all purchases of GE stock made on a given day for both GE and any managed client account will be done at the same average price. All trades in GE stock for any managed account would be made in compliance with applicable law.

From time to time, we may advise our clients (or potential clients) to invest in investment pools in which we or one of our affiliates is a sponsor and/or investment adviser. In all such cases, GE Asset Management Canada Company will receive some direct benefit from any

such investment. As such, there may be a potential conflict of interest between GE Asset Management Canada Company and our clients who may invest in any such vehicles. GE Asset Management Canada Company offers its products solely to institutional investors. We also fully disclose each role undertaken by GE Asset Management Canada Company with respect to the investment vehicle being recommended and the fees we will receive as a result of any investment.

GE Asset Management Canada Company does not buy securities from nor sell securities to any client accounts. We do not engage in trading for our own account. While we do not purchase or sell securities for our own account, it should be noted that our Board of Directors serves as board members/trustees of certain affiliated pension and benefit plans that are managed as our client accounts and therefore can be expected to purchase or sell securities that are also purchased or sold on behalf of our other clients. In addition, as noted earlier, GE Asset Management also manages assets for affiliated insurance companies. All trades are affected for all such client accounts in accordance with our Trading Practices Policy and such Policy applies regardless of whether the account is affiliated or non-affiliated. A summary description of that Policy including allocation of investments is described in response to Item 6 above.

In addition, there may be times that one of our officers, directors or employees may wish to personally invest in the same securities we are purchasing or selling on behalf of a client. We appreciate that this practice causes a conflict of interest where the person making a trade may be inclined to place his or her interests above that of our client's and in any case, the implementation of any personal trade could adversely impact the price paid or received by our managed client accounts. We have addressed this conflict of interest by adopting our Code of Ethics which incorporates various procedures designed to guard against impropriety. The processes which relate to personal trading by all of our employees as well as additional restrictions applicable to our portfolio managers and analysts are described in more detail above.

We do not monitor the trading of any other related person (other than our subsidiaries and the employees and officers thereof who are subject to the Code). However, we also do not permit access to our trading data to any such related person who is also not a client. As such, we believe the potential for any conflict of interest has been mitigated.

## **Item 12: Brokerage Practices**

When selecting broker dealers for a client transaction, our primary objective is to obtain best execution in every transaction. "Best execution" includes consideration of (a) total transaction price (including commissions, as a component of price), (b) the broker's facilities, reliability and financial responsibility, (c) the ability of the broker to effect securities transactions, particularly with regard to such aspects as timing, size and execution of orders, and (d) the Research or Brokerage services (as such terms are defined in Section 28(e) of the Securities Exchange Act of 1934, as amended (the "Exchange Act") and consistent with Part 4.1 of Canadian National Instrument 23-102 and more specifically defined as follows), provided by such broker to us (either directly or by arrangement with third parties) which may enhance our (or our advisory affiliates') general investment decision-making process,

notwithstanding that any particular client or clients may not be the direct or exclusive beneficiary of such services.

Specifically, we may pay a broker a commission in excess of the amount another broker would have charged for effecting a transaction, so long as, in our good faith judgment, the amount of the commission is reasonable in relation to the value of the Research and/or Brokerage services provided by such broker. This is viewed in terms of that particular transaction or our overall investment management business. In addition, it is possible that commissions paid for the combination of execution and research services that meet our standards may be higher than for execution services alone or for services that fall below our standards though, our objective is to obtain the best overall net price for our clients.

"Research" services are limited to (a) advice that reflects the expression of reasoning or knowledge and which relates to the value of securities, the advisability of investing in, purchasing, or selling securities, or the availability of securities or purchases or sellers of securities and (b) analyses and reports that also reflect the expression of reasoning or knowledge and relate to issuers, industries, securities, economic factors and trends, portfolio strategy or the performance of accounts. In all cases, the foregoing does not include mass marketed publication and must be used, at least in part, in our investment decision-making process. "Brokerage" services would relate to the execution of securities transactions.

More specifically, GE Asset Management obtains the services described below from brokers, either direct (which in the case of Research is considered "proprietary research" or "bundled research") or through arrangements with third party providers (which is considered "third party research"). Proprietary research includes, but is not limited to, written research reports on issuers, sectors or economic matters. It may also include access to websites containing investment related information and access to the firm's analysts. In most cases, proprietary research is supplied by the broker unsolicited or without a specific request from GE Asset Management. As such, the value of any particular report, oral or written, to GE Asset Management for use in our investment decision making process will vary.

In the case of third party research, GE Asset Management would enter into an arrangement with a broker and pursuant to which the broker would compensate a third party research provider and service as selected by GE Asset Management. The compensation of the third party research provider would come from credits which were based on the amount of brokerage trading undertaken by us through the paying broker, which formula would be negotiated by us and the paying broker.

GE Asset Management has received the following soft-dollar products and services during the last fiscal year:

- Bloomberg quotes, news, charts, analytics, etc. Access to real time data, news and research.
- Access to sell side reports, analysis of company models, expectations and estimates
- Real time exchange quotes
- MSCI benchmark data/analysis
- Macroeconomic, sector, industry and company specific indicators, charts and graphs
- Boutique emerging markets research

- Analytical tools to access real-time estimates, ownership information, company fundamental data, market data and events.
- Order management, modeling, allocations, etc.
- Historical Risk return data
- Global investment strategy and asset allocation analysis consultations

Unless otherwise specified in a client agreement, we will have complete discretion to determine which brokerage firm to use to execute transactions for our client accounts. As such, a conflict of interest may be present because we have an incentive to select a broker-dealer based on our interest in receiving soft dollar benefits rather than on our client's interest in receiving most favorable execution. In other words, even though the research service received is used by us in the investment decision making process, such service while benefiting our clients would still present a conflict since the cost of such service would be indirectly borne by the client (through reduced performance) not by us.

Additionally, in certain cases, GE Asset Management may cause our client accounts to pay commissions (or markups or markdowns) higher than those charged by other broker-dealers in return for soft dollar benefits (known as paying-up), though as noted before, our objective is to obtain the best overall net price for our clients.

In order to help ensure that the amount of commissions paid for research is reasonable in relation to the value of such research, GE Asset Management traders, analysts and portfolio managers adhere to the following process. On a semi-annual basis, GE Asset Management's equity traders, portfolio managers and analysts vote to determine the commission budget amount for each approved broker. A ranking is compiled based on quality of research and execution (including speed and accuracy of trading, as well as delivery of securities). In addition, brokers are assessed based on excellence in personnel and systems (demonstrated by experience, service, and timely information flow), the operational ability to process hundreds of trades accurately and creditworthiness coupled with a willingness to put capital at risk. The resulting broker ranking determines the relative use of broker-dealers over the subsequent six-month period. Once the overall broker "budget" or target commission allocations has been established, the traders review, on a daily basis, the current commissions executed for each broker as compared to their target commission allocation. On a day-to-day basis the trading desk allocates trades of individual securities to those brokers most likely expected to provide best execution. Variations are discussed and traders will make assignments to get each broker more in line with the budget.

In no case will we enter into any agreement or make a commitment with any of the selected broker dealers that would bind us to compensate the selected broker-dealer for Research provided. However, we do maintain an internal allocation procedure to identify those broker-dealers who have provided us with research and endeavor to direct sufficient commissions to them to ensure continued receipt of research we believe is useful.

In addition to the conflict of interest described above regarding the payment of research through our clients' commissions as opposed to GE Asset Management paying from our own resources, to the extent that we receive research which is used in part for investment decision making and in part for non-investment decision making ("mixed use service"), we would have

a conflict in how we allocate the portion of the cost of such research to be paid through soft dollar credits and the portion of the cost to be paid from our account. In order to help mitigate the mixed use allocation conflict, we have instituted the following processes. Each request for a soft-dollar service must be approved by GE Asset Management Incorporated's General Counsel. Approval will only be provided for services which are used at least in part in the investment decision making process. In addition, a determination will be made that commissions paid are reasonable in relation to the value of the brokerage and soft dollar service provided by the broker/dealer viewed in terms of either the particular transaction or the our overall investment responsibilities. All soft dollar services will be reviewed on an annual basis.

As permitted under Section 28(e) of the Exchange Act, GE Asset Management Incorporated uses soft dollar benefits to service our clients' accounts collectively. We do not limit the benefits only to those accounts which generate the soft dollar credits. In addition, we do not allocate soft dollar benefits to client accounts proportionately to the soft dollar credits the accounts generate. In many cases, it is either not practical or efficient to do so. As a result, it is possible that a client may be generating soft dollar credits in an amount which exceeds the value of research purchased with such credits and which research is utilized for the benefit of the commission paying account. This may result in a client generating more (or less) in soft dollar credits than would be the case if we were able to allocate soft dollar benefits to client account proportionately to the soft dollar credits the accounts generate.

In addition, certain clients may prohibit or restrict the use of their commissions for generating soft dollar credits. In those cases, the prohibiting or restricting client may receive the benefit of research used by GE Asset Management to benefit such client's account but which research is obtained through the payment of commissions generated by other client accounts. This may result in the prohibiting or restricting client "free-riding" off the non-restricting clients' soft dollar commissions. However, as GE Asset Management will, absent express client instruction to the contrary, trade all client accounts in the same strategy with the same broker and for the same commission, a client will pay the same commission whether the soft dollars are subject to restriction or not.

In all cases, disclosure of our use of soft dollars will be made to each client in the relevant contractual documents (or to the extent agreed by the client and GE Asset Management Canada Company, in a different manner which may include this brochure) and, upon request, reports will be provided to clients that could include: the types of soft dollar services received; the extent of use; and additional information reasonably requested by a client in an effort to monitor our trading practices.

GE Asset Management does not consider or select broker-dealers based on our or any related person receiving client referrals.

We do not recommend, request or require that any client direct us to execute transactions through a specified broker-dealer. In certain cases, we may permit our clients to specify in a client agreement that they would like to designate the use of a particular broker-dealer for a transaction or series of transactions ("direct trades") subject to various parameters. Clients who direct trades should understand that they (a) may lose the possible advantage that may be derived from participating in an aggregate or block trade we affect for other clients and (b)

may receive or pay a different price for a security which is also the subject of an aggregated or block trade we affect for our other clients due to such directed trade being executed at a different time and/or through a different venue than the block or for other reasons

We will aggregate orders for our client accounts (including our affiliates, and clients of our affiliated advisers) as more specifically described below. When orders are aggregated, purchases/sales are coordinated so that trades are made with the same broker, in batched orders and at an average price. The purchased/sold securities (and associated expenses) are allocated among accounts in a manner which is fair and equitable to all accounts. All transactions are allocated among applicable accounts on trade date. In no case are allocations based upon account performance, the amount of management fees charged or whether the account is public or private.

As a general rule but subject to various exceptions, allocations among accounts with the same or similar investment objectives managed by the same portfolio manager are pro- rata based on the market values of the accounts managed by the portfolio manager. Deviations from the general rule may be permitted in accordance with the following: (1) choose to weight orders based upon existing positions in the accounts; (2) choose specific allocations due to the availability of cash in the particular accounts or the need to satisfy other constraints, objectives or strategies of the particular accounts (e.g., non-pro rata allocations of debt instruments for portfolio duration purposes); (3) eliminate or reduce an account's participation due to limitations under the prospectus, account guidelines, ERISA or other regulation applicable to the account(s) which may include an inability to purchase/hold non-U.S. securities pending the opening of foreign trading/custody accounts; (4) choose specific allocations for tax reasons; (5) in consideration of other events typically beyond our control; (6) or for other reasons. Initial public offerings are to be allocated according to the general rule.

### **Item 13: Review of Accounts –**

GE Asset Management Canada Company and/or GE Asset Management Incorporated Relationship Managers and Portfolio Managers or Client Portfolio Managers periodically review client accounts with our clients. We conduct client meetings and provide written reports to clients regarding their account.

The nature and timing of client meetings is specific to the relationship and will depend upon a number of factors including the investment strategy, type of account, and the client's monitoring capabilities. The frequency of such reviews varies, but they will generally occur no less frequently than annually and will typically be specified in a client agreement. On a quarterly basis clients are invited to view and listen to the GE Asset Management Incorporated Quarterly Market Outlook Update. This Update includes a review by GE Asset Management senior investment professionals of macroeconomic factors and their potential implications and an overview and discussion of key factors in the Fixed Income and Equity markets. Clients also receive ad hoc market driven commentary via email or conference call.

We hold internal reviews to discuss client accounts and general investment issues on a periodic basis which varies depending on the asset class, relevant market events and other factors. Members of such meetings will typically include the Portfolio Managers, Relationship

Managers, Client Portfolio Managers or Product Portfolio Managers. Analysts may or may not attend such meetings.

Written reports setting forth the activity in the client's account and investment performance are provided monthly, quarterly or as otherwise agreed with clients. For separate account clients or clients invested in our pooled products, the content of the reports would include: holdings (top 10), transactions, broker commissions, breakdowns by security characteristics (ie. sector, region, country, credit quality) and quarterly portfolio manager strategy and market commentary.

Our Compliance department actively monitors certain aspects of client accounts. Additionally, the Client Investment Management group oversees client account cash flow, allocations and rebalancing activities for equity accounts.

#### **Item 14: Client Referrals and Other Compensation**

GE Asset Management Canada Company does not receive any economic benefit from a third party who is not a client for our providing investment advice or other advisory services to our clients. From time to time, GE Asset Management Canada Company associates may receive a business related meal or be invited to attend a conference, the expenses of which would be paid for by a broker utilized by us to effect execution of our client trades. We have established strict restrictions and guidelines for reporting of all such meals and conferences.

We and our affiliates may pay consultants to clients or potential clients for products and/or services such as: (a) performance analytical software, (b) educational or training events, such as attendance at, or sponsorship of, professional conferences, (c) product evaluations and other types of investment consulting and (d) asset/liability studies and other types of retirement plan consulting. We and our affiliates also may provide non-cash compensation to financial consultants, including occasional gifts, meals, or other entertainment. These activities may create, or could be viewed as creating, an incentive for such consultants or their employees or associated persons to recommend us as an investment adviser, or recommend or sell interests or shares of investment products managed by us. We have policies and procedures regarding the provision of gifts and entertainment that are reasonably designed to mitigate such conflicts of interest.

#### **Item 15: Custody**

In limited situations we may be deemed to have custody of our client's funds and securities. In such cases, our clients may receive periodic account statements from the qualified custodian which is State Street Bank & Trust. Clients should carefully review these statements. Clients may also receive account statements from us. We urge our clients to compare the account statements they receive from the qualified custodian with those they receive from us.

#### **Item 16: Investment Discretion**

We accept discretionary authority to manage securities accounts on behalf of clients. Please see Item 4 above. The scope of such discretion would be set forth in the documents governing our relationship with the client, such as, an investment management agreement. Except with respect to the commingled pools to which we provide services and which would generally not accommodate any client investment restriction, clients may place certain

specified limitations on our discretion. Typically, such restrictions would be set forth in the investment guidelines and may require us to meet certain specified investment criteria or restrict otherwise permissible investments.

#### **Item 17: Voting Client Securities**

Except with respect to our commingled funds, clients have the ability to retain proxy voting authority or grant GE Asset Management Canada Company such authority. The person (i.e., client or us) who has such authority will be identified in the governing agreement along with any limits or restrictions regarding such authority. To the extent GE Asset Management Canada Company is allocated proxy voting responsibility, we exercise our fiduciary responsibilities by carefully reviewing, voting and documenting proxies for all voting securities for which we have voting responsibility. We act solely in the best interest of our clients. Each proxy is reviewed individually, managed in accordance with our Proxy Voting Policy and voted consistent with the proxy guidelines (“Proxy Guidelines”) adopted by the GE Asset Management Incorporated Proxy Committee from time to time. In all cases the ultimate objective in voting proxies is to enhance shareholder value. The Proxy Voting Policy and Proxy Guidelines are provided to our personnel who have responsibility for managing the proxy voting process in an effort to maintain consistency and ensure compliance.

Additionally, the Proxy Voting Policy has been adopted by GE Asset Management Canada Company’s Board of Directors. Notwithstanding the foregoing, absent any express and specific language contained in the applicable agreement, GE Asset Management Canada Company would not assume any obligation or responsibility with respect to any class action for which a client may be a class member or claimant as a result of a security held in the account managed by us for such client.

Certain clients expressly retain proxy voting responsibility or have entered into a relationship with another party who has been given authority to vote their proxies. Such clients are not subject to our Proxy Voting Policy or our Proxy Guidelines. Additionally, certain other clients have instructed us to vote proxies (either with respect to a specified issuer or action or overall) in accordance with each such client’s instructions or proxy voting guidelines. In such cases we will still follow the procedure set forth in the Proxy Voting Policy though the Proxy Guidelines will not be applicable.

The Proxy Committee meets at least annually to review and analyze current issues and update, if necessary, the Proxy Guidelines and Proxy Voting Policy. We currently utilize the services of Institutional Shareholder Services, Inc. (“ISS”) for proxy research, voting, administrative and reporting functions.

Here is a summary of our Proxy Voting Procedures:

#### **Voting Procedure**

1. ISS receives proxy material from custodial banks, Automatic Data Processing (“ADP”) and directly from companies.
2. For every proxy ISS receives, ISS reviews all proxy material and provides the GE Asset Management Incorporated Proxy Analyst with an analysis of such material,

- including management's recommendation of how to vote the proxy, and a vote recommendation based on the Proxy Guidelines or specific client guidelines.
3. The Proxy Analyst reviews each vote recommendation given by ISS and does the following:
    - a. Domestic and International Routine Corporate Governance Issues and Routine Social Issues: The Proxy Analyst votes in accordance with the ISS recommendation on routine issues.
    - b. Domestic and International Non-Routine Corporate Governance Issues and Non-Routine Social Issues; Vote with Management: If the issue is determined to be non-routine by the Proxy Analyst, an analyst for the relevant asset class and a Proxy Committee member will review the proxy material and recommend how to vote such proxy. If the recommendation is to vote with management and not inconsistent with the Proxy Guidelines, the process will continue as provided in section (4) below.
    - c. Domestic and International Non-Routine Corporate Governance Issues and Non-Routine Social Issues; Voting Against Management: If (a) the issue is determined to be non-routine by the Proxy Analyst and either the analyst for the relevant asset class or the Proxy Committee member recommends a vote against management or (b) an analyst seeks in any case to vote contrary to the Proxy Guidelines, then at least two (2) Proxy Committee members will review the proxy material and determine how to vote such proxy. In certain circumstances, an independent third party will be engaged to determine how to vote the proxy (See Material Conflict of Interest below).
  4. The vote decision is communicated to ISS. We may abstain from voting a proxy in certain circumstances.
  5. ISS votes the proxy through ADP, the solicitors, or the custodian banks, as the case may be.
  6. Comprehensive reports of all proxy votes are reviewed semi-annually by the Proxy Analyst and annually by the Proxy Committee.

#### **Issues Involving a Material Conflict of Interest**

A material conflict of interest may arise in a situation where the Proxy Analyst or analyst or Proxy Committee member, if voting the proxy, has knowledge of a situation where we or one of our affiliates would enjoy a substantial or significant benefit from our casting our vote in a particular way. Examples of where a material conflict of interest may occur include, but are not limited to, the following examples:

- General Electric Company, our ultimate parent company, is soliciting proxies in connection with a transaction involving an issuer of securities that we hold in our client accounts.

- A plan sponsor of a benefit plan to which we provide services is also the issuer of securities that we hold in our client accounts. However, absent extraordinary circumstances, this situation should not present a material conflict of interest and in no case would a material conflict of interest exist unless the assets of such benefit plan managed by us constituted more than 1% of our assets under management.
- Our officer or employee or one of our affiliates serves as a director of a company during a time when we have an opportunity to vote securities of that company.

If a material conflict of interest does arise, ISS will be solely responsible for determining how to vote the proxy based upon the Proxy Guidelines or specific client guidelines. Should this be impractical, an independent third party will be engaged to determine how to vote the proxy. Additionally, a material conflict of interest form will be completed and signed by the Proxy Analyst and at least one member of the Proxy Committee.

#### **Obtaining Proxy Policy, Proxy Guidelines and Voting Records**

Clients can contact their account representative or the Proxy Analyst if they wish to obtain the Proxy Policy and/or Proxy Guidelines in full or information regarding how GE Asset Management Canada Company voted proxies for their account.

#### **Item 18: Financial Information**

Not Applicable