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This brochure provides information about the qualifications and business practices of Cumberland Associates Investment Counsel Inc. If you have any questions about the contents of this brochure, please contact us by tel: 416-482-5337 or by email: caici@bloomberg.net. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Additional information about Cumberland Associates Investment Counsel Inc. also is available on the SEC's website at www.adviserinfo.sec.gov.

Note: The terms "registered" and "registered investment adviser" may appear in this brochure. Registration does not imply a certain level of skill or training. Cumberland Associates Investment Counseling Inc. staff's level of skill comes from experience and education.

Material Changes since the last update to the brochure September 30, 2014.

Effective March 31, 2015, Cumberland Associates Investment Counsel Inc. ("CAIC") closed our branch office located in Montreal, Quebec, Canada. The Montreal branch primarily serviced Canadian clients domiciled within the province of Quebec.

Effective April 8, 2015, Gerald Connor, a Director of CAIC, was elected to the Board of SQI Diagnostics Inc.

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Item 1: Advisory Business

Cumberland Associates Investment Counsel Inc. (“CAIC”) (formerly called Wirth Associates Inc.) was founded in 1991 to provide investment advisory services to high net worth clients. The company was acquired in January 2007 and became a wholly owned subsidiary of Cumberland Partners Ltd. (“CPL”). CPL also owns Cumberland Private Wealth Management Inc. (“CPWM”), a Canadian Investment dealer member of the Investment Industry Regulatory Organization of Canada (IIROC) and a Canadian Investment Fund Manager. CPWM provides advisory services to high net worth clients. CPL is owned primarily by active employees of CAIC and CPWM; Gerald R. Connor, a founder and Chairman/CEO of CPWM, owns >25% of CAIC indirectly through CPL.

CAIC manages client portfolios on a fully discretionary basis. We invest primarily in equity securities including exchange listed securities and foreign securities, bonds, including corporate and government bonds, and from time to time Commercial Paper and Certificates of Deposit. CAIC offers CPWM models to our clients.

CAIC provides continuous investment advice including making investment decisions based on a client’s investment objectives. Clients may impose restrictions relating to directorships, controlling interests in publicly traded securities or specific preferences. The Investment Management Agreement may be terminated by either party per the terms outlined under the Agreement.

CAIC does not participate in Wrap Fee programs.

As at March 31, 2015, CAIC managed \$100 million (stated in US dollars) on a fully discretionary basis.

Item 2: Fees and Compensation

CAIC is compensated for our advisory services by charging a percentage of assets under management. The applicable fee schedule is based on the type of investments chosen and each schedule is tiered by portfolio size to a maximum of 1.5% p.a. plus applicable taxes.

(i) The Balanced/Income fee schedule applies to portfolios which have a mandate of 50% or greater towards income securities. Investment Management Fees for Balanced/Income Focused Portfolios are subject to a minimum annual amount of \$5,000 per client relationship.

(ii) The Capital Appreciation fee schedule applies to portfolios which have a mandate of greater than 50% towards capital appreciation (equities). Investment Management Fees for Capital Appreciation Portfolios are subject to a minimum annual amount of \$7,500 per client relationship.

Our management fees are charged in arrears based on the month-end portfolio market value. The fee takes into consideration cash flows into and out of the portfolio during the billing period. The management fees are generally deducted from the portfolio and remitted to us by the custodian upon receipt of our instruction; however, a client may choose to be invoiced separately and remit payment from an external source at their discretion.

CAIC does not request payment of management fees in advance of services rendered nor do we receive any compensation other than management fees for advisory services rendered. Client portfolios may also incur custodial fees, brokerage charges and other transaction related costs.

Clients may refer to Item 9 which explains brokerage charges in more detail.

Item 3: Performance Fees and Side-by-Side Management.

CAIC does not charge performance based fees nor do we participate in side-by-side management.

Item 4: Types of Clients

CAIC provides investment advisory services to high net worth individuals including estates, trusts, personal pension accounts, corporations and similar entities. The minimum investment required to establish a client relationship is \$1M.

Item 5: Methods of Analysis, Investment Strategies and Risk of Loss

CAIC relies on a fundamental and value-oriented approach to investment analysis on a bottom-up basis.

Foreign and domestic companies are screened to select those with desirable attributes such as high cash generation, low price/earnings or high sales to enterprise value. Macro-economic factors are also considered during the screening process. Possible candidates for inclusion in the portfolios are assigned to a portfolio manager/analyst who is responsible for researching the industry and company.

The portfolios rely on diversification to reduce risk. To ensure diversification and to prevent concentration, the portfolio manager is subject to limits on holdings of individual securities and any related companies and industries. There is no minimum holding in any industry. The portfolio manager is also responsible for maintaining an appropriate geographic distribution of investments.

Macroeconomic factors and overall market volatility may dictate a tactical decision to dampen the possible volatility of the portfolios by replacing the more volatile names with ones that are less volatile and/or increasing the cash component of the portfolio.

Investments in securities markets are subject, among other factors, to changes in economic environment, interest rates, availability of credit, market conditions and company news. Consequently individual securities are subject to market fluctuation and financial risk and may decline in value. Unlike bank accounts portfolio investments are not covered by government deposit insurance or any other government insurance. Investment in securities involves risk of loss that clients should be prepared to bear.

Item 6: Disciplinary Information:

L'Autorite des Marchés Financiers (Quebec Financial Markets): We were found to be late in 2 filings to the L'Autorite des Marchés Financiers. During November 2007, this body proposed a penalty payment of \$3500 for having been tardy. One of these filings was a questionnaire (already filed and accepted prior to the commencement of the proceedings). The other was a late filing of our new address. The regulatory authority did not consider these to have been dishonest, unfair, or unethical in terms of clients or their assets, but rather an oversight of submitting filings by the due dates which has been remedied. Resolution date: June 5, 2008.

British Columbia Securities Commission: In December 2007 Cumberland Associates Investment Counsel Inc. (CAIC) (formerly Wirth Associates Inc.) agreed to manage a portfolio for a BC resident who is the godson of one of our former partners. While we had initiated the registration process with the BC Securities Commission (BCSC) prior to opening the account for this new client, the registration process was delayed by holidays and difficulties in obtaining information from prospective agents for service. Because of the near-family relationship and because we were under the impression that the registration was a pro-forma matter under the new passport system of the various provincial securities commissions, we started to manage the portfolio before the BCSC granted our registration on April 30, 2008. We signed a settlement agreement with the BCSC which was finalized on August 11, 2008, whereby we paid a penalty of \$3500.

Item 7: Financial Industry Activities and Affiliations

CAIC is not affiliated with any US brokers, futures or commodity brokers.

Cumberland Partners Limited ("CPL") is the sole owner of each of CAIC and Cumberland Private Wealth Management (CPWM), a Canadian investment dealer member of the Investment Industry Regulatory Organization of Canada (IIROC) and a Canadian Investment Fund Manager. As such, CAIC and CPWM are

related persons or affiliates. CAIC and CPWM may, from time to time, share common Directors, officers and/or dual registrants. CAIC and CPWM currently share 6 dually registered investment adviser representatives. As well, CAIC's Directors, Gerald R. Connor and Wesley Diong, are also currently directors and senior officers of CPWM. The business purpose for the affiliates having director representation common to each board is a matter of governance, given that CPWM and CAIC are wholly owned subsidiaries of CPL.

CAIC has entered into a Service Agreement with CPWM whereby CAIC retains CPWM to provide Transaction Services, Recordkeeping/Information Services, Research Services, and office rental space. Both CAIC and CPWM have privacy policies governing the collection, use and disclosure of client information.

Sub-Advisor Relationship

CAIC has entered into an agreement with CPWM to provide clients of CAIC with investment advisory models based on CPWM strategies. CAIC at all times shall remain the overall client relationship manager and investment advisor. Services are offered through the appropriate CAIC advisor agreement.

Where CAIC appoints CPWM as sub-advisor, CAIC is responsible for the payment of a sub-advisory fee to CPWM such that there is no duplication of fees charged to the client. CAIC clients that will be sub-advised by CPWM will be charged investment management fees according to CPWM's fee schedule to a maximum annual fee of 1.5% (subject to a minimum annual charge). These fees will be charged monthly in arrears unless requested otherwise by the client. CAIC clients with investments in CPWM strategies may also incur brokerage commissions, subject to minimums, on account transactions that are paid to CPWM where CPWM acts as the dealer for CAIC's non-US clients. Trading for CAIC's US clients are executed through external third party brokers.

CAIC is considered to be connected to Allied Properties REIT, an Ontario unincorporated real estate investment trust, as CAIC currently has a Director who acts as a Trustee of Allied Properties REIT. The role of a trustee is to provide general oversight and supervision of the affairs the Trust. Allied REIT is listed on the Toronto Stock Exchange (AP.UN). CAIC is considered to be connected to SQI Diagnostics Inc., a life sciences and diagnostics company that develops and commercializes proprietary technologies and products for microarray diagnostics. Gerald Connor, a Director of CAIC, was elected to SQI's Board effective April 8, 2015. SQI Diagnostics Inc. is a public corporation traded on the TSX-Venture Exchange (SQD) and the OTCQX Marketplace in the United States (SQIDF). CAIC is related and connected to CPWM's investment funds ("the Cumberland Funds") as CPWM is the investment fund manager, portfolio advisor and primary distributor for the Cumberland Funds. CPWM receives an annual investment fund management fee of C\$2500 plus applicable taxes from each Cumberland Fund which represents an annual administrative fee in respect to general expenses incurred in the daily operation of each Fund. This fee is in addition to the investment management fees paid to directly to Cumberland. In addition, CPWM may receive performance fees directly from the Cumberland Funds. The Cumberland Funds are not offered to CAIC's US clients.

Where we exercise discretion in the purchase or sale of Allied Properties REIT, SQI Diagnostics Inc, or the Cumberland Funds we will first obtain client written consent to the investment. CAIC has policies and procedures in place to manage conflicts of interest.

Item 8: Code of Ethics, Participation or Interest in Client Transactions and Personal Trading

CAIC offers Advisory services to our clients. We tailor our portfolio to clients' needs, objectives & risk tolerance. Client portfolios are managed on a fully discretionary basis.

CAIC has adopted the CFA Code of Ethics. We are committed to dealing with clients fairly and honestly, and have developed policies and procedures to place client interests before our own. Employees may not use information gained through their employment for their direct gain or the direct gain of any family or friend. Personal trades are subject to pre-approval requirements. Conflicts of interest must be promptly reported to senior management. A copy of this Code is available upon request.

CAIC employees participate alongside clients in investments and may hold some of the same investments bought for client accounts. CAIC employees may not trade ahead of client accounts. If there is adequate volume, employee orders are filled alongside client orders at averaged prices. Where there is a limited availability and orders are partially filled, client orders are filled ahead of employee orders.

CAIC does not engage in principle transactions.

Item 9: Brokerage Practices

CAIC directs its equity trade execution to selected prime brokers with broad execution capability and settlement experience in North America and/or in overseas markets Cumberland will select brokers who are able to provide best execution, taking into consideration overall transaction costs, order size, speed of execution, ease of settlement, and other factors deemed relevant at the time of the order. CAIC investment staff provides broad parameters for each trade including for example price limits or instructions to participate in a trade over a period of time.

In relation to CAIC's non-US custodian clients, equity trading arrangements are also designed to ensure optimization of price, trading expenses (including all costs associated with trade execution, settlement and, if necessary, foreign exchange), market impact and fairness for all clients. Because the bulk of overlap of holdings in CAIC & CPWM client accounts occur in the larger North American securities, equities which are traded principally on a North American stock exchange are entered through CPWM. This is designed to eliminate any conflict of interest between CAIC and CPWM clients. These trades are executed at a set

commission of \$0.04 per share subject to a maximum of 1% of the value of the trade for lower priced shares. Minimum ticketing charges may also apply.

The bulk of commissions paid is for trade execution. A minor factor in the direction of commissions paid is investment research, reports and conferences. CAIC benefits as we do not have to produce or pay for this research. CAIC does not have soft dollar arrangements.

Item 10: Review of Accounts

All client accounts are reviewed monthly by the portfolio manager for adherence to their investment model. A quarterly letter concerning performance and strategy is provided by CAIC. Client preference determines the frequency with which discussions concerning the portfolio performance and strategy are conducted.

Item 11: Client Referrals and Other Compensation

Other than management fees for advisory services, CAIC does not receive any other economic benefit or compensation for our services.

Cumberland Associates Investment Counsel Inc. (CAIC) has entered into referral arrangements with third party referral agents. While these arrangements are in place primarily to develop CAIC's wealth management business in Canada, these arrangements have and may, from time to time, generate US referrals. Under these referral arrangements, CAIC will pay a referral fee, on a quarterly basis, to the referral firm to a maximum of twenty five percent (25%) of the management fees earned and collected by CAIC for the respective referral business. The referral fees paid to the referral firm will be paid by CAIC against the management fees earned and collected which would be identical whether or not referral fees are paid. CAIC has also entered into a referral arrangement with Cumberland Private Wealth Management, our affiliate, an Investment Dealer Member of the Investment Industry Regulatory Organization of Canada and Canadian Investment Fund Manager. This arrangement has and may, from time to time, generate US referrals. CAIC pays CPWM a referral fee, on a quarterly basis, in the amount of twenty percent (20%) of the management fees earned and collected by CAIC for the respective referral business. CAIC pays the referral fee to CPWM from management fees earned and collected which would be identical whether or not a referral fee is paid.

Where applicable, referral arrangements are disclosed to, and written consent is obtained from, prospective clients before or at the time of entering into an advisory agreement with a client.

Cumberland Private Wealth Management, our affiliate company, also compensates for referrals with respect to its business.

Item 12: Custody

Client assets are custodied through independent, third party custodians, primarily in the National Bank Correspondent Network for our non-US business and TD Ameritrade Inc. for our US business. Cash and positions are reconciled on an ongoing basis.

CAIC clients receive a quarterly CAIC report that includes a portfolio valuation, a transaction report and market commentaries. Additionally, clients receive a monthly statement from their custodian. Our CAIC portfolio valuation includes a statement urging clients to compare our CAIC statement against their custodial statement.

Item 13: Investment Discretion

CAIC manages client portfolios on a fully discretionary basis. Clients sign a management contract and Know Your Client documentation authorizing CAIC to manage their assets on this basis after discussions of their KYC content and suitability. Clients also sign a custodial contract designating CAIC to act as the advising firm on their behalf with respect to their investments.

Clients may place trade limitations on their portfolios based on directorships, personal circumstances and other ethical concerns.

Item 14: Voting Client Securities

CAIC clients direct proxy material to CAIC for voting on their behalf. Proxy voting falls within the advisory service provided to a client unless a client specifies in his custodial agreement that he prefers to receive proxy material personally.

Voting is cast based on our judgment as to the overall best interest of our clients. We are prepared to accept client direction in any solicitation of votes. We invest alongside our clients and therefore our interests are in line with those of our clients.

CAIC retains a record of proxy votes and will furnish voting details to a subject client upon request. A copy of our voting policy may also be furnished to a client upon request.

Item 15: Financial Information

CAIC does not require the prepayment of management fees. All management fees are billed in arrears. CAIC has never been the subject of a bankruptcy petition nor is our financial condition such that it would prevent us from meeting our contractual arrangements with any clients at this time.

Item 16: Requirements for State-Registered Advisers

CAIC is not registered with any state securities authority, however, we are notice filed in Texas.