



TETREM CAPITAL MANAGEMENT

Tetrem Capital Management Ltd.

1450 – 201 Portage Avenue

Winnipeg, Manitoba R3B 3K6

1-204-975-2865

www.tetrem.com

This brochure was last updated December 31, 2011

This Brochure provides information about the qualifications and business practices of Tetrem Capital Management Ltd. [“Tetrem”]. If you have any questions about the contents of this Brochure, please contact us at 1-204-975-2865 or at info@tetrem.com. 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.

Tetrem is a registered investment adviser; however, registration does not imply any level of skill or training.

Additional information about Tetrem also is available on the SEC’s website at www.adviserinfo.sec.gov.

Item 2 – Material Changes

In the past we have offered or delivered information about our qualifications and business practices to clients on at least an annual basis. Pursuant to SEC Rules, we will ensure that you receive a summary of any materials changes to this and subsequent Brochures within 120 days of the close of our business' fiscal year. We may further provide other ongoing disclosure information about material changes as necessary.

We will also provide you with a new Brochure as necessary based on changes or new information, at any time, without charge.

Item 3 -Table of Contents

Item 1 – Cover Page.....	i
Item 2 – Material Changes.....	ii
Item 3 -Table of Contents	iii
Item 4 – Advisory Business	1
Item 5 – Fees and Compensation	1
Item 6 – Performance-Based Fees and Side-By-Side Management	2
Item 7 – Types of Clients.....	2
Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss.....	2
Item 9 – Disciplinary Information	3
Item 10 – Other Financial Industry Activities and Affiliations	3
Item 11 – Code of Ethics	3
Item 12 – Brokerage Practices	3
Item 13 – Review of Accounts.....	4
Item 14 – <i>Client</i> Referrals and Other Compensation.....	4
Item 15 – Custody	4
Item 16 – Investment Discretion	4
Item 17 – Voting <i>Client</i> Securities.....	5
Item 18 – Financial Information.....	5
Brochure Supplement(s)	

Item 4 – Advisory Business

Tetrem Capital Management Ltd. ('Tetrem') was founded in 2004 by Daniel Bubis and is 100% owned indirectly by Daniel Bubis. Tetrem manages, on a discretionary basis, investment portfolios for mutual funds, institutional clients, foundations and endowments, pension plans and individuals.

Tetrem adheres to a value investment philosophy and focuses on Canadian and US equities. Tetrem believes that controversy creates investment opportunities, and that, by staying focused on the long-term value of a company, it can capitalize on irrational investor behaviour to produce exceptional, risk-adjusted returns. The investment management group is led by an experienced portfolio management team that works closely with the analysts and research associates, allowing for continuous idea generation and timely decision making. Tetrem has a dynamic and progressive culture that supports superior investment performance, client service and operational execution.

As of September 30, 2011, Tetrem managed approximately \$4.9 billion of client assets on a discretionary basis. Tetrem does not manage any client assets on a non-discretionary basis.

Item 5 – Fees and Compensation

In consideration of the services rendered by Tetrem, clients shall pay or cause to be paid to Tetrem a portfolio management fee, plus any applicable taxes, calculated on a quarterly basis and payable in arrears on the first day of each quarter. The Portfolio Management Fee shall be calculated in accordance with the fee schedule below, based upon the daily average of the Account's net asset value for the preceding calendar quarter, exclusive of applicable brokerage commissions and custodial/administrative fees, which are incurred by the client. Additionally, any clients who are invested in Tetrem's managed funds will pay allowable fund expenses of up to 25 bps.

The fees below are payable on a monthly basis, in arrears, or as otherwise negotiated:

The fee schedule may be amended by Tetrem upon ninety (90) days written notice to a client,

1. Accounts of \$20 million and more

Account Size	Fees
First \$25 million	65 bps
Next \$25 million	55 bps
Next \$50 million	45 bps
Next \$100 million	35 bps
Thereafter	25 bps

2. Accounts below \$20 million

Account Size	Fees	
	Equities	Fixed Income
First \$3 million	100 bps	50 bps
Thereafter	65 bps	30 bps

Pursuant to the standard investment advisory agreement, a client may terminate upon ninety (90) days notice, or pursuant to such other terms as negotiated with a client. Fees for terminated accounts will be charged to the date of termination.

Item 6 – Performance-Based Fees and Side-By-Side Management

Tetrem does not charge any performance-based fees (fees based on a share of capital gains on or capital appreciation of the assets of a client).

Item 7 – Types of Clients

Tetrem manages, on a discretionary basis, investment portfolios for mutual funds, institutional clients, foundations and endowments, pension plans and individuals.

Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss

Tetrem adheres to a contrarian value based investment philosophy. The firm focuses solely on large cap value investing through four investment strategies:

Tetrem Canadian Equity portfolio: invested 100% in large cap Canadian equities

Tetrem Canadian Equity Plus portfolio: invested up to 70% in large cap Canadian equities and up to 30% in large cap US equities

Tetrem US Equity portfolio: invested 100% in large cap US equities

Tetrem US Plus portfolio: invested 80% in large cap US equities and 20% in large cap Canadian equities

We identify investment candidates from a combination of quantitative screens, thematic views and fundamental analysis. We then perform fundamental, bottom-up research in order to gauge the controversy surrounding candidates, determine an estimate of the fair value for each, and develop an investment thesis in which we outline reasons to own, what to watch for, and a target price. Candidates are monitored continuously and tactically rebalanced as their valuations fluctuate around our estimate of fair value.

Investing in securities involves risk of loss that clients should be prepared to bear.

Item 9 – Disciplinary Information

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of Tetrem or the integrity of Tetrem's management. Tetrem has had no legal or disciplinary events.

Item 10 – Other Financial Industry Activities and Affiliations

Tetrem does not have any other financial industry activities or affiliations.

Item 11 – Code of Ethics

Tetrem has comprehensive compliance programs in place to ensure its employees adhere to the CFA Institute's Code of Ethics and Standards of Professional Conduct, the IFIC model Code of Ethics for Personal Investing, and its own internal Policies and Procedures Manual (including fairness and allocation of trades policy), and Code of Ethics for Personal Investing and Business Conduct. Copies of these policies are available to any client or prospective client, upon request.

Tetrem's Code of Ethics for Personal Investing and Business Conduct does not allow for the purchase of individual securities for an employee's own account. There are limited exceptions to this rule and only apply in certain circumstances and with prior approval of Compliance pursuant to the Policy. The Policy also provides for the avoidance of any situation wherein a personal interest conflict or may appear to conflict with the interests of Tetrem's Clients.

A written disclosure outlining any related registrant or issuer is provided to each Client upon becoming a Client of Tetrem.

Tetrem does not buy or sell as principal for itself.

Item 12 – Brokerage Practices

Tetrem's Portfolio Managers and Chief Investment Officer decide which dealers are allocated brokerage business

based on the quality of research received, competitive commission costs and their ability to execute trades. Tetrem pays select dealers a gross commission to affect a transaction with the understanding that the dealer will pay themselves a commission and may apply the balance (i.e. soft dollars) towards research and order execution goods and services provided by the dealer or a third party. The research and order execution services include analyses and reports regarding various subject matter relating to investments (including portfolio strategy, economic analysis, and statistic data about capital markets and securities), trading software, market data as well as databases and software that support these goods and services. Dealers and other third parties may provide the same or similar goods and services in the future. The names of such dealers and other third parties are available upon request.

Item 13 – Review of Accounts

Separately managed accounts are reviewed on a daily basis for portfolio strategy and asset allocation purposes. The review is performed by an Analyst. During the review, actual security weights are compared against target weights, and adjustments are made to the portfolio if there are significant variances. Accounts that hold Tetrem’s pooled funds are reviewed on a monthly basis for portfolio adherence to asset allocation targets.

Our operations personnel balance transactions for each account as they occur, complete daily cash reconciliations for all accounts with the Custodian and complete position reconciliations for all accounts with the Custodian on a weekly basis.

Item 14 – *Client* Referrals and Other Compensation

Tetrem does not engage in any referral arrangements.

Item 15 – Custody

Clients receive at least quarterly statements from the broker dealer, bank or other custodian that holds and maintains client’s investment assets. Tetrem urges you to carefully review such statements and compare such official custodial records to the account statements that we may provide to you. Our statements may vary from custodial statements based on accounting procedures, reporting dates, or valuation methodologies of certain securities.

Item 16 – Investment Discretion

Tetrem receives discretionary authority from the client at the outset of an advisory relationship. Tetrem reviews the client’s financial affairs, and based upon the information provided by the client (the “Client Information”), shall gain an understanding of the client’s investment profile and the client’s objectives. Upon completion of its review

of the Client Information, Tetrem shall proceed to implement its investment plan unless the client has otherwise instructed Tetrem in writing.

Tetrem exercises the care and skill expected of a prudent portfolio manager, and exercises its powers and duties in good faith and in accordance with its best judgment.

Item 17 – Voting *Client* Securities

Clients direct and authorize Tetrem to exercise in its sole discretion, on behalf of the client, any voting rights attached to any of the securities Tetrem is managing. Tetrem will vote in accordance in the best interests of the client and in accordance with Tetrem's Proxy Voting Guidelines, which are available upon request.

Item 18 – Financial Information

Registered investment advisers are required in this Item to provide you with certain financial information or disclosures about Tetrem's financial condition. Tetrem has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to clients, and has not been the subject of a bankruptcy proceeding.