

INVESTMENT POLICY STATEMENT

QV GLOBAL EQUITY FUND



Nature of Fund

Private pooled investment trust

Qualifying Investors

Current clients of QV Investors under existing management agreements

Custodian/Auditor

1. RBC Investor Services Trust, Custodian
2. KPMG, Auditor

Investment Objective

The QV Global Equity Fund seeks to provide investors with a superior rate of return by investing in common shares, American depositary receipts (ADR), and global depositary receipts (GDR) of global companies. The fund will invest predominantly in companies having a market cap in excess of \$1.0 billion US.

Investor Profile

The Global Fund is suitable for investors having a tolerance for volatility and a long-term investment horizon.

Investment Strategy

QV focuses on investing in companies with proven track records, competent management teams, competitive products, resources and services and of superior financial quality. The ability to pay and increase dividend distributions is a key consideration.

The investment strategy employs “bottom-up” analysis, the assessment of business franchises, the judgment of managers and the measurement of the inherent ability of a business to earn a sustainable return. The strategy gives serious consideration to the overall factors influencing the global outlook and value for the business. The goal is to build a diversified portfolio of high quality global businesses.

Investment Guidelines

Cash Reserves

1. Credit quality: High quality sovereign short term debt instruments
2. Issuer: Maximum 40% in Corporate Notes
3. Term to maturity: Less than one year
4. Commitment: 3 to 5% in normal investment conditions; may increase to 10%; in exceptional circumstances the reserve may increase to 20% given the appropriate Investment Committee review

Equity Investments

Holdings must meet the following market and capitalization criteria:

1. Market: Securities traded on a major recognized stock exchange - primarily in North America, Western Europe and Developed Asia
2. Private issuers: Excluded

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3. Number of holdings:	Minimum of 25 holdings and a maximum of 40 holdings
4. Minimum cap size:	Greater than US\$1.0 billion at time of purchase
5. Accounting standards:	Companies reporting in an acceptable accounting standard
6. Industry commitment:*	Limit of 25% in any one GICS sector
7. Minimum security weight:	1% of the total portfolio at time of purchase
8. Maximum security weight:*	6% of the total portfolio
9. Single holdings:*	Less than 9.9% of the market capitalization of any one company
10. Country exposure:*	Limited to 25% in any single country except for the USA

* Policy guidelines will be rebalanced by the end of each quarter

Currency Management

QV monitors the currency exposure of the Fund and will employ currency hedging through derivatives contracts if it deems appropriate. Currency management will only be exercised to reduce the potential negative impacts of currency movements, rather than as a means to generate excess returns.

Reporting

A failure of a policy guideline will be subject to a quarterly review and report to Fund holders.

Policy Table

Policy	Minimum	Maximum
Cash/T-bills [^]	0%	20%
Global Companies	80%	100%

[^]See Cash Reserves: Commitment section

Benchmark

MSCI World Index (C\$)

Portfolio Managers

The QV Global Equity Team, supported by the QV Investment Committee.