

# Dear Synergy Investor:

We recently announced the acquisition of Synergy Mutual Funds by CI Funds. As a Synergy investor you are not required to take any action, but we wanted to take this opportunity to share our thinking and explain the benefits to you of this new combined company.



Synergy is one of the fastest-growing fund companies in Canadian history. Even through the challenging three-year bear market, it has never experienced a month of net redemptions and has grown to over \$1.4 billion in assets.

CI is an independent Canadian-owned company that's been managing money for almost 40 years. It's one of the largest fund companies in Canada with \$35 billion in fee-earning assets and more than 1.4 million investors in its funds. Parent company CI Fund Management Inc. has been listed on the TSX (symbol: CIX) since 1994.

In merging with CI, Synergy investors will be able to take advantage of the company's 40 years of experience, the breadth of offerings, outstanding technology platform and various economies of scale that can be realized by a firm managing \$35 billion in assets.

Like Synergy, CI has been built on innovation and choice – offering clients a strong lineup of funds and leading portfolio managers. In addition to the great funds at Synergy, you will have an expanded selection of products, including:

- **Mutual Funds** – The cornerstone of a portfolio, with Canadian, foreign and 100% RSP-eligible foreign funds.
- **CI Sector Fund** – A corporate fund structure that gives you the utmost in tax efficiency.
- **Portfolio Series Funds** – Asset allocation and a diversified portfolio in one purchase.
- **Segregated Funds** – SunWise Segregated Funds and CI Guaranteed Investment Funds combine the growth potential of mutual funds with the security of insurance.
- **Insight** – A comprehensive, customized investment solution.

CI also offers a diverse choice of portfolio management teams. Like Synergy, CI believes that style diversification can improve investors' returns while reducing investment risk. CI offers every investment style, from value to growth to momentum. CI's expertise has been recognized by 13 Canadian Investment Awards over the last five years. In addition, CI leads the industry with the most funds with the top four and five-star ratings from Morningstar Canada.

You will also continue to enjoy a high level of service. CI has made significant investments in technology and training to provide industry-leading client services and administration. At the same time, CI is known for its efficiency and competitive fund operating costs.

We expect to begin the integration of Synergy's operations into CI in the coming months. You have our commitment that during this process, we will seek to maximize the benefits to the investors in Synergy and CI funds.

We are excited about the future as one combined company. Our mission remains to fully support investors across the country who believe in the pursuit of wealth creation. We are proud of both CI and Synergy's accomplishments as asset managers and we are truly grateful for your continued loyalty and trust. Together, our goal is to provide you with the best products and the highest level of service in the Canadian fund industry.

If you have any questions, please call your financial adviser, or contact the CI Client Services Team for information or a CI investor kit at 1-800-563-5181 or [service@cifunds.com](mailto:service@cifunds.com).

Sincerely,

Peter W. Anderson  
President, CI Mutual Funds Inc.

Joseph C. Canavan  
President and CEO, Synergy Asset Management Inc.



**NOTICE TO SECURITYHOLDERS OF:**

- **Synergy Canadian Fund Inc.:**
  - Synergy Canadian Growth Class
  - Synergy Canadian Momentum Class
  - Synergy Canadian Small Cap Class
  - Synergy Canadian Value Class
  - Synergy Canadian Style Management Class
  - Synergy Canadian Short-Term Income Class
- **Synergy Global Fund Inc.:**
  - Synergy Global Growth Class
  - Synergy Global Momentum Class
  - Synergy Global Value Class
  - Synergy Global Style Management Class
  - Synergy American Growth Class
  - Synergy European Momentum Class
  - Synergy Global Short-Term Income Class
- **Synergy Extreme Canadian Equity Fund**
- **Synergy Extreme Global Equity Fund**
- **Synergy Tactical Asset Allocation Fund**
- **Synergy Canadian Income Fund**
- **Synergy Global Growth RSP Fund**
- **Synergy Global Momentum RSP Fund**
- **Synergy Global Value RSP Fund**
- **Synergy Global Style Management RSP Fund**
- **Synergy American Growth RSP Fund**
- **Synergy European Momentum RSP Fund**
- **Synergy Extreme Global Equity RSP Fund**

(collectively the “Synergy Mutual Funds”)

CI Fund Management Inc. (“CI”) wishes to inform you that it has entered into an agreement with Synergy Asset Management Inc. (“Synergy”) and the shareholders of Synergy, to buy all of the issued and outstanding shares of Synergy, the trustee and/or manager of the Synergy Mutual Funds. This transaction, which is subject to regulatory approval, is currently expected to close in October 2003.

Further information about this transaction is available from the press releases issued by CI and Synergy, and the material change reports which they will be filing, all of which may be found at [www.sedar.com](http://www.sedar.com). **This notice is being provided to you for informational purposes only, and you are not required to take any action as a result of this transaction.** Please read the accompanying material to find out more information about CI and its mutual funds (the “CI Funds”).

CI intends to maintain the Synergy Mutual Funds as a separate fund family the same way they are today, although it may integrate selected funds into the CI Funds family. No decisions in this regard have been made at this time. Any such integration may, under applicable securities legislation, require your approval, and if so we will call a meeting of securityholders of the affected funds to seek such approval. Securityholders in the Synergy Mutual Funds will also be given the opportunity to switch, without cost, into the CI Funds following the closing of the transaction.

CI does not plan to increase the management fees that the Synergy Mutual Funds charge or the operating expenses that they pay. Indeed, it is CI's intention to optimize the strengths of both the CI and the Synergy fund families and look for ways in which securityholders of all funds will benefit from this transaction. If, in the future, CI finds that it needs to make any changes to the Synergy Mutual Funds in order to achieve any operational efficiencies or provide any other benefits to you, CI will either tell you about these changes in advance, or only implement the changes with the approval of the securityholders of the affected funds, if this is required by Canadian securities legislation.

On closing this transaction, CI will reconstitute the Board of Directors of Synergy so that at least a majority of its directors are nominees of CI. Following the closing, it is intended that the Board of Governors of the CI Funds (a majority of whom are independent of CI) will assume responsibility for the fund governance of the Synergy Mutual Funds.

# We're Right Here When You Need Us

You can reach us however you want to by mail, phone, fax, e-mail and website.



## CI Client Services Team

7:30 am to 8:00 pm ET

Monday to Friday

**416-364-5181**

**1-800-563-5181**

Fax: **416-364-6299**



Visit our website at  
[www.cifunds.com](http://www.cifunds.com)  
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[service@cifunds.com](mailto:service@cifunds.com)



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**Synergy Mutual Funds**

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