

# NOTICE

**FOR SPECIAL MEETINGS OF SECURITYHOLDERS TO BE HELD  
STONE & CO. FLAGSHIP GROWTH & INCOME FUND CANADA  
STONE & CO. FLAGSHIP STOCK FUND CANADA  
(the “Funds”)  
NOTICE OF SPECIAL MEETINGS OF SECURITYHOLDERS**

NOTICE IS HEREBY GIVEN that special meetings of Securityholders of the Funds to be held sequentially (the “**Special Meeting**”) will be held on Tuesday, July 11, 2017 commencing at 11:00 a.m. (Toronto time), at the offices of Miller Thomson, 40 King Street West, Scotia Plaza, 58th Floor, Toronto, Ontario M5H 3S1, for the following purposes:

1. to vote for or against resolutions approving a change in the Investment Objective of each of the Funds and accompanying amendments; and
2. to transact such further or other business as may properly come before the Special Meeting or any adjournment thereof.

A complete description of the matters to be considered at the Special Meeting is contained in the accompanying Management Information Circular. A copy of the text of the proposed resolutions authorizing the above changes for each Fund is set out in **Schedules “A” and “B”** to the accompanying Management Information Circular.

A Management Information Circular of the Fund dated June 10, 2017 and a form of proxy accompany this notice.

**Only Securityholders who hold units as of the close of business on June 6, 2017 will be entitled to vote at the Special Meeting. Securityholders who are unable to attend the Special Meeting in person are requested to complete, address, date and sign the enclosed form of proxy and deposit it with Broadridge Investor Communication Solutions, P.O. Box 2800, Station LCD, Malton, Mississauga, Ontario, L5T 2T7 either by delivery, mail, telephone or internet voting in accordance with instructions provided on the form of proxy or be faxed to 905-507-7793 (English) so as to arrive at least 48 hours, (excluding Saturdays, Sundays and public holidays) before the start of the meeting or any adjourned, postponed or continued meeting, in order to be valid. In order for deposited proxies to be valid for the currently scheduled Special Meeting, receipt is required on or before Friday July 7 at 11:00 am.**

DATED at Toronto, Ontario, the 10<sup>th</sup> day of June, 2017.

By Order of the Manager of the Funds,  
Stone Asset Management Limited.

**Signed**

**“Richard G. Stone”**

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Richard G. Stone  
Chief Executive Officer & Director

**Stone & Co. Flagship Growth & Income Fund Canada  
Stone & Co. Flagship Stock Fund Canada**

**MANAGEMENT INFORMATION CIRCULAR  
FOR SPECIAL MEETINGS OF SECURITYHOLDERS TO BE HELD  
ON JULY 11, 2017**

**THESE DOCUMENTS REQUIRE YOUR IMMEDIATE ATTENTION.**

If you are in doubt as to how to deal with the documents or matters described herein,  
you should immediately consult your investment adviser.

June 10, 2017

**MANAGEMENT INFORMATION CIRCULAR**

**STONE & CO. FLAGSHIP GROWTH & INCOME FUND CANADA  
STONE & CO. FLAGSHIP STOCK FUND CANADA  
SOLICITATION OF PROXIES**

This Management Information Circular is furnished to securityholders of Stone & Co. Flagship Growth & Income Fund Canada, ("Growth & Income Fund") and Stone & Co. Flagship Stock Fund Canada ("Stock Fund") (singularly the "Fund", collectively, the "Funds") in connection with the solicitation of proxies by Stone Asset Management Limited. (the "Manager"), in its capacity as manager of the Funds, to be used at the special meetings of securityholders to be held at the offices of Miller Thomson, 40 King Street West, Scotia Plaza, 58th Floor, Toronto, Ontario M5H 3S1 on Tuesday, July 11, 2017 at 11:00 am and at any adjournment thereof for the purposes set forth in the separately attached Notice of Special Meetings. The solicitation of proxies will be made primarily by mail, but the directors, officers or employees of the Manager may solicit proxies personally, by telephone, online or by facsimile transmission. All expenses in connection with the solicitation of proxies will be borne by the Manager. The Special Meetings in respect of the Funds will each be held separately, (collectively hereinafter referred to as the "Meeting").

Except as otherwise stated, the information contained in this Information Circular is given as of June 10, 2017.

**PURPOSE OF MEETING**

The Meeting is being called to consider and vote on the following proposals:

To change the investment objectives of each of the Funds and concurrent with such change accordingly;

- (i) Revise the performance benchmark upon the effective change in investment objective and commence the measurement period of the performance of the Fund against the performance benchmark as revised; and
- (ii) Rename each fund to more accurately reflect the amended investment objective.

The Manager does not believe that the proposals to change the investment objectives, if approved, will result in any material increase to the risks associated with investment in either Fund using current industry risk classification standards incorporating ten year standard deviation calculations. Growth & Income Fund's current risk profile of low to medium will remain unchanged and Stock Fund's current risk profile of medium will remain unchanged, both based on an assessment of the standard deviation on the underlying amended Performance Benchmarks over the past ten years. Both Funds may be subject to a higher proportion of foreign currency risk, however, the Manager is able to deploy currency hedging in the Funds' portfolios.

The securityholders of the Funds will vote separately on the changes in investment objective. Approval will require the affirmative vote of the majority of votes cast in respect thereof.

## PROPOSED CHANGES TO GROWTH & INCOME FUND

### **Amendment to the Investment Objective and Accompanying Performance Benchmark Changes**

The current investment objective of Growth & Income Fund is:

“To provide superior investment returns combined with a steady stream of current income by investing primarily in Canadian equity and fixed-income securities.”

It is proposed to change the investment objective of the Fund to be substantially in the following form:

*"The Investment Objective is to provide investors access to a global balanced fund seeking capital appreciation and a steady stream of current income".*

### **Reasons for Changing Investment Objective**

The Fund's investment objective was originally composed approximately 20 years ago prior to the gradual easing of restrictions on foreign content by Canada Revenue Agency, primarily for the purpose of maintaining its eligibility as a registered investment for registered plans. As a result investments consisted primarily of Canadian securities. Legislative changes have enabled funds to maintain their eligibility for these plans with higher foreign content. Additionally, the Manager, in consultation with the portfolio adviser, has determined that a portfolio of primarily Canadian equity securities has evolved to be exposed to higher concentrations of Financials, Energy and Materials with significant underexposure to Health Care, Consumer Discretionary, Technology and Consumer Staples. Consequently the Manager anticipates that more appropriate diversification and investment opportunities are afforded with the broadening of the investment objective to incorporate global exposure.

With global exposure, the existing Performance Benchmark will be revised to reflect the accompanying Investment Objective change. The Manager, in consultation with the portfolio manager, is responsible for selecting relevant benchmarks or indices reflecting the investment objectives.

### Resultant Change and Implementation of a Revised Performance Benchmark

Revised*	Former*
15% of the S&P/TSX Composite Index	40% of the S&P/TSX Composite Index
15% of S&P500 Index	20% of the S&P500 Index
30% of the MSCI World Index	
40% of the FTSE TMX Canada Universe Bond Index	40% of the DEX Universe Bond Index [recently renamed to FTSE TMX Canada Universe Bond Index]
<p>*Notes –</p> <ol style="list-style-type: none"> <li>1. The named indices consist of the respective Total Return Indices in Canadian Dollars, net of withholding taxes if applicable.</li> <li>2. The revised Performance Benchmark shall be effective on the change in Investment Objective. Commencing at that time, the performance of the Fund will be measured against the performance of the Performance Benchmark as revised. <b><i>The Former Performance Benchmark shall be discontinued and any performance deficit of the fund against the Former Performance Benchmark pursuant to the Former Investment Objective shall be extinguished.</i></b></li> </ol>	

The Fund’s existing prospectus describes in full detail that the Performance Fee is equal to 10% of the amount by which the performance of a series exceeds the performance of its Fund’s Performance Benchmark over the Performance Measurement Period, calculated to a maximum of .30% of the average NAV of the series of securities with certain other conditions governing the payment thereon including that the Fund will not pay a Performance Fee unless the net asset value per security (“NAVPS”) has increased over the calendar year, regardless of the established benchmark.

As the implementation of the investment objective is to occur during the year, for this transition period, the Fund will not pay a Performance Fee unless the NAVPS has increased over both the NAVPS at commencement of the change in Investment Objective, and the highest NAVPs during the calendar year prior to the change.

### **Change in Fund Name**

To change the name of the Fund from Stone & Co. Flagship Growth & Income Fund Canada to Stone Global Balanced Fund, or such similar name as the Manager may select upon the implementation of the change of investment objective.

### **Tax Impact of the Changing Investment Objective and Related Fund changes**

The Investment Objective change and accompanying Fund changes are not a taxable event. Securityholders of the Fund who continue to hold their series of the Fund will not have a disposition of their securities and, accordingly, will not realize a capital gain (or a capital loss) as a result of the change in the Investment Objective. The Fund may, however, gradually dispose of a portion of the investments in its portfolio in changing to the new investment objective. On such dispositions, the Fund may realize capital gains or capital losses. Interest and dividends from entities outside Canada are subject to withholding taxes generally governed by tax treaties between the country of domicile and Canada. Where foreign tax has been withheld, the gross amounts of interest and dividends are reported as foreign income and a foreign tax credit is claimed for securityholders holding their series in a non-registered account.

### **Authorization of Securityholders of Growth & Income Fund**

In order to carry out the amendment of the Investment Objective of Growth & Income Fund, its securityholders must authorize the amendment of its investment objective.

To give effect to the foregoing, securityholders of Growth & Income Fund are being requested to approve the passing of the resolution set out in Schedule "A" to this Management Information Circular.

## **PROPOSED CHANGES TO STOCK FUND**

### **Amendment to the Investment Objective and Accompanying Performance Benchmark changes**

The current investment objective of Stock Fund Canada is;

“To provide superior investment returns through capital growth by investing primarily in Canadian equity securities. Current income is a secondary objective.”

It is proposed to change the Investment Objective of the Fund to be substantially in the following form:

*"The Investment Objective is to provide investors exposure to North American equity securities seeking long-term capital appreciation".*

### **Reasons for Changing Investment Objective**

Stock Fund's investment objective was originally composed approximately 20 years ago prior to the gradual easing of restrictions on foreign content by Canada Revenue Agency, primarily for the purpose of maintaining its eligibility as a registered investment for registered plans. As a result investments consisted primarily of Canadian securities. Legislative changes have enabled funds to maintain their eligibility for these plans with higher foreign content including North American equities. Additionally, the Manager, in consultation with the portfolio adviser, has determined that a portfolio of primarily Canadian equity securities has evolved to be exposed to higher concentrations of Financials, Energy and Materials with significant underexposure to Health Care, Consumer Discretionary, Technology and Consumer Staples. Consequently the Manager anticipates that more appropriate diversification and investment opportunities are afforded with the broadening of the investment objective to incorporate North American exposure.

With exposure to North American equities, the existing Performance Benchmark would be revised to reflect the accompanying Investment Objective change. The Manager, in consultation with the portfolio manager, is responsible for selecting relevant benchmarks or indices reflecting the investment objectives.

## Resultant Change and Implementation of a Revised Performance Benchmark

Revised*	Former*
50% of the percentage gain or loss of the S&P/TSX Composite Index	80% of the percentage gain or loss of the S&P/TSX Composite Index %
50% of the percentage gain or loss of the S&P500	20% of the percentage gain or loss of the S&P500
<p>*Notes –</p> <ol style="list-style-type: none"><li>1. The named indices consist of the respective Total Return Indices net of withholding taxes if applicable and in Canadian dollars.</li><li>2. The revised Performance Benchmark shall be effective on the change in Investment Objective. Commencing at that time, the performance of the Fund will be measured against the performance of the Revised Performance Benchmark. <b><i>The Former Performance Benchmark shall be discontinued and any performance deficit of the Fund against the Former Performance Benchmark pursuant to the Former Investment Objective shall be extinguished.</i></b></li></ol>	

The existing prospectus describes in detail that the Performance Fee is equal to 10% of the amount by which the performance of a series exceeds the performance of its Fund's benchmark over the Performance Measurement Period, calculated to a maximum of .30% of the average NAV of the series of securities with certain other conditions governing the payment thereon including that the Fund will not pay a Performance Fee unless the net asset value per security ("NAVPS") has increased over the calendar year, regardless of the established benchmark.

As the implementation of the investment objective is to occur during the year, for this transition period, the Fund will not pay a Performance Fee unless the NAVPS has increased over both the NAVPS at commencement of the change in investment objective, and the highest NAVPS during the calendar year prior to the change.

### Change in Fund Name

To change the name of the Fund from Stone & Co. Flagship Stock Fund Canada to Stone North American Growth Fund or such similar name as the Manager may select upon the implementation of the change of investment objective.

## **Tax Impact of the Changing Investment Objective and Related Fund changes**

The Investment Objective change and accompanying Fund changes are not a taxable event. Securityholders of the Fund who continue to hold their shares of the Fund will not have a disposition of their securities and, accordingly, will not realize a capital gain (or a capital loss) as a result of the change in the Investment Objective. The Fund may, however, gradually dispose of a portion of the investments in its portfolio in changing to the new investment objective. On such dispositions, the Fund may realize capital gains or capital losses. Interest and dividends from entities outside Canada are subject to withholding taxes generally governed by tax treaties between the country of domicile including the United States and Canada. Where foreign tax has been withheld, the gross amounts of interest and dividends are reported as foreign income and a foreign tax credit is claimed for securityholders holding their series in a non-registered account.

## **Authorization of Securityholders of Stock Fund**

In order to carry out the amendment of the Investment Objective of Stock Fund, securityholders must authorize the amendment of its investment objective.

To give effect to the foregoing, securityholders of Stock Fund are being requested to approve the passing of the resolution set out in Schedule "B" to this Management Information Circular.

## **PROXIES**

### **Appointment of Proxies**

The proxy nominees named in the enclosed Proxy are directors and officers of the Manager. **A securityholder has the right to appoint some other person or company (who need not be a securityholder of the Funds) to attend and act on his or her behalf at the meeting by inserting the name of that other person in the blank space provided for that purpose in the form of proxy.**

If you return your proxy with voting instructions and naming an individual listed on the enclosed form as your proxy, your units will be voted in accordance with your instructions. If you return your proxy without voting instructions, your units will be voted in favour of the resolutions. If you appoint a proxy other than those individuals listed in the enclosed form of proxy, the Manager, as manager of the Funds, assumes no responsibility as to whether or not the person you appoint will attend the meeting to vote your units in accordance with your instructions or otherwise act on your behalf. Should your appointed proxy not attend the meeting or not be registered with the Manager within the timeline indicated in (a) above, your intended voting instructions will not be counted.

The enclosed form of proxy confers discretionary authority upon the persons named therein with respect to amendments or variations to the matters identified in the Notice, and with respect to other matters which may properly come before the meeting. As of the date of this Management Information Circular, the Manager, as manager of the Funds, knows of no such amendments, variations or matters to come before the meeting other than the matters referred to in the Notice.

In the event of any inconsistency with respect to any information regarding ownership and number of units of the Funds between the Funds' register and that indicated, for convenience, on the form of proxy or by a securityholder on his or her form of proxy, the Funds' register will prevail.

### **Revocation of Proxies**

A securityholder who has given a proxy may revoke it at any time prior to its use. Securityholders are instructed to further review the instructions below and on the accompanying form of proxy to this circular.

### **NOTES TO THE ACCOMPANYING BROADRIDGE FORM OF PROXY (“PROXY”)**

A securityholder (“investor”) has the right to appoint a person to represent the investor at the meetings other than the management representatives named in this proxy. This right may be exercised by inserting in the space provided the name of the other person the investor wishes to appoint. This other person need not be an investor in any of the Funds (as defined below).

1. To be valid, this Proxy must be signed and deposited with Broadridge Investor Communication Solutions, P.O. Box 2800, Station LCD, Malton, Mississauga, Ontario, L5T 2T7 or be faxed to 905-507-7793 (English) so as to arrive at least 48 hours, (excluding Saturdays, Sundays and public holidays) before the start of the meetings or any adjourned, postponed or continued meetings. Specifically, in order to be valid for the meeting time as scheduled, proxies must be received by Broadridge before 11:00 am Friday July 7, 2017.
2. If the investor is an individual, this Proxy must be executed exactly as the securities are registered. For an individual investor who is voting on his or her own behalf, the investor has the option of voting by phone or by internet, in addition to the option of sending a signed Proxy to Broadridge Investor Communication Solutions by mail or by fax, as described above. Please see the bottom of the Proxy for instructions to vote by phone or by internet. If an investor votes by phone or internet, the voting instructions received by Broadridge Investor Communication Solutions over the phone or the internet, as the case may be, will be deemed to be a valid proxy, and the investor voting by phone or by internet acknowledges, agrees and represents that any applicable written or execution requirement related to proxy voting has been satisfied.
3. If the investor is a corporation, an authorized officer or attorney must execute this Proxy. Evidence of authority may be required. If securities are registered in the name of an executor, administrator or trustee, this Proxy must be executed exactly as the securities are registered. If the securities are registered in the name of a deceased or other investor, the investor's name must be printed in the space provided, the legal representative must sign this Proxy with his or her name printed below his or her signature and evidence of authority to sign on behalf of the investor must be attached to this Proxy.

4. Refer to the related Management Information Circular for further information regarding completion and use of this Proxy and other information pertaining to the meetings and further instructions provided on the actual accompanying Proxy with this circular and on the Proxy enclosed separately.
5. If securities are held by two or more investors, any one of them may vote the securities, but if more than one of them are present or represented by proxy, all of these investors must vote the securities together.
6. If this Proxy is not dated in the space provided, it is deemed to bear the date on which it is mailed.
7. The securities represented by this Proxy will be voted in accordance with the instructions provided. However, this proxy confers discretionary authority on the designated management representatives. If no instruction has been given with respect to voting for or against the matters as described above in this proxy, the management representatives will vote the securities represented by this proxy FOR such matters. An investor or his or her proxy may only vote in respect of the Fund(s) in which the investor holds securities.
8. This Proxy is deemed to relate to all securities of the Fund(s) held by the investor unless otherwise indicated on this Proxy by the investor.

## VOTING SECURITIES AND PRINCIPAL HOLDERS THEREOF

The number of outstanding units of Growth & Income Fund and Stock Fund, as at June 6, 2017 are as follows

Series	Stone & Co. Flagship Growth & Income Fund Canada	Stone & Co. Flagship Stock Fund Canada
A		441,428
AA	656,341	
T8A	2,874,156	718,204
L	312,311	32,518
F		109,405
FF	376,569	
B		582,858
BB	111,641	
T8B	4,786,357	621,541
T8C	488,265	113,746
<b>Total</b>	<b>9,605,640</b>	<b>2,619,700</b>

To the knowledge of the Manager, as at June 6, 2017, no person or company owned more than 10% of the issued and outstanding units of the Funds.

Only the holder of units of the Funds as at June 6, 2017 are entitled to receive notice of the meeting. The number of units held by a securityholder on June 6, 2017 is set out in the securityholder's proxy, for convenience of reference only. Each securityholder of record as of 5:00 p.m. on June 6, 2017 is entitled to one vote at the meeting for each whole unit registered in such securityholder's name on the books of the Fund(s) at that time.

The quorum for the meeting, as established by the Funds' declaration of trust, is two securityholders in person or represented by proxy. If a quorum for a Fund is not present on the original date called for the meeting, the meeting will stand adjourned and will reconvene in accordance with the declaration of trust.

## DIRECTORS AND OFFICERS OF THE MANAGER

The directors and officers of the Manager are as follows:

<b>Name and Municipality of Residence</b>	<b>Position with Stone Asset Management Limited.</b>	<b>Principal Occupation</b>
Mr. Richard G. Stone, CIM Toronto, Ontario	Chief Executive Officer, Chief Investment Officer and Director	Chief Executive Officer and Director of Stone Investment Group Limited. Chief Executive Officer of Stone Asset Management Limited and Chief Investment Officer since September, 1999.
Mr. James Elliott, C.A. Toronto, Ontario	Chief Financial Officer and Director	Chief Financial Officer and Director of Stone Investment Group Limited since September 2006. Chief Financial Officer of Stone Asset Management Limited since September, 1999, and Director since 2004.
Mr. Mohsin Bashir, CFA	Vice President and Director	Vice President Investments, Stone Asset Management Limited since October 2014 prior thereto Portfolio Manager of Stone Asset Management Limited.

Other than as noted above, each of the directors and officers of the Manager has been engaged for more than five years in his present principal occupation or in other capacities with the companies, organizations or predecessors thereof.

As at June 6, 2017, units of the Funds held by directors and officers of the Manager, and directors of the parent company of the Manager, Stone Investment Group Limited are as follows:

		Growth & Income Fund	Stock Fund
Richard Stone <sup>x</sup>			19,299
Jim Elliott		8,832	14,902
Mohsin Bashir			
Jacques Boulet*		650	7,362
Tim Calibaba*			
Suzanne Grimble*			1,074
Mark Lawrence*			
Total		9,482	42,637

x-held directly, and indirectly

\* Member of board of directors of Stone Investment Group Limited, the parent company of the Manager.

### **INTEREST OF INSIDERS IN PROPOSED AMENDMENTS**

The Manager provides management services for each of the Funds. As such the manager receives payment of management fees from the Funds and performance fees, if any. Securityholders may consult the most recent audited Financial Statements for the year ended December 31, 2016 and the accompanying Management Report of Fund Performance for the Funds which are filed on SEDAR and on the Manager's website at [www.stoneco.com](http://www.stoneco.com).

### **REVIEW OF THE FUND CHANGES BY THE INDEPENDENT REVIEW COMMITTEE ("IRC")**

National Instrument 81-107, ("NI 81-107") requires the Manager to bring "conflict of interest matters" as described in NI 81-107 to the IRC for its review and recommendations to the manager or, in certain circumstances, approval of the matter. While the Manager has the potential for a conflict of interest arising from these changes, the proposal to the securityholders may still be fair and reasonable to investors. Regardless of NI 81-107 fundamental changes to the investment objectives of a fund require securityholder approval.

The Manager has presented the proposed changes to the IRC which include the potential for the Manager to receive fees in respect of performance fees as a result of the changes to the Investment Objectives of the Funds and application of the revised Performance Benchmarks.

The IRC has reviewed the proposed changes to the Funds and has advised the Manager that in the IRC's opinion, having reviewed the changes as potential "conflicts of interest", the changes achieve a fair and reasonable result for each of the Funds. The IRC views the disclosure

contained within this circular provides information sufficient for securityholders to review and make their own decision as to the approval of the changes. While the IRC has considered the changes from a “conflict of interest” perspective, it is not the role of the IRC to provide guidance on how securityholders should vote.

### **RECOMMENDATION**

The Board of Directors of the Manager, unanimously recommends that securityholders vote in favour of the resolutions set out in Schedules "A" and "B" to this Circular.

### **APPROVAL OF CIRCULAR**

The contents and sending of this Circular have been approved by the Board of Directors of the Manager, as manager of the Funds.

DATED at Toronto, Ontario this 10<sup>th</sup> day of June, 2017.

**STONE ASSET MANAGEMENT  
LIMITED.**

**Signed**

**“Richard G. Stone”**

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Richard Stone  
Director and Chief Executive Officer

## SCHEDULE "A"

### RESOLUTIONS OF THE SECURITYHOLDERS OF THE STONE & CO. FLAGSHIP GROWTH & INCOME FUND CANADA ("GROWTH & INCOME FUND")

#### BE IT RESOLVED THAT:

1. the change of the Investment Objective of the Growth & Income Fund to be substantially in the following form:

"The Investment Objective is to provide investors access to a global balanced fund seeking capital appreciation and a steady stream of current income"

is approved. Concurrent with the approved change in the Investment Objective the following amendments will be implemented:

- (i) The revised Performance Benchmark shall be effective on the change in Investment Objective. Commencing at that time, the performance of the Fund will be measured against the performance of the revised Performance Benchmark. *The Former Performance Benchmark shall be discontinued and any performance deficit of the Fund against the Former Performance Benchmark pursuant to the Former Investment Objective shall be extinguished and;*
  - (ii) The name of the Fund will be changed from Stone & Co. Flagship Growth & Income Fund Canada to Stone Global Balanced Fund or such similar name as the Manager may select upon the implementation of the change of Investment Objective.
2. any director or officer of the Manager of the Fund is authorized to take all such steps as are necessary to give effect to the amendment of the Investment Objective and accompanying changes; and
3. the Board of Directors of the Manager of the Fund shall have the discretion to elect not to proceed with any of the aforesaid changes should it so determine.

## SCHEDULE "B"

### RESOLUTIONS OF THE SECURITYHOLDERS OF STONE & CO. FLAGSHIP STOCK FUND CANADA ("STOCK FUND")

#### BE IT RESOLVED THAT:

1. the change of the Investment Objective of Stock Fund to be substantially in the following form:  
  
"The investment objective is to provide investors exposure to North American equity securities seeking long-term capital appreciation".  
  
is approved. Concurrent with the approved change in Investment Objective the following amendments will be implemented:
  - (i) The revised Performance Benchmark shall be effective on the change in Investment Objective. Commencing at that time, the performance of the Fund will be measured against the performance of the revised Performance Benchmark. *The Former Performance Benchmark shall be discontinued and any performance deficit of the Fund against the Former Performance Benchmark pursuant to the Former Investment Objective shall be extinguished and;*
  - (ii) The name of the Fund will be changed from Stone & Co. Flagship Stock Fund Canada to Stone North American Growth Fund or such similar name as the Manager may select upon the implementation of the change of investment objective.
2. any director or officer of the Manager of the Fund is authorized to take all such steps as are necessary to give effect to the amendment of the Investment Objective and accompanying changes; and
3. the Board of Directors of the Manager of the Fund shall have the discretion to elect not to proceed with any of the aforesaid changes should it so determine.