

GLUSKIN SHEFF + ASSOCIATES INC. RECEIVES DECISION IN FIRST PHASE OF PRIVATE ARBITRATION WITH CO-FOUNDERS REGARDING POST-RETIREMENT ENTITLEMENTS

March 17, 2016

TORONTO, ONTARIO

Gluskin Sheff + Associates Inc. (the “Company”) today announced that it has received a decision dated March 16, 2016 in the first phase of a private arbitration involving the Company and its co-founders, Ira Gluskin and Gerald Sheff, relating to a dispute under their transition and retirement agreements (the “Retirement Agreements”).

The Retirement Agreements provide each of Messrs. Gluskin and Sheff with certain benefits, perquisites and entitlements continuing for life after their retirement dates. Details are available in the Company’s financial statements for the quarter ended December 31, 2015, as filed on SEDAR on February 3, 2016.

The Retirement Agreements provide for an “Additional Remedy” to Messrs. Gluskin and Sheff. If either of them is of the view, acting reasonably, that the Company is in breach of certain of its obligations, which breach is not acknowledged and remedied by the Company in a timely manner once it is so advised, then Mr. Gluskin or Mr. Sheff (as applicable) may require the Company to fully discharge such obligations by paying an amount equal to 90% of the fair market value of the obligations, with such value to be determined either by agreement or by arbitration.

The Company considers the fair market value of the obligations at issue in the arbitration in the aggregate for both of Messrs. Gluskin and Sheff to be a maximum of \$12.2 million, this being the sum disclosed and fully provided for in the Company’s financial statements for the quarter ended December 31, 2015. The Company has recorded, and provided for in its quarterly and annual financial statements since 2009, the amounts it considers to be representative of the fair market value of all of these obligations and has done so on a consistent basis since 2009.

On March 16, 2016, an arbitrator, while rejecting certain claims of Mr. Sheff relating to expense reimbursement, determined that Messrs. Gluskin and Sheff held the view, acting reasonably, that the Company was in breach of its obligation to pay bonuses in 2014 to certain of the service-providers dedicated to them at a level commensurate with other similarly situated employees within the Company and therefore had, subject to certain legal positions of the Company, validly issued notices to exercise the “Additional Remedy”. The arbitrator did not find that the level of bonuses actually paid to these employees was in breach of the Retiring Agreements.

A second phase of the arbitration will be scheduled to determine those legal positions and the amount, if any, payable to Messrs. Gluskin and/or Sheff. No date or timetable has been set for this second phase.

Pursuant to their notices exercising the Additional Remedy, Mr. Gluskin seeks payment of \$75 million, while Mr. Sheff seeks \$110 million. As the second phase of the arbitration is only now entering its pre-

hearing stages, no supporting evidence for those amounts has been provided. The Company intends to vigorously contest these amounts.

The Company will also assert legal positions which, if accepted, would substantially reduce, or eliminate, the amount of the co-founders' claims.

As the matter remains subject to private arbitration, the Company will not be commenting further pending the final decision of the arbitrator.

For more information, please contact:

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This press release may contain forward-looking statements relating to Gluskin Sheff + Associates Inc.'s business and the environment in which it operates. These statements are based on the Company's expectations, estimates, forecasts and projections. They are not guarantees of future performance and involve risks and uncertainties that are difficult to control or predict. These risks and uncertainties are discussed in the Company's regulatory filings available on the Company's website at www.gluskinsheff.com or at www.sedar.com. Actual outcomes and results may differ materially from those expressed in these forward-looking statements. Readers, therefore, should not place undue reliance on any such forward-looking statements. Further, a forward-looking statement speaks only as of the date on which such statement is made. The Company undertakes no obligation to publicly update any such statement or to reflect new information or the occurrence of future events or circumstances, except as required by applicable law.