

Secutor Capital Management Corporation Relationship Disclosure Document

Secutor Capital Management Corporation (Secutor) is providing you with this Relationship Disclosure Document (RDD) to explain our relationship to you, our client: What you can expect from us and what you need to do to ensure that we can provide you the best service possible.

What you should do

Whatever kind of account you have with Secutor, we can only provide you with our best possible service if you provide us with the information and feedback we need. Please remember to do the following:

1. Review all of the documentation of your account to ensure it is accurate.
2. Review all disclosures to ensure you understand how your account will be operated, the risks involved, and other matters pertinent to the operation of your account.
3. Inform Secutor immediately of any material change in your circumstances, financial position, investment objectives or risk tolerance. A material change is one that might affect the kind of advice Secutor will give you, such as a change in employment, income or dependents. If you are unsure whether a change is material, it would be best to inform us.
4. Review the trade confirmations and account statements sent to you to ensure they are correct. Report any errors to your Secutor Advisor immediately.
5. Ask questions about any recommendations made to you or anything that occurs in your account that you do not understand. If you do not receive a satisfactory answer from your Secutor Advisor, ask to speak to his or her Supervisor.
6. Direct any complaints immediately to Secutor's Complaints Officer

Graham Kendall, phone 416-545-1015 ext. 118, email gkendall@secutor.ca If possible, a complaint should be in writing.

Advisory Accounts

When you have an advisory account at Secutor, your Secutor Advisor may recommend specific securities that the Advisor determines are suitable to your investment means, investment objectives, risk tolerance, and time horizon.

If you make your own investment decisions without advice from your Secutor Advisor, your Secutor Advisor will inform you when, in his or her opinion, an order that you enter is not suitable to your investment means, investments objectives, risk tolerance or time horizon, and such orders will be marked as "unsolicited" by SCMC. In such a case, your Secutor Advisor may refuse to accept the order, or chose to resign from advising on the account and recommend your transfer to another institution.

1. Documents

When you open an advisory account at Secutor, you and your Secutor Advisor will complete a New Client Application Form. It includes information about you, your financial position, your investment objectives in opening the account, your time horizon, and your tolerance for risk. The information you provide will be used by your Secutor Advisor to formulate suitable recommendations and determine whether unsolicited transactions are suitable. It will also be used by Secutor's management to ensure that your account is handled appropriately. You should therefore review the form carefully before signing it as it is critical that the information is accurate.

In order to open an account, you are required to sign one or more of the following Customer Agreements that set out the terms for opening your account:

1. A Cash Account Agreement if you plan to open a cash account, in which all transactions must be paid in full. All registered accounts such as Registered Retirement Savings Plans, Registered Education Savings Plans and Tax Free Savings Accounts must be cash accounts.
2. A Margin Agreement to open a margin account, in which you may borrow from Secutor to help pay for investment transactions. Any securities account selling short must be a margin account.

You will be given a copy of your completed New Client Application Form for your records. You will also be given copies of all agreements and contracts you sign in opening your account.

You may be required to sign additional documents such as those related to registered accounts or guarantees of other accounts. In each case you will receive and should retain a copy of the document.

If you purchase a mutual fund, you will receive either the current prospectus of the fund or a Fund Facts document that summarizes the important information about the fund.

2. Suitability Generally

Your Secutor Advisor will make a determination before making a recommendation to you or accepting an order from you that the recommendation or order is suitable. A recommendation or order is suitable if its execution results in your total portfolio being consistent with your investment objectives, risk tolerance and time horizon as disclosed on your New Client Application Form.

If you attempt to enter an unsolicited order that the Secutor Advisor believes would result in your total portfolio being unsuitable, the Advisor will caution you about the order. The Secutor Advisor may also require that your New Client Application Form be amended so that the recorded investment objectives and risk tolerance are consistent with the portfolio, being the aggregate of all your Secutor holdings, after the execution of the order. The Secutor Advisor also has the right to refuse an unsuitable order if he or she believes that it will put the client and/or Secutor at an unacceptable risk. Secutor reserves the right to resign from its advisory role and require the client to transfer to another institution.

Suitability is based on judgements about the following elements:

1. Financial position: your income, net worth and expenses.
2. Investment objectives: the general nature and goals of your investments. These generally include what is important to you: safety of capital, regular income from dividends or interest, or capital gains, along with some characterization of time elements (short-term or long-term) and risk. Your investment objectives can include different objectives in different proportions, which can change over time.
3. Risk tolerance: your ability to sustain risk of loss, both financially and psychologically. Generally, investments that provide the opportunity for higher returns entail higher risks.
4. Time horizon: when you expect to need or want to withdraw funds from your investments for other uses, such as purchasing a home, funding your children's higher education or retirement.

Secutor will reassess the suitability of your portfolio if one of the following events occurs:

1. You inform Secutor of a material change in your financial position, investment objectives or risk tolerance.
2. You deposit securities, either directly or by transfer from another financial institution
3. The Secutor Advisor responsible for handling your account changes.

3. Transaction Reporting

Whenever there is a transaction in securities in your account, you will receive a confirmation showing the details of the transaction. The confirmation is provided the day of the transaction. You will receive confirmations by regular post.

You will receive monthly statements for any month in which a transaction occurs other than receipt of dividends or interest on securities holdings or interest on the account balance. You will receive separate statements for securities accounts in which the ownership is different from your other accounts, such as a joint account.

If there are no transactions in an account other than dividends and interest in a calendar quarter, you will receive a statement at the end of the quarter showing any interest or dividend payments.

For a securities account, the statement will show the opening and closing cash balance, all transactions including deposits, withdrawals or transfers of funds or securities and the original cost and period-end market value of securities positions held in the account.

You will also receive annual statements for tax purposes showing all capital gains or losses, interest and dividends received, and interest paid.

4. Performance Reporting

You will receive an annual report for each account including the following:

- The combined market value of all cash and security positions in your account as of January 1, 2016, the beginning of 12-month period covered by the report, and the end date of the report

- The total combined market value of all cash deposits to and withdrawals from your account and transfers in and out of securities positions since January 1, 2016 and in the 12-month period covered by the report
- The total combined change in market value of all cash and securities since January 1, 2016 and in the 12-month period covered by the report, calculated as follows:

Closing market value minus opening market value minus deposits and transfers in plus withdrawals and transfers out

- The annualized total percentage return net of charges using a money-weighted rate of return calculation for the 12-month period covered by the report and since January 1, 2016.
- As the period after January 1, 2016 lengthens, you will also receive the annualized total percentage return net of fees and for the 3-year, 5-year and 10-year periods preceding the end date of the report

Performance Benchmarks

You may assess the performance of your investments by comparing them to an investment performance benchmark. Benchmarks show the performance over time of a select group of securities. There are many different benchmarks. When choosing a benchmark, pick one that reflects your investments. For example, the S&P/TSX Composite Index follows the share prices of the largest companies listed on the Toronto Stock Exchange. This index would be a good benchmark for assessing performance of a Canadian equity fund that invests only in large Canadian companies. It would be a poor benchmark if your investments are diversified in other products, sectors or geographic areas.

We do not provide benchmark comparisons in our account reporting. We operate with a mind to preserving/enhancing the long term purchasing power of your portfolio as compared to the rate of inflation.

Please speak to your investment advisor if you have questions about the performance of your portfolio or what benchmark(s) might be appropriate for you

5. Conflicts of Interest

Related and connected issuers

Secutor and its affiliates may create funds and/or limited partnerships from time-to-time. We will refer to such issuers as "Secutor-controlled issuers."

Officers or directors of Secutor may from time to time have management positions, directorships or controlling shareholdings in publicly traded issuers. We will refer to such issuers as "related issuers."

Secutor and its officers and employees will not provide advice or make recommendations with respect to Secutor controlled or related issuers without first providing you with appropriate disclosure of the relationship. During any period in which Secutor is involved in distributing securities of an issuer to the public, either through a prospectus or an offering that is exempt from prospectus requirements, that issuer is a "connected issuer" of Secutor.

Secutor requires its officers and employees, before accepting an order from a customer (other than a fully registered dealer or a Secutor-controlled issuer acting as principal) to purchase or sell securities of a Secutor-controlled, related or connected issuer, to inform the customer, orally or in writing, of Secutor's relationship with the issuer.

If you purchase securities of a Secutor controlled, related or connected issuer, the confirmation will state that the securities were issued by a controlled or related issuer of Secutor.

Any report to you concerning a Secutor controlled, related or connected issuers other than a confirmation will state that the securities were issued by a controlled, related or connected issuer.

Acting as Principal

In certain instances where Secutor acts as your broker, securities purchased or sold for you may be bought from or sold to Secutor, a party associated with Secutor or, in the course of distribution, a Connected Party.

When Secutor or an affiliated or connected party is the seller or buyer in a trade from or to you, the trade confirmation will disclose that the trade was done "as principal."

Secutor has review procedures in place to ensure that it does not buy from or sell to you if there is a better price available from a trade with an arms-length party.

Costs

As a general policy, Secutor opens fee-based accounts. We reserve the right to make exceptions and open commission-based accounts in certain circumstances. In a fee-based account, the annual fee is determined and agreed upon at the time you open the account. This fee is calculated on the month end account balance and changed monthly (ie 1/12th of the annual fee is calculated and charged on the month end account balance).

If Secutor purchases a mutual fund for your account, where available it will purchase F Class shares that do not have a front load or deferred sales charge and that do not pay a trailer fee to Secutor. Where Secutor receives a trailer on an investment held within a fee-based account, it will not also charge the monthly fee on the same investment.

In a commission-based account, you pay a fee for each transaction occurring in your account. If you trade a fixed-income security you may be charged a mark-up or mark-down on the price from the price at which Secutor buys or sells the security, in which case the confirmation will show that Secutor acted as principal. If you purchase an investment fund at Secutor it may have a commission on the purchase or a deferred sales charge on redeeming the funds. Secutor may also be paid by the investment fund manager which forms part of the annual fees charged to the fund by the fund manager.

If you purchase a new issue through Secutor, there will be no commission but Secutor will be compensated by the issuer.

All of these costs and fees are disclosed in the mutual fund prospectus or Fund Facts document of the specific funds. Front loads and deferred service charges are also disclosed on your Secutor confirmations.

Account fees

Secutor charges administration fees for specific types of accounts or transactions such as registered account administration and account transfers. Please review the fee disclosure list included in your account opening documents.

You will receive notification 90 days prior to any changes in account administration fees.

You will receive an annual report showing all fees paid by you for the operation of your account.

6. Complaints

If you have any complaints about your account, please direct them to our Complaints Officer. His name and contact information is Graham Kendall, phone 416-545-1015, email gkendall@secutor.ca.

If your complaint concerns an administrative matter such as failure to receive a confirmation, statement or other document you were expecting, or an error in a transaction, please contact the Complaints Officer by telephone at 416-545-1015.

If your complaint is about your investments or the handling of your account, please make your complaint in writing. It will be helpful to have as much detail as possible about the complaint. If you feel unable to explain the complaint in writing or determine what information is relevant, please call the Complaints Officer, who will assist you in doing so.

The Complaints Officer will attempt to resolve your complaint immediately. If he cannot do so within five business days of receipt, he will write to you advising you of how the complaint is being dealt with, who to contact if you require further information and when you may expect a response. The investigation of your complaint will normally be handled internally, although Secutor may seek outside assistance, if needed, to properly investigate your complaint or because of a conflict of interest.

Under normal circumstances, you will receive a written response as soon as possible and in all cases no more than 90 days after your complaint is received. If the investigation of your complaint is complex and lengthy so that more than 90 days is required, we will inform you and let you know when to expect our response.

Secutor is a Member of the Investment Industry Regulatory Organization of Canada (IIROC), which has processes for receiving and investigating client complaints and for providing arbitration. Included in your package is an IIROC brochure explaining those processes.