

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. Secutor provides advice (and not discretionary portfolio management) and, as such, all final investment decisions are solely and strictly the Secutor Client's to make. In keeping with that client obligation to themselves and the process, the Secutor Client assumes sole responsibility for responding promptly and accurately to Secutor's regular, written request for updated, timely personal information.

Therefore, please remember to do the following:

- Review all of the documentation of your account to ensure it is accurate.
- 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.
- 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.
- Review the trade confirmations and account statements sent to you to ensure they are correct. Report any errors to your Secutor Advisor immediately.
- 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.
- 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, investment objectives, risk tolerance or time horizon, and such orders will be marked as "unsolicited" by Secutor. 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.

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:

- 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.
- 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 be provided with documentation of any significant changes to the New Client Application Form information. You will also be given copies of all agreements and contracts you sign in opening your account.

The IIROC Client Focused Reform rules require that Secutor review your information at least every 36 months and, in the process, review the suitability of your account. At Secutor, we believe that written communication is the best and most accurate form of communication. We will include a request for information in your quarterly statements asking you for any updates. If we do not receive a response or update from you, we will assume that all of the information that you've previously provided remains accurate and that we have fulfilled our obligation to keep your information current. We will conduct the 36-month suitability review on the assumption that you have updated the information pursuant to our regular requests.

If you are not certain about the materiality of a change in your circumstances or how to respond to our requests, we encourage you to contact your registered representative to discuss the matter.

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 and puts your best interests first, i.e. ahead of any interests of the firm or any third party such as the issuer.

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.

Please note that Secutor views and presents itself to all clients, in advance of said clients choosing Secutor as their investment advisor, as a long-term horizon money manager.

Secutor believes in the long-term efficacy of its stable-hold portfolio recommendations.

Secutor does not believe in the long-term effectiveness of actively-traded and regularly traded and market-timed holdings in Secutor-advised accounts.

At Secutor, "Trading Activity" does not mean "better management".

Similarly, a premeditated absence of "trading activity" does not mean a lack of management.

For clarity, long-term investment management at Secutor means that investment assessments and judgements on each of the client's invested companies are made every day by the Secutor investment advisors.

Said assessments and judgements and recommendations, or the lack thereof, are made with the full and accepted knowledge and agreement of the client that the advisor is focused upon their long-term portfolio strategy and the long-term contribution of the invested companies to that long-term portfolio strategy.

Suitability is based on judgements about the following elements:

- Financial position: your income, net worth, and expenses.
- 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.
- 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.

- 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.
- The registered representative's and Secutor's understanding of the security, involved, whether the recommendation is to buy or sell.
- The overall affect of the recommendation on your account, including its concentration in specific types of securities and the liquidity of your positions, i.e. your ability to sell positions as required.
- The potential impact of the cost of costs on your returns.
- A consideration of a reasonable range of alternative actions available at the time of the recommendation.

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

- Secutor becomes aware of a material change in your financial position, investment objectives, risk tolerance, or time horizon that could affect the suitability of your account; it is important for that review that you inform Secutor of any such change
- You deposit securities into or withdraw securities from your account, either directly or by transfer from another financial institution
- Secutor becomes aware of a change in a security in your account that could result in the account no longer being suitable
- The Secutor Advisor responsible for handling your account changes.
- When Secutor conducts the periodic review of the information on your New Client Application Form as described above under "Documents."

Again, as a reminder to all Secutor Clients, Secutor provides advice (and not discretionary portfolio management) and, as such, all final investment decisions are solely and strictly the Secutor Client's to make. In keeping with that client obligation to themselves and the process, the Secutor Client assumes sole responsibility for responding promptly and accurately to Secutor's regular, written request for updated, timely personal information.

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 the later of January 1, 2016 and the opening of the account, 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

If there is a material conflict of interest between you and Secutor or your representative, Secutor will resolve it in your best interest. Please review our separate conflict of interest disclosure.

6. 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 charged 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 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.

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

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 a new issue through Secutor, there will be no commission, but Secutor will be compensated by the issuer. The compensation will be part of the underwriting or agency compensation disclosed in the prospectus or other offering document.

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.

7. 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.

8. Trusted Contact Person

When you open your account, you will be asked to provide the name of a trusted contact person. You do not have to provide a name, but we encourage you to do so. You will also be asked to give Secutor permission to contact that person.

The trusted third party should, if possible, be an independent party or advisor who would have no conflict of interest if called upon to assist in decisions about your account.

Secutor will contact the trusted contact and provide information to him or her only if that Secutor comes to believe that you have become incapable of handling your financial affairs or are being exploited financially. The purpose of the contact will be to discuss Secutor's concerns and obtain the name and contact information of your legal representative.

If it reaches the conclusion that you are no longer capable of managing your own financial affairs, are being financial exploited or an attempt is being or will be made to financially exploit you, Secutor is required under securities regulations to put a temporary hold on the assets in your account. If that happens, Secutor will provide you of notice of the hold and the reasons. A hold will be reviewed and renewed or revoked every 30 days thereafter.