

This disclosure is specific to the Canada Life™ Financial Solutions Centre (FSC) and is in addition to the account agreements, relationship disclosure and other information booklet you received upon opening your mutual fund account with Quadrus Investment Services Ltd.

Relationship disclosure

Quadrus's relationship with our clients

Through our investment representatives, our business is assisting clients in meeting their financial security goals by providing service and advice relating to mutual funds and other investments. In addition to delivering basic services required to maintain your investment account, we, Quadrus Investment Services Ltd. (Quadrus) and your investment representative at the Canada Life Financial Solutions Centre ("investment representative") will ensure that you are provided with the information you need to make informed investment decisions. Our team of investment representatives function as our primary point of contact with our clients. Based on your personal and financial circumstances, your investment representative will provide you with recommendations as to how to go about meeting your financial security objectives. However, you alone have the final say on any of your investment decisions.

Provincial securities legislation and other regulatory rules require our firm (Quadrus) and all of our investment representatives to deal with you in an ethical and professional way. Among other things, this includes:

- Keeping personal information confidential
- Having written procedures to ensure that you receive a proper level of service
- Properly supervising employees and investment representatives

We will advise you of any material changes to our business that may have an effect on the nature of our relationship with you.

The products we offer

We are registered under provincial securities legislation to sell mutual funds and certain other similar investment type funds to investors. A mutual fund is a pool of savings contributed by many investors and invested on their behalf by a professional money manager. The money invested by you and the other investors in the fund is reinvested in a portfolio of stocks, bonds or other securities, depending on the mutual fund's investment objectives. In return, you receive securities issued by the fund (units or shares) representing your holdings in the mutual fund. We offer funds that invest in a wide variety of different securities.

We are also permitted to sell certain other types of products. These include:

- Labour-sponsored investment funds (LSIFs)
- Under limited distribution we offer guaranteed investment certificates (GICs) and hedge funds

Quadrus is responsible for the assessment and approval of the funds we offer, based on our standards of compliance. We will monitor these funds for significant material changes that have the potential to affect a fund's performance.

Significant changes may include but are not limited to:

- Changes in risk level
- Fee changes
- Liquidity changes
- Fund mandate changes

Through Quadrus Investment Services Ltd., your investment representative can offer non-exclusive, third party mutual funds, and our exclusive Canada Life Mutual Funds™. Canada Life Mutual Funds are exclusive to Quadrus and its affiliates IPC Investment Corporation and IPC Securities Corporation.

Canada Life Mutual Funds

Quadrus Investment Services Ltd., and its affiliates IPC Investment Corporation and IPC Securities Corporation, are the exclusive distributors of Canada Life Mutual Funds. This means that these funds cannot be sold by representatives of any other dealer. These mutual funds may be transferred to another dealer in certain circumstances. You may request a transfer of your Canada Life Mutual Funds to another dealer provided a limited distribution agreement is in place between the new dealer and the investment fund manager of the Canada Life Mutual Funds. Clients who hold Canada Life Mutual Funds at another dealer will be restricted to redemptions only, and no new accounts may be opened, or additional investments made in such funds.

No new sales of mutual funds with deferred sales charge (DSC) or low-load sales charge fee structures are permitted. If you have purchased these funds on a deferred sales charge load or low-load sales charge option prior to January 1, 2021, you may be subject to redemption charges. Selling your investments may also result in income tax consequences.

Risks of investing

There are many types of risks that you may take on when you invest. Because markets rise and fall, there is a general market risk that you could lose some or all of your principal investment, or that you could earn less return from the investment than you expected. There are also specific risks with different types of investments. For example:

- Inflation risk is the risk that the value of an investment will be eroded by inflation. The cost of goods increases as inflation rises, which reduces the purchasing power of money invested and the interest it is earning.
- Interest-rate risk is the risk that the value of an investment will decline as interest rates rise. Interest rates have an impact on a whole range of investments. For example, treasury bills and bonds tend to fall when interest rates go up.
- Credit risk is the risk that an obligation to pay a debt will not be met.
- Liquidity risk refers to the risk that the fund will not be able to buy or sell an investment quickly because buying and selling opportunities are limited. Most securities owned by funds can be sold promptly at an acceptable price, but some may be difficult to sell due to the nature of the investment itself, settlement terms or other reasons. Difficulty in selling securities may result in a loss or may be costly to a fund.
- Currency risk is the risk that an investment denominated in a foreign currency will lose value due to fluctuations in the exchange rate.

- Specialization risk relates to mutual funds that specialize in investments in a particular kind of industry or in a particular part of the world. If the industry or geographic area has an economic slump, the mutual fund will suffer because there are relatively few other investments in the portfolio to offset the decline.

Mutual funds and other types of investment funds have a wide range of risk profiles and it is important to find out which type of risks a fund may be exposed to before you invest. The level of risk of a particular mutual fund depends a great deal on the types of investments made by the fund and the extent to which those investments are diversified. A mutual fund containing only equity securities in a single industry sector generally is higher risk. A bond mutual fund generally is lower risk than an equity mutual fund. The number of mutual funds that should be held in a diversified portfolio will depend on the diversification of the individual mutual funds and the extent to which the various mutual funds move in the same direction or in different directions.

Fund Facts

The Fund Facts document is designed to give investors key information about mutual funds in plain language that is easy to understand. It provides useful information such as fund holdings, asset mix, historical performance and the costs associated with buying, owning and selling a mutual fund. Fund Facts are available on the mutual fund's website and are posted at www.sedar.com.

Investment suitability

Securities legislation and Canadian Investment Regulatory Organization (CIRO) rules require that each recommendation made by an investment representative of Quadrus must be suitable for you in relation to your investment needs and objectives, risk profile and other personal and financial circumstances.

Your investment representative can help you determine your risk profile, the types and level of risk that would be appropriate for your portfolio. Your investment representative has an obligation to make recommendations that are in your best interest, considering the concentration, liquidity, and impact of costs on your returns. Your representative must also consider a reasonable range of alternatives when providing you with a recommendation.

If you choose to place an order we have not recommended, we must also determine whether the transaction you propose is suitable and in keeping with your investment objectives; and advise you of our assessment before we execute the trade.

In addition, we will make assessments regarding suitability of the investments held in your account at the following times:

- When we place a trade on the account
- When we become aware of a material change in your personal circumstances
- When you transfer securities into the account
- When the issuer of a security advises us of a change in risk ranking of the security
- When your account(s) are transferred to a new Quadrus investment representative

As a caution, you should be aware that we will not be in a position to review the suitability of your investments with respect to any transactions that are processed directly with fund companies. Direct trades such as these are not processed through our systems and cannot be monitored in the same way as trades placed through your investment representative. To ensure that we are able to properly service your account, you should contact your investment representative regarding any intended transactions rather than approaching fund companies directly.

Benchmark - Helping you decide if a fund is suitable for you

There are several factors you should take into account when deciding if a fund is suitable for you. To help you assess a fund before you invest in it, your investment representative will give you a Fund Facts sheet to review. The Fund Facts sheet tells you about the composition, performance and risks of a fund and includes a chart showing how the fund has performed over the past 10 years (or over the number of years that have elapsed since the fund's start date, if the fund is less than 10 years old). Consideration of the fund benchmark may be another factor to consider in determining if a fund or other investment is suitable for your needs and objectives. A fund benchmark is a standard – such as a stock or bond index – against which the performance of a mutual fund can be compared. Each fund company publishes a fund benchmark or market index as a basis of comparison in their Management Reports of Fund Performance which are available on their public websites. Keep in mind, however, that past performance is not necessarily an indication of how a fund will perform in the future.

How our products and services will help you meet your investment objectives

We offer a variety of mutual funds so that we can service the needs of many different types of investors. The types of investments we will recommend to you will depend on your objectives, your tolerance for risk and other factors. We will work with you to help you decide how much of your portfolio should be invested in low risk, medium risk and high risk products.

- Low risk investments generally display less volatility and will typically generate smaller, more predictable returns.
- With medium risk investment funds, volatility will likely increase, along with the possibility of higher returns.
- High risk investments are typically the most volatile, with the highest potential for both gains and losses.

In general, a portfolio that is heavily weighted in low risk securities is appropriate for a person who prefers to invest in products that are more likely to maintain their value and is willing to forego potentially higher returns in exchange for security of their investment capital. A higher concentration of high risk investments may be appropriate for a person who is more comfortable with the possibility of investment losses that may happen in the short term but is willing to accept this risk because of the possibility of greater returns on the investment in the long term.

You should also note that other factors apart from the risk profile of a product must be considered when determining if a particular investment may be appropriate to achieve your investment objectives or is otherwise suitable for you, bearing in mind your personal financial situation.

Account fees and service charges

A disclosure of transaction fees and charges that you pay for services we provide (or may provide) on your account is set out in the accompanying disclosure document on transaction fees and charges. We will provide you with a 60 day notice prior to an increase to any of these fees.

Costs of purchasing and holding investments

Management expense ratio (MER)

Generally, all mutual funds have management expenses. These expenses are deducted from the fund and you are not billed directly. The management fee pays for such things as the mutual fund company's investment management, marketing and administrative costs. Each fund also pays its own

operating costs such as brokerage fees on securities trading, audit fees and unitholder communications. Management fees and operating costs are charged whether the value of the mutual fund goes up or down. The fund reports the management fee and operating costs it pays each year as a management expense ratio (MER), which is expressed as a percentage of your total investment. These annual costs, which on average range between two and three per cent, are deducted before the fund's performance returns are calculated. For example, if your fund made 10 per cent and the MER was two per cent, the reported return for the year would be eight per cent. Detailed information on the MER for a fund can be found in the Fund Facts. Sales fees are paid to us as compensation for selling funds on behalf of a mutual fund company. There are two types: Commissions and trailer fees. Mutual funds may carry both.

Commissions

Commissions are paid to us at the time of sale, or shortly after. If the fund purchase is made with sales charge purchase option (front-end load), Quadrus receives the commission directly from you, the client. If the purchase is made with either the low-load (LL) purchase option or the redemption charge (back-end load) purchase option, Quadrus is paid a commission by the mutual fund management company. Information on commission paid can be found in the Fund Facts.

The investment representatives who work at the Financial Solutions Centre are employees and are paid an annual salary and potential annual bonus. They do not earn a commission on the sale of investment products or services.

Please refer to the accompanying disclosure on transaction fees and charges for further details on the sales purchase options.

Trailing commissions/fees

Trailing commissions/fees are also referred to as trailer fees, or trailers. These are ongoing commissions paid by the fund company to us. Each year we get an amount that equals a certain percentage of your account's value. The amount paid to us can vary depending on the purchase option selected. You do not pay trailer fees directly. Trailer fees are paid by the mutual fund company from the management fee. Information on trailer fees paid can be found in the Fund Facts. Investment representatives who work at the Financial Solutions Centre do not receive a portion of trailing commissions/fees.

Important information you will receive

We will provide you with the following information (where applicable) when your account is opened:

- Fund Facts
- Account and trading agreements
- Risk of borrowing to invest (leverage risk disclosure)
- Our relationships with other dealers (introducing/carrying broker disclosure if applicable)
- Client satisfaction process
- Other companies in our corporate group (statement of policies concerning conflict of interest with related and connected issuers)
- Privacy disclosure
- Referral fees
- Dual occupation disclosure

Reporting you will receive from us

We as a mutual fund dealer (or the individual fund company with which you invest, depending on the type of account you hold) will provide you with written confirmation of all mutual fund transactions that take place in your account other than automatic purchases and withdrawals. You will receive this confirmation notice within five business days of your transaction date. This confirmation will give details regarding the securities involved in the transaction and other information required by regulators.

We will also provide you with quarterly statements and an annual statement at the end of the year. With the quarterly and annual statements you will receive your investment performance report, and with the annual statement you will also receive a charges and compensation report.

Important policies you should know about

- We are authorized to sell only the products described in "The products we offer" section above and we are not responsible for any other type of business that you may conduct with your investment representative.
- Your investment representative is licensed in a limited capacity and cannot provide advice on securities that we are not authorized to sell.
- Your investment representative is required to ask you to appoint a trusted contact person(s) (TCP), obtain written consent to contact the TCP and keep this information up to date. Your appointed TCP(s) may be contacted if your investment representative or Quadrus:
 - Suspects that you are experiencing financial exploitation or mistreatment;
 - Becomes concerned about your ability to understand your financial situation, make financial decisions in your own interests or understand the consequences of a financial decision that you made or want to make;
 - Has concerns and is seeking your current contact information or the contact information of your legal representative (if any).
- A temporary hold may be placed on a transaction(s) if we believe that you are a vulnerable client, and that you have been or are being financial exploited or if we believe financial exploitation is being attempted. A temporary hold may also be placed if there are concerns about your diminished mental capacity to make decisions involving financial matters. You will be notified and advised of the reasons for the temporary hold as soon as possible if such a hold is placed. A temporary hold on transactions may be placed for the time that is necessary to address the situation and concerns about you. You will be provided with updates every 30 days until the hold is revoked or the concerns are addressed.
- We do not accept cash for business you are conducting with us. All payments for purchases should be by Electronic Funds Transfer (EFT) or by cheque made payable to Quadrus Investment Services Ltd. or Quadrus. Cheques should never be made payable directly to your investment representative. Purchases paid for by cheque will be processed once the cheque is received by Quadrus head office.
- We do not allow investment representatives to borrow or lend money from/to clients. If you have any questions on how these policies apply to you, please let us know. Our contact information is provided below.

Payment of interest on client cash held in trust

Effective January 1st, 2013, Quadrus Investment Services Ltd. will not pay interest earned on client cash held in trust.

What you should do as a client

- Provide a full and accurate description of your financial situation, investment objectives and risk tolerance to your investment representative to assist them in meeting your investment goals.
- Promptly inform your investment representative regarding any material changes to this information or financial or life circumstances. This will help you assess whether changes to your investment strategy are necessary. A “material change” would be a change to any information that could reasonably result in changes to the types of investments appropriate for you, such as income level, investment objectives, risk tolerance, time horizon or net worth. Examples of such changes would include changes in employment, changes to marital status, a birth in the family, changes in retirement plans. If you have a non-registered plan, promptly notify Quadrus or your investment representative of any changes to your name, address, occupation, purpose or intended use of the plan, as applicable. If the planholder is an entity, also contact Quadrus or the investment representative for changes in beneficial ownership or authorized signatory information.
- Carefully review all account documentation, sales literature and other documents provided by your investment representative.
- Make sure you understand all fees and costs.
- Review the Fund Facts prior to the transaction to ensure that you are aware of the possible risks and returns on your investments.
- Make sure your relationship with us and your investment representative is clear to you.
- Communicate regularly with your investment representative and proactively ask questions or request information you may need to resolve any questions you have about your account, specific transactions or investments; or on your relationship with us or with your investment representative.
- Contact the branch manager if unsatisfied with the answers or explanations you receive from your investment representative.
- Make sure that payment for securities purchases is made by the date required by the fund company, known as the settlement date. Review all transaction confirmations and account statements or reports carefully and promptly. Report any errors or questions to your investment representative immediately.
- Review your portfolio holdings on a regular basis. You may want to make changes based on your investments’ performance and your current objectives.
- Consult the appropriate professional such as a lawyer or accountant for tax and/or legal advice.

Conflicts of interest

What is a conflict of interest?

A conflict of interest includes any circumstance where:

- The interests of different parties, such as your interests, and those of an investment representative or Quadrus, are inconsistent or different,
- An investment representative may be influenced to put their interests ahead of your interests, or
- Monetary or non-monetary benefits available to an investment representative or Quadrus, or potential detriments to which an investment representative or Quadrus may be subject, and how these may compromise the trust that you have in your investment representative or Quadrus.

Some conflicts of interest will arise when you do business with Quadrus. Some other conflicts of interest will only arise in certain circumstances. For all conflicts, it is both Quadrus’ and your investment representative’s responsibility to identify and address material conflicts of interest in your best interest. Quadrus and your investment representative must avoid material conflicts of interest that are not resolved in your best interest. Your investment representative cannot engage in activity that results in a material conflict of interest, unless that conflict is resolved in your best interest, and is approved by Quadrus.

Conflicts of interest that arise by doing business with Quadrus are disclosed and explained below in the ‘Business conflicts’ section. Some other conflicts may only arise in certain circumstances, and those are explained in the ‘Specific conflicts’ section. In the event that a specific conflict of interest or a new conflict arises that is not discussed below, Quadrus will disclose that specific or new conflict to you in writing before the opening of an account or, in the case of a single transaction, before the transaction takes place. The specific or new disclosure will specify the nature and extent of the conflict, identify the potential impact and risk that it may pose to you, and indicate how the conflict has been or will be addressed.

Material conflicts arising from being a member of the PFC Group

Quadrus is a majority owned indirect subsidiary of Power Financial Corporation (PFC), a public company with common shares listed on the Toronto Stock Exchange. Our relationship to PFC and its other financial services subsidiaries (collectively, the PFC Group) creates conflicts of interest when we provide products and services to you that are sourced from or provided by other members of the PFC Group.

PFC and its various financial services subsidiaries, including Quadrus, are commercial businesses and seek to maximize profits while providing fair, honest, and appropriate services to clients. This means that we may encourage you to do more business with us and the other members of the PFC Group, and we may engage affiliates to provide us with products and services for your account, but will always do so in a way that we consider in your best interests. We will only enter into transactions or arrangements where we are permitted under applicable securities laws and where we believe they are in your best interests.

Although Quadrus is under common ownership with the other members of the PFC Group and may from time to time have directors and officers in common with these other firms, Quadrus is a separate and distinct corporate entity. Any relationships that a Quadrus director or officer might have with another PFC Group entity do not raise material conflicts as none of the individuals is in a position to personally influence clients of Quadrus to invest in any of the investment products of the PFC Group, nor are they compensated by any of the PFC Group entities on a commission or other basis that could result in decisions being made or influence being exerted, against the interests of any of our customers.

In addition to applicable regulatory provisions and contractual provisions respecting any business arrangements that may exist between Quadrus and the other PFC Group entities, the directors, officers and employees of each of the firms are subject to a code of conduct governing their actions. These codes of conduct are supplemented by our internal compliance policies and procedures. Quadrus generally carries on its activities independently from the other firms that form part of the PFC Group. However, from time to time there may be certain cooperative business arrangements between it and other firms, such as arrangements relating to introduction of clients, distribution of products, advisory relationships or administrative support.

The conflicts described in this section may raise perceptions that Quadrus will favour the business interests of the various members of the PFC Group rather than your interests. These conflicts and how Quadrus manages them to ensure that it acts in your best interests are described below.

Related service providers to Quadrus

The following PFC Group entities may provide services to you and/or Quadrus.

- Companies including Mackenzie Financial Corporation, Canada Life Investment Management Ltd. and Value Partners Investments Inc. may manage investment funds which Quadrus representatives may recommend as investment options for your accounts with Quadrus.
- Companies including Canada Life Asset Management Limited, Irish Life Investment Managers Limited, Mackenzie Investments Corporation, Mackenzie Financial Corporation, Setanta Asset Management Limited, and Value Partners Group Inc., may be the portfolio manager of certain investment funds, which Quadrus representatives may recommend.
- Franklin Resources, Inc. (Franklin) and certain of its investment management subsidiaries (collectively, the Franklin Group entities) may provide management, advisory or sub-advisory services to investment funds which Quadrus representatives may recommend as investment options for your accounts with Quadrus. Franklin and Great-West Lifeco Inc. (Lifeco), Quadrus' parent company, have entered into arrangements which include incentives for Lifeco to support the availability of Franklin Group entity products and services on the Quadrus and other Lifeco affiliated platforms. As a result, Lifeco will derive an economic benefit to the extent that Franklin Group entities provide management, advisory or sub-advisory services to funds or products that are included on the Quadrus or other Lifeco affiliated platforms.
- Quadrus investment representatives may be licenced as insurance agents with The Canada Life Assurance Company (Canada Life) and may recommend you acquire insurance and insurance products, such as segregated funds, provided by Canada Life.

In all cases, Quadrus monitors the securities services and products provided and ensures that that the services and products, as applicable, are provided to you at market rates and are suitable for your account and appropriate for you.

Where Quadrus:

- provides you with advice in respect to the purchase or sale of securities, the disclosure must be made before we provide you with the advice. This document provides you with the required disclosure; or
- buys or sells securities for your account, the disclosure must be given prior to the purchase or sale. We will provide this disclosure in the trade confirmation and monthly account statement provided to you.

Business conflicts that apply to you

Conflict of Interest (COI) and its potential impact on you	How the conflict is addressed in your best interest
<p>Compensation</p> <p>When you do business with Quadrus, Quadrus and your investment representative receive compensation from the company that manages the products you have invested in. Different types of accounts and products provide different types and amounts of compensation. Your investment representative may also receive bonuses and/or non-monetary benefits from Quadrus related to the sale of investment products. Sometimes compensation rates increase as sales increase. Both investment representatives and supervisors may have sales targets. Investment representatives may also receive non-monetary benefits from third parties.</p> <p>The Canada Life Assurance Company (Canada Life) may provide investment representatives with non-monetary benefits and business entertainment, including sporting events. These benefits are provided to investment representatives' in their capacity as agents of Canada Life and their sale of Canada Life insurance products.</p> <p>Quadrus may also organize, and pay the cost of business entertainment events, including sporting events for invited representatives, in respect of their services to Quadrus and our clients.</p>	<p>Quadrus has a robust compliance program to ensure it knows relevant information about its clients and that all client recommendations are suitable. Investment representatives put your interests first when making recommendations.</p> <p>Quadrus does not provide incentives to your investment representative to promote the sale of one mutual fund over another. The commissions paid directly to Quadrus may vary; however, commission rate percentages paid to your investment representative will be constant regardless of the individual mutual fund or product sold. Only Quadrus can pay commissions to your investment representative and they can only accept commissions directly from Quadrus.</p> <p>Prior to you making any investment, your investment representative discloses and explains information on account types, fee amounts, and choices available to you. Prior to entering into transactions, your investment representative discloses any commission or other compensation they will receive in respect of the transaction.</p> <p>Quadrus has policies and procedures in place that monitor client accounts to prevent a fee-based account from holding products with embedded compensation.</p> <p>Your investment representative evaluates on an ongoing basis whether a fee-based client account is in the client's best interest. Quadrus has controls in place to confirm clients are receiving services consistent with the terms of client accounts or agreements.</p> <p>Your investment representative must not accept gifts, gratuities, or favours of any kind from any person or business where these would, or might reasonably appear to, improperly influence them in the fulfillment of their obligations. These types of non-monetary benefits are limited in type and amount. To ensure investment representatives are not receiving excessive non-monetary benefits from any fund manager, Quadrus has imposed annual limits, and monitors the benefits provided.</p> <p>Although Quadrus is not responsible for the sales of other products by your investment representative, Quadrus monitors non-monetary benefits provided by Canada Life to your representative, and tracks a portion of certain of those benefits to address any conflict of interest.</p>
<p>Some of the mutual funds offered at Quadrus are exclusive to Quadrus and its affiliates IPC Investment Corporation and IPC Securities Corporation, while some of the mutual funds are managed by companies connected to Quadrus.</p> <p>Some of the mutual funds that Quadrus offers are exclusive to and are only available for purchase at Quadrus and its affiliates IPC Investment Corporation and IPC Securities Corporation – these funds are managed by companies related to Quadrus.</p> <p>Additionally, some of the products Quadrus offers that are not exclusive to Quadrus and its affiliates IPC Investment Corporation and IPC Securities Corporation are managed by companies that are related or connected to Quadrus. This relationship is the result of common ownership interests.</p>	<p>Quadrus does not provide incentives to your investment representative in order to promote the sale of one mutual fund over another.</p> <p>All products that Quadrus offers, including the Canada Life Mutual Funds and products managed by related companies, are subject to the same review process, which includes review by Quadrus' Product Review Committee. All products Quadrus offers are aligned with client interests by providing a broad range of asset classes and fund managers. All products Quadrus makes available to clients are easy to access by investment representatives and clients.</p> <p>If you invest in funds at Quadrus that are exclusive to Quadrus and its affiliates IPC Investment Corporation and IPC Securities Corporation or funds of related or connected issuers, your investment representative will disclose this to you.</p> <p>Quadrus has a robust compliance program to ensure it knows relevant information about its clients and that all client recommendations are suitable. Your investment representative puts your interests first when making recommendations.</p>
<p>Your investment representative is also a licensed insurance agent.</p> <p>Because your investment representative is licensed to sell both mutual funds (through Quadrus) and insurance products (through The Canada Life Assurance Company and potentially also through other insurance companies), various products with different compensation structures are available to you through your investment representative.</p>	<p>Quadrus approves and monitors this insurance activity as it relates to Quadrus' business. Quadrus does not generally foresee any conflict of interest arising from your investment representative being licensed as a life insurance representative for insurance products and as a mutual fund representative for investment products.</p> <p>Securities and insurance products may provide different types and amounts of compensation. Quadrus has a robust program with respect to securities products to ensure it knows relevant information about its clients and that all client recommendations as to securities products are suitable. Your investment representative puts your interests first when making these recommendations.</p>

Specific conflicts that may arise

Conflict of Interest (COI) and its potential impact on you	How the conflict is addressed in your best interest
Personal and financial dealings Certain dealings may arise between you and Quadrus or your investment representative that may result in a conflict of interest, including your investment representative having control or authority over your financial affairs (for example, by acting as your power of attorney, executor or trustee), or lending or borrowing money from your investment representative or Quadrus, or your investment representative or Quadrus purchasing assets from you.	Quadrus does not allow your investment representative to act as power of attorney, executor, or trustee for you, and does not allow your investment representative to borrow from or lend money to you. Quadrus also prohibits private investment schemes or clubs. The buying or selling of assets from, to or with a client can affect your investment representative's or Quadrus' dealings with you. If this situation arises, Quadrus approval is required and certain parameters may be imposed.
Other activities of your investment representative Some investment representatives may engage in activities outside of Quadrus. Those activities can either be paid employment or business activities, or they may result in your investment representative being in a position of influence (e.g., member of board of directors, roles with charitable, social or religious organizations).	Quadrus must approve any other activity before your investment representative may engage in the activity. If Quadrus determines that the other activity presents a material conflict of interest that cannot be resolved in your best interest, your investment representative will not be permitted to engage in the activity. If Quadrus determines that the other activity does not result in a conflict, or that the conflict can be resolved in your best interest, your investment representative will provide you with an Outside Activity Disclosure Document before the activity commences. This document will inform you of the details of the activity. Quadrus also has policies and procedures in place to continually supervise and monitor the activity.
Referral arrangements Your investment representative may refer you to a person or company for products or services, or you may be referred to Quadrus for products or services. A referral fee or other benefit may be given or received for referrals.	Quadrus must pre-approve all referral arrangements in accordance with all applicable securities law and regulatory rules. Quadrus has entered into referral arrangements for certain products and services that Quadrus does not offer and has performed required diligence on the referral company prior to allowing any referrals to that company. This includes confirming the other party is appropriately registered, and an assessment of the qualifications of the other party, including determining if the party has been the subject of any civil actions, regulatory or professional disciplinary matters, or client complaints relating to the relevant professional activities. Quadrus continually monitors and supervises all referral arrangements. If you are referred to another company by your investment representative, you will be provided with a disclosure document describing the important terms of that referral arrangement prior to any transaction taking place.
Investment representative financial interests Your investment representative may have a financial interest in investments that you own.	If your investment representative has a financial interest in investments that you own or that are recommended to you, you will receive and will sign a specific disclosure describing the relevant conflict of interest in advance of making any investment. Quadrus has a robust compliance program to ensure it knows relevant information about its clients and that all client recommendations are suitable. Your investment representative puts your interests first when making recommendations.

If you have questions, please contact:

Chief Compliance Officer
Quadrus Investment Services Ltd.
255 Dufferin Ave, T-370
London, ON N6A 4K1

Risk of borrowing to invest

Here are some risks and factors that you should consider before borrowing to invest:

Is it right for you?

- Borrowing money to invest is risky. You should only consider borrowing to invest if:
 - You are comfortable with taking risk.
 - You are comfortable taking on debt to buy investments that may go up or down in value.
 - You are investing for the long-term.
 - You have a stable income.
- You should **not** borrow to invest if:
 - You have a low tolerance for risk.
 - You are investing for a short period of time.
 - You intend to rely on income from the investments to pay living expenses.
 - You intend to rely on income from the investments to repay the loan. If this income stops or decreases you may not be able to pay back the loan.

You can end up losing money

- If the investments go down in value and you have borrowed money, your losses would be larger than if you had invested using your own money.
- Whether your investments make money or not, you will still have to pay back the loan plus interest. You may have to sell other assets or use money you had set aside for other purposes to pay back the loan.
- If you used your home as security for the loan, you may lose your home.
- If the investments go up in value, you may still not make enough money to cover the costs of borrowing.

Tax considerations

- You should not borrow to invest just to receive a tax deduction.
- Interest costs are not always tax deductible. You may not be entitled to a tax deduction and may be reassessed for past deductions. You may want to consult a tax professional to determine whether your interest costs will be deductible before borrowing to invest.

Your investment representative should discuss with you the risks of borrowing to invest.

Quadrus business interests

Your investment representative is authorized to provide the following services through Quadrus:

- Sale of investment products that could include mutual funds, labour-sponsored investment funds, and guaranteed investment certificates
- Financial security planning¹

Your investment representative's services will take into consideration your financial needs.

¹ In Quebec, investment representatives must be registered in the financial planning sector to offer this to their clients.

Responsibility and liability

Activities related to the sale of life insurance by your investment representative do not involve Quadrus, and Quadrus is not responsible in any way for them. Quadrus assumes responsibility and liability for Quadrus business interests only. Your mutual fund investments are held in trust for you by a custodian and will not be co-mingled with assets of Quadrus or any other company. All business activities undertaken by your investment representative that are not specifically designated as Quadrus business interests are not the responsibility of Quadrus, nor does Quadrus assume any liability for such activity.

Confidential client information

Quadrus has strict confidentiality guidelines. All information obtained by your investment representative or Quadrus relating to you or your business and affairs shall be maintained in confidence within our organizations. No such information shall be made available for use by any other individual associated with your representative's outside business interests or by your representative in association with his/ her outside business interests without your express, written consent obtained prior to any such usage.