



RELATIONSHIP DISCLOSURE (“RD”)

Acumen Capital Finance Partners Limited (“Acumen”, “we” or “us”) believes the best way to help you meet your financial goals, and for us to keep serving you as a valued client, is to provide you with the account type(s) and access to investments in a way that best suits your needs. We want to help you save and invest in the way you are most comfortable with in the changing environment in which we live. We think we can do this most successfully if we both know what to expect from each other. For this reason, we would like you to have a good understanding of the products and services we offer; the features of your account(s) and how it/they operate(s); and our responsibilities to you.

We also want you to understand how your input through the “Know Your Client” (KYC) form you complete is critical to our meeting your expectations. Securities regulators have recommended that we promote active client participation for a mutually successful relationship. Regulatory guidance (*National Instrument 31-103: Registration Requirements, Exemptions and Ongoing Registrant Obligations*) encourages us to ask you to:

- **Keep us up to date.** *“Clients should provide full and accurate information to the firm and the registered individuals acting for the firm. Clients should promptly inform the firm of any change to information that could reasonably result in a change to the types of investments appropriate for them, such as a change to their income, investment objectives, risk tolerance, time horizon or net worth.”*
- **Remain informed.** *“Clients should understand the potential risks and returns on investments. They should carefully review sales literature provided by the firm. Where appropriate, clients should consult professionals, such as a lawyer or an accountant, for legal or tax advice.”*
- **Ask us questions.** *“Clients should ask questions and request information from the firm to resolve questions about their account, transactions or investments, or their relationship with the firm or a registered individual acting for the firm.”*
- **Stay on top of your investments.** *“Clients should pay for securities purchases by the settlement date. They should review all account documentation provided by the firm and regularly review portfolio holdings and performance.”*

We will update the RD when there are material changes to it by referring you to our website or in hardcopy if you request. **If you later have any questions related to the contents of this document, or need to change your KYC information, please contact your advisor.** You will be provided with a copy of the KYC information that we get from you at the time of account-opening and when there are material changes to the information.

A. The services and products we offer

Here is a brief summary of the services and products we offer you:

Services:

Acumen provides advisory accounts and managed accounts.

Products:

We offer the following investment products:

- Cash and cash equivalents
- Fixed income or debt securities
- Equities including warrants
- Investment funds
- Alternative investments such as options, income trusts, etc.

Your advisor can explain these investment products to you, as well as how they work, their risks and possible returns, and whether they are appropriate for you.

New services and products:

We will offer additional services and products as they are developed. You can find out about new offerings and whether they are appropriate for you by visiting our website, speaking with your advisor or reading information included with your statements or in other communications.

B. The account(s) you have and how they operate

Advisory accounts: Your advisor is responsible for providing suitable and unbiased investment recommendations to you that meet the standard of care expected of a trained investment professional based on the KYC information that you provide to us. You (or your authorized representative) direct(s) all trading and is(are) responsible for all investment decisions in your account.

C. The fees you will be paying and how they are calculated

All fees are disclosed as required by regulation and vary depending on the accounts and services you use.

We offer you a choice of commission-based and fee-based accounts. We will recommend the one that is appropriate for you based on how you expect to use the account (for example, if you expect to buy and hold securities for a long time or intend to be buying and selling more frequently), as well as your personal preferences.

Some charges are fixed – a list of these was provided when you opened your account.

Other charges are negotiable and depend on the business you have built up over time with or bring to us. In the case of negotiable charges, we need your consent and charges are included on the transaction confirmation slips we send you.

The fees you will pay for services we provide – and these will vary depending on whether you have chosen a commission-based or a fee-based model – encompass:

For a commission-based account:

- For cash and equivalents, fixed income or debt securities and equity securities including warrants: We charge a commission for every trade we make for you based on a flat dollar amount, percentage of the value of the securities purchased or sold, a mark-up, or other method as agreed with your advisor.
- For investment funds: Investment fund managers usually charge percentage fees called a management fee or additional service fee which is included in the management expense ratio (MER) of the fund. The MER is deducted from fund performance. A portion of the management fee and additional service fees may be paid by the fund to us for ongoing services we provide to you. These payments are often referred to as trailer fees. Mutual funds are a type of investment fund and can be purchased generally by two basic ways. The first is a front-end load basis. With a front-end load fund, the advisor charges a fee on the initial purchase price of the initial investment. If a fee is charged, it is deducted from the purchase price. With this type of purchase, there would be no cost to sell the fund in the future. The second is a redemption sales charge (also called deferred sales charge) basis, which means the fund company pays us a fee based on the initial purchase and the full initial purchase is invested with nothing deducted. However, if the investor transfers out of the mutual fund family, there is a declining charge based on how long the fund was owned. You will need to examine the prospectus for each fund for the specific details. For other investment funds such as exchange traded funds, we charge a commission for every trade we make for you based on a flat dollar amount, percentage of the value of the securities purchased or sold, a mark-up, or other method as agreed with your advisor.
- For alternative investments such as options, income trusts, etc.: We charge a commission for every trade we make for you based on a flat dollar amount, percentage of the value of the securities purchased or sold, a mark-up, or other method as agreed with your advisor

- We also charge other account operation fees, which can include account transfer fees, registered plan administration fees, wire transfer fees, “finder’s fees,” etc.

We also charge interest on debit balances in your accounts with us which will fluctuate with the prime lending rate in Canada.

For a fee-based account:

- We charge a fee that will be applied monthly and charged against your account. It is calculated as a percentage of the value of assets. Commissions will be charged if the number of trades per year exceeds the amount specified in your Fee-Based Account Agreement.
- We also charge other account operation fees, which can include account transfer fees, registered plan administration fees, wire transfer fees, “finder’s fees,” etc.
- We also charge interest on debit balances in your accounts with us which will fluctuate with the prime lending rate in Canada.

Other fees and charges:

- You may be subject to other costs relating to services that you use that are not our service offerings. For example, there may be charges levied by third parties for services that help you save more quickly and securely such as for pre-authorized transfers. There may be penalties related to the early withdrawal from, or encashment of, certain instruments. If you own shares of small emerging companies, you may be required to pay for valuations of these holdings to satisfy Canada Revenue Agency (“CRA”) requirements. Also, CRA may require tax withholdings from registered plans. Knowing about and planning for these fees and charges are your responsibility.

Notice of price changes: We will provide you with at least 60 days’ written notice of any new or changed fee or service charge.

Reminder: For a full list of products and services, and the relevant commissions and fees, please ask your advisor.

D. How we will assess the suitability of an investment when making recommendations to you
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Before we provide you with recommendations as to which investments to purchase, or if you ask us to buy or sell a security, we will first see if we believe that investment is suitable for you according to our understanding of the information you have given us when you completed the KYC form. That is why keeping this up to date and accurate is very important. We know many people are concerned about sharing some of this information, however, without all the necessary information, we may determine that the order you provided to us is not suitable for you in the context of your overall portfolio. In that case, we must advise against proceeding with the order.

The suitability factors that guide us in our decision as to an investment’s suitability include what we understand to be your current:

1. **Financial situation:** What financial assets (deposits, investments) and liabilities (debt, mortgage) you have and the sources and amount of your income – we will consider the size of any transaction compared to the overall value of your net financial assets (assets minus liabilities).
2. **Investment knowledge:** Whether you consider yourself, or we understand you, to be a novice at investing, have some knowledge or feel you understand some of the new more complex financial products.
3. **Investment objectives:** What you tell us are your specific financial goals; this will help us determine how to balance the desire to keep your money safe (not lose principal), earn income, and increase your capital through growth in the market value of your holdings/account.
4. **Time horizon:** When you expect to need your financial assets, for example, to buy a house, pay for education or enter retirement – in retirement, this may also include consideration of tax requirements to withdraw minimum amounts.
5. **Risk tolerance:** Whether, even if you have many years to earn and save, you feel comfortable with the possibility of losing money in some years.

6. **Investment portfolio composition and risk level:** How the purchase or sale of particular securities affects holdings in your overall account(s) in terms of allocation of holdings between debt, equity and other classes, and the riskiness of the assets held.

Our understanding of your profile is critical. Some of the above factors are relatively easily answered with a “yes” or “no” or a number, however, some are more complex, particularly your risk tolerance.

The combination of these factors that make up your profile will help us suggest the allocation of your holdings between, for example:

- registered (tax-advantaged) and non-registered accounts;
- debt, equity, mutual fund and other instruments;
- Canadian and foreign investments;
- whether to borrow to invest rather than paying in cash only;
- terms of specific instruments; and
- the riskiness of both individual securities and the combination of securities in your portfolio.

Below we provide a summary of the procedures we use to help you understand how we bring all the information you provide to us into decisions as to what investments to recommend to you.

Suitability process:

We use a three-step approach to determine if an investment is suitable for you.

1. Based on discussion with you and your answers on the KYC form, we determine whether you are a risk-averse client, somewhat risk-tolerant or can accept higher losses in the search for higher gains.
2. We rate investments as low, medium or high risk. For example, a GIC is low risk whereas borrowing to invest in stock from companies in developing countries is very high risk.
3. We consider other relevant factors, for example:
 - If you are risk-averse, but have a reasonable amount of financial assets and you want to invest a small amount of your overall account in a new issue of a start-up company run by someone you know and whose business acumen you respect, we would tell you that while the specific investment is not suitable for you, it might be acceptable if you can “afford” to lose some money, even that entire investment. An investment that is small in proportion to the total portfolio is not unsuitable.

If, when you place an order, what you would like to invest in is not consistent with what your profile suggests to us, we will advise against proceeding with the order. Depending on the circumstances we may require additional information or representation from you regarding the order.

Suitability review timing

When (1) accepting each of your orders or (2) recommending a security or strategy to you, we will review each order or strategy in the context of the six KYC suitability factors described above.

We will also conduct a suitability determination when:

1. Securities are deposited or transferred to your account/(s); and/or
2. The advisor responsible for the account changes; and/or
3. Acumen or your investment advisor becomes aware that there has been a material change in your personal or financial circumstances or objectives.

If during the suitability determination we identify any concerns, we will discuss them with you and may be required by our regulators or good business practice to document our discussions and, if we are strongly concerned, may have to refuse to execute a transaction or to terminate an account relationship.

To ensure that the position(s) held in your account or accounts is/are suitable for you as time passes, we will review the suitability of the investments in your account(s) and your holdings altogether:

1. Annually; and

2. When required due to one of the reasons described above.

Given the long-term nature of investing for most clients, we do not automatically review the suitability of the investments in your account(s) when there are market fluctuations, even large fluctuations. However, when Acumen or your investment advisor becomes aware of a material change in a client's financial situation resulting from a major market fluctuation or other material KYC changes a suitability assessment would trigger. Your advisor is ready to discuss the effect of market fluctuations on your portfolio with you when you request. We encourage you to speak with your advisor, especially if you expect to need to convert your assets to cash in the near future (for example, for a major purchase such as a house), if you want to change when you retire and in the case of other major changes to your KYC profile.

E. The ways we will avoid, manage or disclose conflicts of interest that may arise as we serve your and others' interests

It is important for you to be informed about how we identify and respond to conflicts of interest in order to minimize their impact. We consider a conflict of interest to be any circumstance where the interests of different parties, such as the interests of a client and those of Acumen are inconsistent or divergent.

Acumen takes reasonable steps to identify all existing material conflicts of interest, and those we would reasonably expect to arise. Acumen then assesses the level of risk associated with each conflict. We avoid any situation that would entail a serious conflict of interest or represent too high a risk for clients or market integrity. In situations that we do not or cannot avoid, where our interests may compete with yours, your interest is always given priority by our acting in one of two ways:

- We **control or manage** acceptable conflicts. Examples of this include: physically separating different business functions, restricting the internal exchange of information in person or through systems, reducing the possibility of one part of our organization unsuitably influencing another, removing the financial incentive of an employee to favour a particular product or service over another that may be more suitable, and setting up and testing our operational review and approval processes.
- We **disclose** information about any remaining conflicts to you so that, when you evaluate our recommendations and actions, you can assess independently if conflicts are significant for you.

The situations in which Acumen or its employees could be in a conflict of interest, and the way in which Acumen intends to respond to such conflicts are described herein below.

The securities laws of the Canadian Provinces require securities dealers and advisers, when they trade in or advise with respect to their own securities or securities of certain other issuers to which they, or certain other parties related to them, are related or connected, to do so only in accordance with particular disclosure and other rules. These rules require dealers, and advisers, prior to trading with or advising their customers or clients, to inform them of the relevant relationships and connections with the issuer of the securities. Clients and customers should refer to the applicable provisions of these securities laws for the particulars of these rules and their rights or consult with a legal adviser. Currently, Acumen Capital Finance Partners Limited is not related or connected to any such issuer of securities.

In the ordinary course of performing their duties, our directors, officers, employees, representatives and agents may find themselves in situations where their personal interests may be in conflict with those of a client.

Acumen has equipped itself with a Policies and Procedures Manual and internal policies dealing with the situations related to its activities. Among other things, they reiterate that Acumen employees must never favour their own

interests to the detriment of their responsibilities toward Acumens' clientele and Acumen itself. Those documents set forth the basic principles by which its employees' conduct is guided, particularly including the following:

1. Confidential information: It is prohibited to use confidential information acquired in the course of one's duties, or exploit a situation for the purpose of obtaining an advantage of any kind.
2. Gifts, entertainment and compensation: It is prohibited to accept gifts, entertainment or compensation that could influence decisions to be taken in the course of performing one's duties.
3. Other business activities: It is prohibited for Acumen employees to engage in activities that could interfere with or enter into conflict with their duties. Acumen has a policy respecting its employees' other business activities. The policy is intended to detect and, where applicable, supervise, disclose or prohibit any conflicts of interest. Employees wishing to act as directors or officers of a public or private company must declare their intentions and be duly authorized by Acumen.
4. Client priority rule: The interests of clients must always be given priority over those of Acumen and its employees. For this reason, and to avoid conflicts of interest between two orders for the same security at the same price (or a better price), the order coming from a client is always executed prior to the one from Acumen or one of its employees.
5. Principal trading: Acumen may sell you securities which Acumen owns (called principal trades) and profit by doing so. Acumen discloses whether we acted as principal or agent for each transaction on the trade confirmation.
6. Referrals: On occasion, clients may be referred by third parties to Acumen for the purpose of obtaining the products and services offered by Acumen. Acumen may also refer clients to third parties. When such referrals involve a referral commission, they must comply with the existing regulations and be subject to the required disclosures to clients so referred. Such disclosures allow the clients concerned to make an informed decision with respect to the referral and to assess any potential conflicts of interest.
7. Corporate finance and advisory activities: For a fee, Acumen offers corporate financing and advisory services. To avoid certain conflicts of interest and protect the confidentiality of privileged information, procedures and policies are established and the Acumen corporate finance department involved in such functions is physically separated. Policies are also in place to ensure the corporate finance department does not inappropriately influence other areas in the firm, such as research.
8. Policy respecting the allocation of securities: Acumen's advisors make a determination of the allocation of securities among clients in the event there is an insufficient quantity of such securities to meet the demand based on individual client relationships.
9. Personal investments: Acumen employees' personal investments are also subject to Acumen policies and supervision.
10. Compensation: Acumen and its employees earn compensation by selling products and services to our clients. Different products and services have differing levels of compensation. We may receive compensation from securities issuers and other third parties based on their products we sell to you, such as "trailer fees" on mutual funds. Securities regulations require issuers to provide specific disclosure in the offering document (ex. prospectus) of such arrangements and the compensation we will receive. We will inform you of fees, commissions and other compensation in advance so that you know what you will be paying. We may choose not to offer a complex product/service that carries a high commission. Depending on the product or account type you choose, we also offer pricing alternatives to our clients. We are compensated in other ways as a result of the business you may do with us, including interest spreads on uninvested cash deposits with us and foreign exchange spreads when you convert currencies. Various forms of other compensation we may receive are disclosed to you. We would like you to use more of our services and buy more of our products. We are required by regulation and firm policy to make suitable investment recommendations. We have policies and procedures prohibiting recommendations of services solely for the purpose of generating revenue for us without any benefit to you. We do not engage in "tied

selling” where the purchase of one service is conditional on buying another as well, a practice that is prohibited by regulation in any event.

11. Research- Acumen provides investment research on securities of companies that may have other business relationships with us. Acumen provides full disclosure of any conflicts of interest in all research reports disseminated. Our research and recommendations are subject to extensive and detailed regulatory requirements and internal standards.

Other Conflicts of Interest

From time to time, other potential or actual conflicts of interest may arise. Acumen undertakes to continue taking the necessary steps to identify and respond to such situations fairly and reasonably, in keeping with the standard of care to which it is subject in its relationships with its clients. This section will be updated should there be an evolution with respect to material conflicts of interest.

If you ever have any questions or concerns, whether they involve conflicts of interest or anything else, please ask your advisor for an explanation and more information.

F. The reports we will provide to help you monitor your financial assets and their performance, as well as the fees and charges you pay us or to third parties through us

Confirmations: We provide you with written confirmation by post or electronically of the details of every purchase, sale, transfer or other relevant transaction details. Please look for and review your confirmation as soon as you receive it or it is available online.

Note: We do our utmost to avoid errors, however, misunderstandings and mistakes can happen. Please let us know within 10 days if you see any transactions that you do not recall or identify any errors.

Account statements: You will receive account statements on a monthly or quarterly basis. Your account statement confirms all account activity, including purchases and sales of securities, contributions and withdrawals, dividends, interest earned and paid, transfers, and any other transactions that occurred in your account over the previous period.

Note: These statements also list your current holdings and the net value of your portfolio as if you had closed all positions as of the date on the statement. Market values for the securities held in your various accounts are provided in your account statement. For publicly traded stocks, these values are obtained from sources we consider to be reliable, but we cannot guarantee their accuracy. Whenever possible, market values for fixed income securities include accrued interest. In the case of securities not listed on an exchange or traded infrequently, the value given is an estimate which does not necessarily reflect the actual market value. Whenever possible, an asterisk is printed beside each price which is questionable. For certain securities where we are unable to provide a market value, none is given.

We provide an annual Investment Performance Report, including account percentage return information, and an Annual Fees and Compensation Report. For updated information at any time, please contact your advisor.

G. Investment Performance Benchmarks

Comparing your portfolio’s performance to that of an appropriate benchmark can be a useful exercise for monitoring purposes. Benchmark comparisons can help you determine if your investment approach is delivering the desired results, or whether changes might be called for. Investment benchmarks are also helpful for developing realistic expectations about returns your portfolio can generate over the long term.

Investment benchmarks usually provide a broad measure of the return generated by specific assets classes over a given period. They are often referred to as reference indices since the most common form of investment benchmark is an index – such as a stock or bond index. A benchmark must replicate the security or portfolio as closely as possible for the comparison to be meaningful. Examples of benchmarks would include the S&P/TSX for Canadian stocks, the DEX

Universe for Canadian bonds and the S&P 500 for U.S. stocks. For a portfolio composed of securities from several different asset classes, the appropriate benchmark would be a blend of indices weighted to the portfolio's asset mix. We do not provide benchmarks in our account reporting. Please contact your advisor for more information about comparing your portfolio's return to an investment benchmark.

H. Other helpful information

We think that open communication is the best way to achieve this, however, misunderstandings can arise and mistakes can occur. If you have complaints (or compliments), please let us know.

Complaint-handling procedures:

If you have a complaint about the handling of your account by an Acumen employee, we request that you submit the details of your complaint, preferably in writing, to the Chief Compliance Officer, Suite 800 500 4th Ave SW Calgary, AB T2P 2V6 Phone 403-571-0300. The Chief Compliance Officer is the designated complaints officer for Acumen.

Generally, a complaint is defined as: allegations of breach of confidentiality, theft, fraud, misappropriation or misuse of funds or securities, forgery, unsuitable investments, misrepresentation, unauthorized trading relating to the client's account(s), other inappropriate financial dealings with clients and engaging in securities related activities outside of Acumen.

Within five business days of receiving your complaint, Acumen will acknowledge in writing that we have received and have begun to investigate your complaint. We will also enclose a brochure outlining the options available to you should the resolution of your complaint be unsatisfactory. You would also have received this brochure at the time you opened your account with Acumen.

When Acumen begins investigating your complaint, we may need to contact you to clarify the nature of the complaint and obtain as much information as we can to help us make an informed decision on the merits of your complaint. As a member of the Investment Industry Regulatory Organization of Canada (IIROC), Acumen is obliged to conduct a thorough investigation and provide you with a final response within 90 days of the receipt of your complaint. On rare occasion, this may take longer. For example, if you are away on vacation and we are unable to contact you to get more information from you, the complaint investigation process may be delayed. If we are unable to complete our investigation within the required 90 day time frame, we will advise you of that fact in writing and will provide an explanation for the delay.

When we have completed our investigation, we will send you a detailed response letter summarizing our understanding of your complaint and the conclusion we have reached. We will also provide a thorough explanation of why we have come to that conclusion. We will outline any compensation we will offer you as a result of the complaint and will also provide you with a list of your options should you find our conclusion unsatisfactory.

Checklist of documents to be provided to you at account-opening:

New Client Application Form which includes:

- Leverage Risk Disclosure Statement detailing the risks associated with borrowing money to finance the purchase of securities
- Acumen's introducing broker relationship with a carrying broker
- Statement of Policies Respecting Conflicts of Interest disclosure

In addition, you will receive the following documents:

- IIROC's "An Investor's Guide to Making a Complaint" brochure
- Strip Bond Information Statement detailing the risks associated with trading in strip bonds
- Service charges & fees schedule

If your investment advisor engages in certain activities, you may also receive additional documents that disclose:

- Whether there are any referral fees
- The risks associated with trading futures or options

We hope to enjoy a long successful relationship with you and look forward to serving you, your family and any people you may refer to us.