

## Conflicts of Interest Disclosures

Gluskin Sheff + Associates Inc. ("Gluskin Sheff", "our" or "we") is a registered Portfolio Manager, Investment Fund Manager, Exempt Market Dealer and Commodity Trading Manager for high net worth and institutional investors. Gluskin Sheff also distributes units or other interests in pooled funds managed by Gluskin Sheff ("GS+A Funds") and certain pooled funds managed by our parent company, Onex Corporation (together with its affiliates, "Onex") or one of its affiliates ("Onex Group Funds").

Gluskin Sheff faces conflicts between our interests and those of our clients, between Gluskin Sheff's registered individuals and our clients, or between the interests of one client and the interests of another. We have adopted certain policies to address these conflicts in the best interests of clients. Where conflicts cannot be addressed in the best interests of clients, they are avoided. Gluskin Sheff maintains a register of material conflicts of interest it has identified and material conflicts that are reasonably foreseeable between Gluskin Sheff and our clients or between any registered individual acting on behalf of Gluskin Sheff and our clients. Management reviews this register regularly. All registered individuals acting on Gluskin Sheff's behalf are required to report any conflicts to the Chief Compliance Officer ("CCO") or Ultimate Designated Person ("UDP"). The CCO is responsible for the periodic testing of the conflicts management framework. We will provide prior written disclosure of an existing or reasonably foreseeable material conflict of interest to a client before account opening or when a new previously undisclosed material conflict is identified, if the client's interests are affected and a reasonable client would expect to be informed of the conflict.

At Gluskin Sheff we are vigilant in identifying material conflicts of interest that we may face. We have adopted a number of policies, practices and procedures to provide guidance regarding acceptable behaviour.

### Respect for the law

Gluskin Sheff and our officers and employees must scrupulously observe, in letter and spirit, all laws governing business and securities activities at all times and our conduct be beyond reproach and at the highest levels of professionalism.

### Misuse of confidential and insider information

The misuse of confidential or insider information, for personal gain or otherwise, is prohibited and is grounds for the immediate dismissal of any Gluskin Sheff employee.

### Standards of professional conduct

Gluskin Sheff requires our personnel to observe and comply with our Code of Business Conduct and Ethics. The code includes Gluskin Sheff's commitment, among other things, to fair dealings with clients, disclosing material conflicts of interest, maintaining independence and objectivity and placing clients' interests before our own.

Onex has also adopted a Whistleblower Policy that establishes guidance for the receipt of information from Gluskin Sheff employees regarding questionable practices relating to, among other things, accounting, auditing, internal controls and trading and relating to the protection of employees from retaliation for such disclosure.

### Compensation practices

Investment firms have an inherent conflict of interest when they create incentives through their compensation practices for their representatives to sell or recommend certain products or services over others. For example, a representative could be paid more for selling a product or service where Gluskin Sheff would earn a higher

fee. Gluskin Sheff seeks to mitigate these conflicts by designing compensation programs that are product agnostic. Our registered representatives are not compensated based on which products or services they recommend, nor is the variable portion of their compensation determined by such factors. A representative's history of client complaints or compliance deficiencies is considered when determining variable compensation. In addition, representatives receive training that highlights that suitability determinations must be based on the best interest of the client, not the potential for compensation to Gluskin Sheff or the individual.

Conflicts related to compensation can also arise in supervisory positions, such as the CCO and compliance personnel where compensation is tied to sales or revenue. This could cause these individuals to act in a manner that puts their own interests above those of clients. Gluskin Sheff does not use any variable compensation tied to sales or revenue when compensating compliance staff and the CCO.

### Cross trading, interfund trading and in specie transactions

Gluskin Sheff, in exercising our authority as a Portfolio Manager, may determine that in certain circumstances, it is appropriate for a GS+A Fund or a managed account for which it is acting to buy a security from the portfolio of another GS+A Fund or managed account. There is an inherent conflict of interest in such transactions, where the interests of one client are balanced against the interests of another. Some cross trades or interfund trades are prohibited under securities legislation. Gluskin Sheff has obtained an exemption from certain regulatory prohibitions to permit us to carry out certain cross trades and interfund trades, and to permit in specie transactions for subscriptions and redemptions. The regulatory relief specifies the prices at which such cross trades and interfund trades must be transacted. In specie transactions must be priced at the value determined for the security when calculating the net asset value of the related GS+A Fund. All cross trades and interfund trades require the consent of the independent review committee (where a GS+A Fund is involved in the trade), the accountholder (where a managed account is involved) and the CCO (in all cases). In addition, the portfolio manager for each GS+A Fund or managed account must attest that all such trades are in the best interests of both managed accounts or GS+A Funds, and that the security is a suitable investment for the purchasing GS+A Fund or managed account.

### Expense allocations

Gluskin Sheff, in exercising its authority as an Investment Fund Manager and Portfolio Manager, has a conflict of interest in determining what expenses to allocate to the GS+A Funds and any accounts it manages, since the expenses would otherwise be payable by Gluskin Sheff. In order to address this conflict, Gluskin Sheff has adopted a detailed expenses allocation policy to determine which expenses are chargeable and how to allocate such expenses between the GS+A Funds and managed accounts, if applicable.

- Only expense types that have been previously disclosed to clients or included in GS+A Fund documents are chargeable. Any new expense types require at least 60 days' notice, or the required notice under any applicable GS+A Fund document, if applicable.
- Where an expense relates directly to a GS+A Fund's operation and is invoiced to such GS+A Fund by a third party, the expense will be charged to such GS+A Fund. Some costs, such as custody and trading costs are charged directly to the GS+A Fund or managed account.

- Where an invoice covers more than one GS+A Fund and/or managed account, the expense will be allocated to the GS+A Fund or managed account in a way that is fair and reasonable and having regard to reasonably available information, including the relative size of the GS+A Funds or accounts, the extent to which the relevant GS+A Funds and/or managed accounts required, or benefited from, the goods and services giving rise to the expense and whether all or a portion of a multi-purpose expense should be viewed as overhead and absorbed by Gluskin Sheff.
- Gluskin Sheff pays certain expenses on behalf of the GS+A Funds, and charges these indirectly to the GS+A Funds via an administration fee. Most GS+A Funds are subject to an administration fee of 0.058%. The Blair Franklin Global Credit Strategy pays an administration fee of 0.035%. Gluskin Sheff may waive the administration fee for some GS+A Funds at any time in our discretion. Any such waiver does not change the administration fee payable by another fund. Any change to the level of the administration fee requires 60 days' notice to investors.
- An analysis of the internal expenses supporting the level of the administration fees is conducted at least once per year by finance staff and reviewed by the CCO.

## Fair allocation of investment opportunities

Gluskin Sheff, in exercising its authority as a Portfolio Manager for the GS+A Funds and various managed accounts (sometimes collectively referred to as "accounts"), has a conflict of interest in determining both (i) to which managed accounts and GS+A Funds an investment opportunity may be allocated and (ii) the price at which such allocations are recorded once the trade is executed. The number of securities and the price of such securities can impact the performance of one account relative to another. We have adopted certain policies that must be followed in allocating trades. It is Gluskin Sheff's policy to allocate all trades in securities to our clients on an impartial, fair and equitable basis. No favoritism or discrimination will occur.

Gluskin Sheff will exercise diligence and thoroughness when taking an investment action on behalf of a managed account or a GS+A Fund, and will have a reasonable and adequate basis for such action, supported by appropriate research and investigations. Before initiating an investment transaction for a client, we will consider its appropriateness and suitability, and will manage each account within the guidelines established between Gluskin Sheff and each client. We will also ensure that each client account is supervised separately and distinctly from other clients' accounts.

Whenever Gluskin Sheff proposes to make an investment, we will consider if the investment opportunity is appropriate for more than one managed account or GS+A Fund based on their respective investment objectives. If we determine that the purchase or sale of a particular security is appropriate for more than one client account or GS+A Fund, we will then apply our policies and procedures to determine how such investment opportunity should be appropriately allocated. Factors that are considered in the allocation of investment opportunities include the applicable GS+A Fund's or managed account's available cash, portfolio concentrations, size, life cycle stage, and other factors.

Grouped trades (block orders) are allocated using an average cost method. When the quantity of a security to be traded is too large to be completed at the same price, all accounts participating will receive the same averaged executed price and commission per share.

There are occasions when the quantity of a security available at the same price is insufficient to satisfy the requirements of every account (e.g., partial fills or initial public offerings). To ensure fairness, each account involved will be allocated a pro-rata portion of the executed order based on their order size/target weighting. Similarly, new issues of a security may be insufficient to satisfy the total requirements of all client accounts and pro-rata apportionment may be unreasonable or inappropriate relative to the account's asset size. In these instances, Gluskin Sheff will determine a reasonable method of allocating trades on a case-by-case basis.

At any time, one or more of the GS+A Funds may be closed to new investments or have a limited capacity to accept new investments.

exceeds available capacity, Gluskin Sheff may use one or more of the following criteria to control the size of the order book. The specific limits used will be adjusted at Gluskin Sheff's discretion based on capacity constraints and our assessment as to whether a general pro-

rata allocation could result in an allocation to certain accounts that would not be meaningful. The criteria are as follows:

- Size of your portfolio at Gluskin Sheff
- Size of the order
- Size of your order as a percentage of your portfolio

Any subscription requests meeting the criteria on a given valuation day will be processed on a pro-rata basis into each limited capacity fund. As such, subscription requests for a GS+A Fund with limited capacity may not be filled in full or in part on any given valuation date.

Whatever method is chosen, it should be followed in the future where similar conditions exist. Where it is impossible to achieve uniform treatment, Gluskin Sheff will ensure that all GS+A Funds and managed accounts and every client, large or small, over time, receives equitable treatment in the filing of orders.

## Fees

Gluskin Sheff charges management fees and performance fees based on strategy or fund, not at an overall account level. In addition, in offering Onex and other affiliates products as an Exempt Market Dealer, Gluskin Sheff may be eligible to receive a portion of the fees earned by these related companies. (See "Proprietary Products" in this document for information about conflicts of interest related to Gluskin Sheff offering GS+A Funds and affiliates' funds.) This fee structure creates conflicts of interest, as representatives may recommend investments in GS+A Funds or strategies based on their relatively higher fees rather than the best interests of the client.

The payment of a performance fee or allocation to Gluskin Sheff or to an affiliate may create an incentive for Gluskin Sheff to cause the GS+A Fund to make investments that are riskier or more speculative than would be the case if this performance fee or allocation were not made. Further, certain performance fees or allocations are calculated on a basis that includes unrealized appreciation of assets, rather than on realized gains. Gluskin Sheff manages such conflicts through strict adherence to the investment objectives, strategies and restrictions applicable to each GS+A Fund and the selection of investments as described above under "Fair Allocation of Investment Opportunities" above.

As discussed under "Compensation Practices," individual representatives are not compensated differently when recommending different products or services to clients. Also, registered individuals must evaluate each client's personal and financial circumstances and determine what mix of investments is in the client's best interests. Each registrant receives at least annual training on their obligations in this regard.

## Gifts and entertainment

The giving or receiving of gifts and entertainment can compromise independence and objectivity, as it may influence the actions of an individual to act other than in the best interests of Gluskin Sheff clients. While we recognize that the practice of giving and receiving gifts and entertainment is an established part of the asset management industry, we have policies in place to limit such activity to a modest amount and to ensure it does not affect the decision making of our representatives. Since Gluskin Sheff does not distribute its products through third-party advisers, our representatives do not furnish gifts and entertainment to such counterparties that could influence the adviser's recommendations to clients.

## Gluskin Sheff Foundation For Philanthropy

The Gluskin Sheff Foundation for Philanthropy ("GSFFP") is a non-profit charitable organization, registered with the Canada Revenue Agency ("CRA") as a private foundation under the Income Tax Act (Canada), charitable registration number 732443130RR0001. Philanthropic solutions offered by Gluskin Sheff through GSFFP include donor-advised funds. Gluskin Sheff earns investment fees for managing the investments of GSFFP.

## Large unitholders

Large inflows or outflows from a fund or strategy due to a large unitholder concentration could impact a fund's or strategy's ability to produce a consistent return. Large redemptions could cause the portfolio manager to have to liquidate assets it otherwise would not, at terms that are not as favourable. Alternatively large inflows could result in a "cash drag" on the fund's or strategy's performance where appropriate investments are not immediately available. This causes a conflict of interest between different investors. When designing each GS+A Fund's strategy and terms, we have determined whether redemption gates or other special terms may be necessary to enable us to address this conflict in the best interest of all clients. Such terms will be disclosed in each fund's formation or offering documents.

## Marketing practices

Marketing materials and presentations are made in various formats and forums to advertise Gluskin Sheff's products and services. All marketing materials are reviewed by the compliance team and approved prior to distribution. Marketing policies are in place governing the preparation and dissemination of marketing materials, including prohibiting material misstatements or omissions, requiring certain disclosures, ensuring compliance with applicable securities laws, guidance for including hypothetical performance and compliance approval.

## Outside business activities

Registered individuals representing Gluskin Sheff may be involved in other activities outside of Gluskin Sheff that may pose a conflict with Gluskin Sheff or its clients. Conflicts could arise due to the time involved with the outside activity, leaving insufficient time to devote to Gluskin Sheff, potential client confusion in dealing with the representative, or access to material non-public information about a securities issuer. The potential conflict of interest inherent in an outside activity must be analysed by the representative and Gluskin Sheff prior to being approved by the CCO. This will include considering: whether the registered individual will have sufficient time to properly carry out their Gluskin Sheff activities; whether the individual will be able to properly service clients (including a GS+A Fund); the risk of client confusion and what controls there are to mitigate the risk; whether the activity places the individual in a position of power or influence over clients or potential clients (in particular vulnerable clients); whether the activity provides the individual access to privileged, confidential or insider information relevant to their registerable activities.

Gluskin Sheff has established policies requiring that Gluskin Sheff personnel declare their involvement as a director or officer of any company that is a reporting issuer. These policies are intended to limit Gluskin Sheff's possession of insider information relating to any such reporting issuer as well as prohibit any action by Gluskin Sheff as a result of such information.

In any case where Gluskin Sheff comes into possession of insider information relating to an issuer, Gluskin Sheff will take steps to ensure that this information is not traded on. This may include placing the issuer on a restricted list until the inside information is made public by the issuer. Individual staff members who are in possession of inside information will be excluded from all discussions and decisions regarding the purchase or sale of securities of such a reporting issuer.

## Personal trading

Gluskin Sheff's employees' trading in securities for their personal accounts can create a conflict between the interests of the employee and Gluskin Sheff's clients, including any GS+A Funds. To ensure that no conflict exists between the investment interests of clients and the personal investment interests of Gluskin Sheff personnel, Gluskin Sheff personnel:

- are generally restricted from personally purchasing any security that is held or contemplated to be held in either a client portfolio or GS+A Fund,
- must obtain advance approval from the compliance department for any personal securities trades,
- must declare their security holdings regularly and have such declarations reconciled with reported trading activity, and

- are encouraged to participate in Gluskin Sheff's own investment vehicles.

Neither Gluskin Sheff nor any of our employees is permitted to purchase or sell securities from/to client accounts. No portfolio under management may be used to make a loan to Gluskin Sheff or to any Gluskin Sheff personnel.

Failure to comply with personal trading policies is cause for disciplinary action, up to and including immediate dismissal.

## Pricing and errors

The valuation of investments held in a GS+A Fund and managed accounts is the responsibility of Gluskin Sheff. There is an inherent conflict of interest in this position, as Gluskin Sheff may have the incentive to inflate asset values in order to improve performance or increase fees payable to Gluskin Sheff.

Gluskin Sheff has established a detailed valuation policy that is followed by the third party administrator for the GS+A Funds and Gluskin Sheff accounting personnel. Where a security does not have a quoted price or other third party determined price, Gluskin Sheff, or a third party engaged by Gluskin Sheff, will use valuation techniques, including but not limited to discounted cash flows, in determining the fair value of such investments. The process of valuing investments for which no published market exists will inevitably be based on inherent uncertainties and the resulting values may differ from values that would have been used had a ready market existed for the investment.

Where an error has been made in a GS+A Fund or client account, Gluskin Sheff has policies in place to determine whether to correct the error (i.e., if the error is material), and what reporting should be conducted. Generally, errors will be corrected by making the client or fund whole (e.g., by putting them in the financial position they would have been in had the error not occurred).

## Proprietary products

Gluskin Sheff uses proprietary products in the provision of our services, including in our capacity as a Portfolio Manager and as an Exempt Market Dealer. Our proprietary products include GS+A Funds and Onex Group Funds. Gluskin Sheff also offers managed strategies through separately managed accounts. The use of proprietary products has inherent conflicts of interest, as registered representatives generally consider a more limited range of investment options than if third party products were included on Gluskin Sheff's "product shelf". Gluskin Sheff may also have an incentive to place your account in investments managed by Gluskin Sheff or an affiliate based on the level of management fees or performance fees we, or an affiliate, could earn when compared to other investments. As your advisor, we will consider the suitability of any investment that we recommend or in which your account is invested.

In order to ensure that the products and services recommended to clients are in their best interests, representatives must analyse the client's personal and financial circumstances prior to making an investment recommendation.

In our capacity as a Portfolio Manager, Gluskin Sheff may recommend a managed account allocate to a GS+A Fund or to an Onex Group Fund or, as an Exempt Market Dealer, may recommend a direct investment in any such proprietary product. However, in accordance with our commitment to our clients and applicable regulatory requirements of a Portfolio Manager, Gluskin Sheff conducts a full, objective "know your product" or "KYP" analysis of each new product, including a determination of the clients for which the product or service would be suitable based on our "know your client" assessments. This KYP analysis includes a comparison to other similar products available in the market. In our capacity as an Exempt Market Dealer, we generally only place units or other interests in proprietary products. As such, the Manager is not required to consider alternative investments to recommending that a client invest directly in an Onex Group Fund.

Gluskin Sheff does not permit compensation arrangements that bias individual recommendations towards one product or another.

## Referral arrangements

Gluskin Sheff may enter into referral arrangements whereby it pays a fee for the referral of a client to Gluskin Sheff or one or more of the funds it manages or distributes. No such payments will be made unless the referred investors are first advised of the arrangement and all applicable securities laws are complied with. Gluskin Sheff will monitor and supervise all of our referral arrangements to ensure that they comply with Canadian securities laws and continue to so comply so long as the arrangement remains in place. This includes monitoring and supervising on an ongoing basis Gluskin Sheff's own conduct and that of our registered representatives in connection with these referral arrangements, as well as taking reasonable steps to establish that the other parties to the referral arrangements (from which Gluskin Sheff is receiving referral fees or to which Gluskin Sheff is paying referral fees) are also complying with their obligations under the referral arrangements.

Gluskin Sheff Financial Services Inc. ("GSFS") is a subsidiary of Gluskin Sheff. Employees of Gluskin Sheff may refer clients to GSFS for insurance-related advice. As a result, Gluskin Sheff and our employees could receive, through GSFS, insurance commissions on policies placed with life insurance companies. A GSFS licensed insurance advisor will ultimately assess what product, if any, is best suited for the client's needs. GSFS is compensated by a sales commission from the company that offers the product once the policy has been delivered and accepted. GSFS may also receive a renewal (or service) commission for policies that remain in force. For certain products, compensation may be different from the standard commission scale noted above and GSFS may be paid via a referral fee. In such cases, this will be disclosed to you. Dependent on various factors, certain levels of sales may make a GSFS licensed insurance advisor or GSFS eligible for additional compensation such as bonuses and other benefits. For business placed through a managing general agent ("MGA"), compensation may be received from both the insurer and the MGA. GSFS licensed insurance advisors are bound by codes of conduct and laws governing life insurance agents. This means that any insurance product recommended to a client will be the product the GSFS licensed insurance advisor considers to best suited to the client's needs, regardless of the compensation earned.

## Related and connected issuers

Gluskin Sheff may engage in the promotion and marketing of, and may advise, including on a discretionary basis, clients to invest in, securities of related issuers and connected issuers, but will do so only in compliance with applicable securities laws. Applicable securities laws of certain provinces of Canada 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 and by the same medium of communication as any recommendation, 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 the securities laws for the particulars of these rules and their rights, or consult with a legal adviser.

Potential conflicts of interest may arise as a result of common directorship between directors, representatives or employees of Gluskin Sheff, and an issuer in which accounts or funds managed by Gluskin Sheff may invest. In addition, from time to time, a director, officer or key personnel of Gluskin Sheff may act as a director or officer of an issuer in which accounts or funds managed by Gluskin Sheff may invest.

Client portfolios will not be invested in any company with which Gluskin Sheff or any Gluskin Sheff personnel are not deemed to be at arm's length, except the related or connected issuers as described under the section "Proprietary Products".

Gluskin Sheff includes the list of related or connected issuers in the Investor Guide and on our website the issuers for which a director, officer or key personnel of Gluskin Sheff acts as a director and/or officer. Changes to this list will be reported to all clients in the quarterly statement package. Also see "Proprietary Products" for a discussion of conflicts related to offering products and services managed by Gluskin Sheff and our affiliates.

## Trade execution

Gluskin Sheff is committed to ensuring that the best price and best execution on purchases and sales of securities are obtained for our clients. For each security traded, investment staff consider which broker is best suited to achieve the best possible price for clients with the least market impact including all costs associated with the execution of securities in the portfolio of a GS+A Fund or a client portfolio. Such additional costs may include, without limitation, borrowing costs, trade execution costs and custodial fees.

## Use of client brokerage commissions

Neither Gluskin Sheff nor Gluskin Sheff personnel will receive any personal benefits from companies in which we invest client capital or through which we execute transactions.

A portion of client brokerage commissions is directed to certain dealers in return for the provision of research goods and services under written agreements. These goods and services may include investment research, reports and information feeds that we believe assist us in the security selection process for client portfolios. This creates a conflict of interest as Gluskin Sheff representatives may select brokers on the basis of what research they can receive rather than best execution.

In deciding to direct client brokerage commissions to a particular dealer in this manner, Gluskin Sheff requires that a number of factors be considered, including whether the dealer can meet our best execution standard. This standard looks at obtaining the best possible price for the trade with the least market impact by considering the dealer's abilities for the particular trade, including whether the dealer has access to liquidity, the speed and accuracy of transaction execution and the price/commissions charged.