

Conflicts of Interest Disclosure Statement

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1. Introduction

As an investment manager providing institutional and high net worth individual investors with investment solutions in Canada, Addenda Capital Inc. ("Addenda", "we" or "the Firm") is registered as a portfolio manager, investment fund manager and exempt market dealer with all provincial regulators where its clients are located.

Certain conflicts of interest are inherent in these activities and may affect your decisions or the recommendations of our employees, depending on the circumstances. A "conflict of interest" is defined as a situation in which a person (or company) must make a decision in which his or her objectivity or neutrality may be called into question.

In accordance with applicable regulations, Addenda is required to take reasonable steps to identify and manage actual, potential, or apparent conflicts of interest and, where material, to disclose them to our customers ("you"). The purpose of this statement is therefore to inform you of the nature, extent and measures we have put in place to manage these conflicts in your best interests.

In general, Addenda has adopted a Conflicts of Interest Policy which provides our employees with guidelines governing the Firm's expectations with regard to conflicts of interest. Our employees are required to take appropriate measures to avoid or report any situation that could lead to a conflict of interest. We have also put in place several other related policies, guidelines and procedures, which are detailed in this document to explain how we have managed these material conflicts.

Please also note that many of these measures are also reflected in our Code of Ethics and Professional Conduct ("Code of Ethics"), which fully complies with the CFA Institute's Code of Ethics and Standards of Professional Conduct and the Fund Manager's Code of Ethics. Our employees are required to attest compliance with our Code of Ethics on an annual basis.

2. Material conflicts of interest identified

2.1 Investment in our related or connected parties

Regulations prohibit listed companies from making a recommendation to buy, sell or hold a security of one of their related or connected issuers, unless it is properly disclosed.

Indeed, a conflict of interest could arise when a transaction involving a security issued by a party related to Addenda is contemplated. These Addenda-related entities could influence (or could be perceived to influence) Addenda's decisions in one way or another, and a third party could call into question our independence and fairness among our clients with regard to investment opportunities.

As such, Addenda has decided to avoid this conflict by prohibiting all transactions involving securities issued by its related issuers. The same prohibition applies when an Addenda employee or board member sits on a decision-making body of a listed entity.

The list of related entities includes The Co-operators Group Limited ("the Group"), parent company of Addenda Capital Inc. Addenda manages the portfolios of the Group's companies, which could also be perceived as a conflict of interest. In this respect, we have put in place various policies and controls to ensure impartiality in the handling of client accounts.

2.2 Proprietary products

It is an inherent conflict of interest for a registered company to trade in or recommend proprietary products, as it is possible that the company may put its own interests, or those of related entities, ahead of those of its customers when making such trades or recommendations.

However, in the case of Addenda, this conflict is only apparent. As portfolio managers, we manage Addenda's mutual funds and recommend and distribute only those funds. This means that we do not consider other non-exclusive products, nor do we seek to determine whether these products would better meet your investment needs and objectives when considering and recommending products. In

very specific situations, where a strategy or asset class is not available or for tactical reason, we could use third party options that align with Addenda's investment philosophy. Our registrants do not receive any compensation from third parties.

2.3 Fairness among clients

To manage this situation, Addenda has put in place a Policy for Fairness to ensure fair treatment of its clients. This policy sets out practices to ensure that prices, commissions, and transaction fees are allocated equitably between clients in block trades; where appropriate, initial public offerings are allocated fairly and equitably between clients. All portfolios with similar mandates are treated equitably when trading under the various strategies developed by its management teams.

2.4 Referral arrangements

Referral agreements are defined as arrangements whereby a registered company agrees to provide or receive a referral fee to a company in return for the referral of a client.

At present, Addenda does not enter into referral agreements for the purpose of referring clients to third parties. However, Addenda enters into agreements with third parties to refer clients to us in connection with our private wealth activities.

Addenda has adopted a policy on referral agreements to ensure, among other things, that (1) such agreements are documented in writing and disclosed to referred clients prior to the opening of an account or the provision of services; (2) registrable activities are not delegated to referred parties, and (3) fees paid by clients are not based on whether or not a client is referred.

2.5 Outside business activities

Holding several jobs simultaneously can create a potential conflict of interest to the extent that an employee may have to compromise his or her responsibilities owed to one company and its clients for the benefit of another.

Addenda employees may participate in professional activities outside their employment with us under certain conditions set out in our Code of Ethics. All our employees are required to disclose their outside activities and have them pre-approved by their line manager and the company's Chief Compliance Officer.

When an employee is performing an activity requiring registration with regulatory bodies, as in the case of investment advisors, for example, additional approval is required from our Legal Department.

If, in the opinion of one of these approvers, the employee's activity conflicts (or is likely to conflict) with the interests of our customers, and it is not possible for us to put in place satisfactory monitoring measures, the activity will not be authorized.

2.6 Gifts and Entertainment

In the financial sector, it is common for employees to offer (or receive from) business relations gifts or invitations to meals or events, for example to discuss current or future business, or simply to maintain good commercial relations.

This type of activity carries an inherent risk. In the absence of control, the offer or acceptance of such gifts or invitations may induce (or give the impression of inducing) the parties concerned to act in a way that would not be in the best interests of clients, i.e., by compromising their objectivity.

Our Code of Ethics prohibits our employees from offering or accepting any gift or other form of compensation unless it is of modest value. In addition, all gifts must be brought to the attention of the employee's immediate supervisor. This Code of Ethics is subject to annual attestation to ensure that employees are aware of and comply with these requirements.

2.7 Cross trades

A cross trade occurs when a security is bought and sold between two investment funds managed by the same manager (or between an investment fund and a related party). This type of transaction can

give rise to conflicts of interest, since the fund manager negotiates on behalf of both parties, administering both the original fund selling its shares in the holding company and the subsequent fund buying them.

Addenda has obtained an exemption allowing us to carry out cross trades, which take place only on an exceptional basis and under certain conditions:

- Transactions between funds must benefit fund and managed account unitholders, notably by reducing transaction costs, limiting market disruption and speeding up order execution;
- All cross transactions are subject to the pre-approval of the Chief Compliance Officer;
- The consent of the clients concerned must be obtained before any such transactions are carried out;
- As stated in section 2.3 of this document, Addenda employees are required to comply with the terms of our Policy for Fairness to ensure fair treatment of clients, including in the case of cross transactions.

Finally, please note that Addenda reports all cross trades to an Independent Review Committee on a semi-annual basis to ensure that such transactions have complied with the above conditions.

3. For more information

Addenda Capital Inc. periodically reviews conflicts of interest and the measures in place to manage them. This statement may be updated from time to time. If so, we will inform you of any material changes.

If you have any questions or concerns about the information provided in this document, please do not hesitate to contact our Chief Compliance Officer:

Jean-Marc Prud'Homme

Chief Compliance Officer and Chief Risk Officer

jm.prudhomme@addendacapital.com

T. 514 908-7975

