



**GOODWOOD INC.
RELATIONSHIP DISCLOSURE**

1. A general description of the products and services Goodwood offers:

Goodwood is a registered investment dealer in Ontario, Québec, Alberta, British Columbia, Newfoundland & Labrador and Nova Scotia, and an investment fund manager in Ontario, Québec and Newfoundland & Labrador.

Our principal business is the discretionary trading of client assets, which we do indirectly as manager of our proprietary investment funds (the Goodwood Funds) and directly as the portfolio manager of separately managed accounts.

We also provide portfolio execution services, as dealer, to the Goodwood Funds, our separately managed accounts and our advisory trading accounts.

2. A description of the nature or type of your account:

As an Investment Dealer, Goodwood can provide two different types of services for its clients: advisory services and managed services. Goodwood can also act as dealer of record for investors who wish to invest directly in the Goodwood Funds (and not through their own dealer).

Advisory Account Services

Goodwood deals with some clients in an advisory service arrangement. Under an advisory service arrangement, Goodwood will open a brokerage account and will provide investment advice and trade execution services. In providing investment advice, the Goodwood Investment Advisor can make investment recommendations to the client and the client decides whether they will accept and follow that advice or not. All investment decisions by the client under this arrangement are the client's responsibility. The client typically pays a commission (including commission payable to Goodwood) for each purchase and sale made in the account.

Managed Account Services

Goodwood deals with some clients in a managed service arrangement pursuant to which the client has granted Goodwood discretionary authority over the trading in the Managed Account, subject to the investment objectives and restrictions set out in the Managed Account Agreement. The Managed Account Agreement sets the terms and parameters for how the client's monies will be invested. Once the client reviews and accepts the terms of the Managed Account Agreement, Goodwood is responsible for all of the investment decisions made in the client account, and exercises discretion in selecting the investments for the client account based on the client's investment objectives, time horizon, financial resources and risk tolerance. Ongoing suitability reviews are provided as part of these managed account services. The client pays Goodwood a management fee for this service. As well, the client typically pays a commission (including commission payable to Goodwood) for each purchase and sale made in the account.

Fund Management and Distribution Services

As manager of the Goodwood Funds, in addition to overseeing the day-to-day business of the funds, Goodwood has discretionary trading authority over their investment portfolios and is principally responsible for the marketing and sale of interests in (or units of) the Goodwood Funds. In this regard, it is the Goodwood Funds that are clients of Goodwood, and Goodwood exercises discretion in selecting the investments based on each Goodwood Fund's stated investment objectives, strategies and restrictions.

An investor who purchases units of a Goodwood Fund directly through us (and not through their own dealer) will also become a client of Goodwood. Goodwood must determine whether such an investment is suitable for that client based

on the Goodwood Fund's stated investment objectives, strategies and restrictions and on the client's investment objectives, time horizon, financial resources and risk tolerance.

3. Types of investment accounts offered by Goodwood to its clients

Cash accounts: involve standard cash settlement of transactions three days after the day your trades are executed; we offer CAD cash accounts and USD cash accounts

Margin accounts: offer some level of borrowing by the client against their investments. The loan in the account is collateralized by the securities and cash in their Goodwood account. If the value of the stock drops sufficiently, the account holder will be required to deposit more cash or sell a portion of their investments. The loan rates are determined by regulatory requirements and internal credit policies.

Registered retirement savings plan and income fund account ("RRSP" and "RRIF"): are personal saving plans registered with the Canadian federal government allowing you to save for the future on a tax-sheltered basis. An RRSP account is an investment portfolio for your retirement savings. It can contain a variety of investments. An RRIF is an extension of your RRSP. Your RRSP is used to save for your retirement while RRIF is used to withdraw income during your retirement. An RRSP may be an individual RRSP, a spousal RRSP, or a locked-in RRSP.

Registered Education Saving Plan ("RESP"): is a tax-shelter plan that can help you save for a child's post-secondary education. An RESP combines flexibility, tax-deferred investment growth and direct government assistance to help you reach your education saving goals for your children.

Tax-free savings account ("TFSA"): is a flexible, registered, general-purpose savings vehicle that allows Canadians to earn tax-free investment income and capital gains, as prescribed in the Canadian Income Tax Act. The TFSA complements existing registered savings plans like the RRSP and RESP.

4. Account opening documentation

The documents that you will receive from Goodwood at the time of account opening include this Relationship Disclosure Information as well as:

- New Client Application Form (NCAF)
- Schedule of Service and Fee Charges
- Investor's Guide to Making a Complaint (IIROC)
- CIPF Brochure, and
- Statement of Conflicts.

Managed account clients will also receive a managed account agreement, which we recommend that you review carefully and perhaps discuss with your professional advisers before signing.

Investors in the Goodwood Funds will also receive offering documentation describing the features of the funds and a form of subscription which you will be required to complete and forward to us with your subscription amount.

Referral Arrangements

Goodwood may enter into referral arrangements from time to time with third parties pursuant to which another entity refers clients and/or fund investors to us for which we pay referral fees. If applicable, the details of these referral arrangements, including the parties to the referral arrangement, the manner in which the referral fee for services is calculated and the party to whom it is paid, will be provided to you in separate document. All services resulting from a referral arrangement relating to your Account that require registration under applicable securities legislation will be provided by the entity receiving the referral.

5. Suitability assessment

When we open a new account, we will collect from you certain information confirming your identity (which we are required to do under securities law and under anti-money laundering and anti-terrorist financing legislation) and regarding your financial circumstances, investment knowledge, investment objectives and risk tolerance (referred to as "know-your-client" or KYC information).

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When we conduct trades or provide advice to you, we must consider factors such as your investment objectives and time horizon, risk tolerances and your personal and financial circumstances, including your age, annual income, net worth and investment knowledge. This information is collected from you in the NCAF/KYC documentation which you will be asked to complete at the time your account with us is opened. It is your responsibility to provide us with accurate and complete information, to review the information that we have recorded on these documents, and make us aware of any errors or omissions immediately. You will be provided with a copy of the NCAF/KYC information documented at time of account opening and also when there are any material changes made to the information.

It is important to us and to you that the information you provide to us is kept current. We will therefore ask you to confirm the information we have on file on an annual basis – however we also expect that you will inform us when there is a material change in your circumstances.

We will use this KYC information to assess the suitability of an investment in your account whenever:

- a trade is accepted,
- a recommendation is made,
- securities are transferred or deposited into the account,
- there is a change in the registered representative or portfolio manager responsible for the account, or
- there is a material change to your KYC information.

We will also periodically review the suitability of holding existing securities in your portfolio, particularly when there is a material change in your circumstances or in the event of significant market fluctuations.

Goodwood will ensure that any trade conducted, investment made or recommendation given on behalf of our clients is suitable for the client and made in the client's best interest.

Proprietary product disclosure

As mentioned previously, Goodwood is the Manager of our proprietary investment funds (the Goodwood Funds). Only proprietary products will be included in client portfolios, Goodwood does not offer other non-proprietary products or investment funds. The suitability assessment conducted will therefore not consider the larger market of non-proprietary products or whether those non-proprietary products would be better, worse, or equal in meeting your specific investment needs and objectives. Goodwood maintains policies and procedures to ensure our products are competitive with alternatives available in the market and in the best interest of our clients. A list of the proprietary investment funds that Goodwood manages are disclosed in the Statement of Conflicts you receive at the time of opening an account with us, and an up-to-date version is posted on the Goodwood website (www.goodwoodfunds.com).

6. A description of the types of risks that you should consider when making an investment decision:

Investing in securities is inherently risky, as the value of individual securities is not guaranteed and can fluctuate significantly. The risks your investments may face include, among other things, issuer specific risks (type of product; business, sector or industry risk), general market risk, macroeconomic conditions, interest and exchange rate risk and liquidity. You could lose a portion of, or even all of, your original investment. A more fulsome description of potential risks with Goodwood's investment strategies are set out in the managed account agreement we enter into with managed account clients. Risks associated with an investment in a Goodwood Fund are disclosed in the offering memorandum, prospectus or other offering document you receive prior to making an investment in the fund.

7. A description of the risks to you of using borrowed money to finance a purchase of a security:

The use of leverage may not be suitable for all investors. Using borrowed money to finance the purchase of securities involves greater risk than using cash resources only. If an investor borrows money to purchase securities, the investor's responsibility to repay the loan and pay interest as required by the terms of the loan remains the same even if the value of the securities purchased declines.

8. A description of the conflicts of interest that Goodwood is required to disclose to you under securities regulation:

Actual, potential, and perceived conflicts of interest exist in almost all human interactions. Our relationship with you is no different. Goodwood, or key personnel of Goodwood, may from time to time provide services to or have other relationships with other issuers of securities, including issuers in which clients are invested. This may create perceived conflicts with the best interest of clients, as there will be competing demands on the time of the individuals involved and there may be proposed dealings from time to time which are beneficial to such issuers, to Goodwood or to the individuals providing services to such issuers but potentially prejudicial to clients, or vice-versa. Goodwood has in place policies and procedures aimed at addressing any potential conflicts of interest that may arise as a result of these relationships, to ensure that the first priority of Goodwood is to act in the best interest of its clients and to ensure that the nature of the duties and commitment of time does not impact the ability to act in the best interest of clients.

In general, we deal with and manage relevant conflicts as follows:

- **Avoidance:** This includes avoiding conflicts that are prohibited by law as well as conflicts that cannot effectively be addressed.
- **Control:** We manage acceptable conflicts through internal controls and review processes & procedures
- **Disclosure:** By providing you with information about conflicts, you are able to assess independently their significance when evaluating our recommendations and any actions we take.

Potential conflicts of interest, and Goodwood's policies and disclosures respecting those conflicts of interest are disclosed in the Statement of Conflicts you receive at the time of opening an account with us, and an up-to-date version is posted on the Goodwood website (www.goodwoodfunds.com) and mailed to clients at least annually. Conflicts of interest specific to the Goodwood Funds are disclosed in their respective offering documents.

9. Disclosure of account service fees you might be required to pay related to your account:

You may be subject to various fees and charges in connection with the operation and maintenance of your account(s). These may include, among other things: account transfer, deregistration and withdrawal fees; physical certificate and re-registration fees; wire transfer fees and more.

The fees of Goodwood chargeable to you and the types of expenses chargeable to Account are provided at the time of account opening.

When an investor purchases units of a Goodwood Fund directly, we do not charge a commission; however, Goodwood will be paid a management fee and performance fee by the Goodwood Fund in respect of that investment. All such fees are fully described in the prospectus or offering memorandum of each Goodwood Fund. Furthermore, Goodwood Inc., or an affiliate of Goodwood Inc., may provide services to and receive compensation from issuers in which the Funds/Client accounts are invested. Goodwood maintains a list of these Issuers on their website at www.goodwoodfunds.com.

10. A general description of the types of transaction charges you might be required to pay:

The costs associated with making, holding and selling investments in your account by Goodwood may include commission fees payable to Goodwood on the execution of portfolio trades on behalf of, or following an investment by the Account.

11. A description of the content and frequency of reporting for each account or portfolio:

Trade Confirmation

Whenever we effect a purchase or sale of securities on behalf of a client in our capacity as a dealer, we must send to you a trade confirmation promptly afterward, which sets out all relevant information regarding the transaction, including the date of the transaction, details regarding the security and the number and/or value purchased or sold whether we acted as agent or principal, and whether we had any other interest in the transaction (for example, if we have a relationship with the issuer of the security).

Statements of Account

Goodwood is also required to deliver to each advisory account client and managed account client, at least once every 3 months (or at the end of each month if there has been activity in your account), a statement that includes information

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for each transaction made for you during the period covered by the statement as well as information as at the end of the period for which the statement is made regarding the securities and cash held in your account, including the name, quantity, market value, and position or book cost of each such security, and whether the security may be subject to a deferred sales charge if it is sold, as well as the total market value of all cash and securities in your account. Similar information must be provided in respect of securities not held by Goodwood but for which Goodwood receives a trailing commission or other ongoing remuneration.

Performance and Other Reporting

Goodwood must also send an annual performance report to each client for whom we hold assets in an advisory account client or managed account which includes information respecting the cost and market value of such securities, changes in such market value, and the annualized percentage return calculated net of charges using a money-weighted rate of return calculation methodology. Goodwood will provide this information to all clients on a calendar year basis.

Goodwood publishes monthly performance results of the Goodwood Funds. This can be found on our website www.goodwoodfunds.com and through our monthly commentaries which are sent monthly by email. Please contact us if you would like to be added to our monthly distribution list.

Tax Reporting

We will provide you with any required tax reporting, based on the type of account(s) and/or transactions within your account(s) each year. The most common of these are as follows:

- RRSP contributions;
- T4RSP – Statement of RRSP Income and/or T4RIF – Statement of Income from a RRIF;
- T5 – Statement of Investment Income;
- T3 – Statement of Trust Income Allocations and Designations;
- T5013/T5013A – Statement of Partnership Income;
- Summary of Investment Income;
- Summary of Securities Transactions

12. Disclosure that independent dispute resolution are available to you, at Goodwood's expense, to mediate any dispute that might arise between you and Goodwood about a product or service:

Advisory account clients and managed account clients have certain rights, as do direct investors in the Goodwood Funds, as set out in the IIROC Complaints Guidelines provided to you separately at the time of account opening.

Should one of our clients, or a person authorized to act on their behalf, wish to submit a complaint alleging misconduct in the handling of their account, and this complaint alleges compliance-related misconduct such as breach of confidentiality, theft, fraud, misappropriation or misuse of funds or securities, forgery, unsuitable investments, misrepresentation, unauthorized trading relating to your account, engaging in securities related activities outside of Goodwood, or inappropriate personal financial dealing with clients we encourage you to submit full details to the attention of our Designated Complaints Officer, at:

Goodwood Inc.
75 Navy Street, Suite 403
Oakville ON L6J 2Z1
Attn: Katie Sherkey, Designated Complaints Officer

If you are not satisfied with our response to your complaint then you have some options. One of these options is for you to bring your complaint to the attention of IIROC, at 121 King St. W, 16th Floor, Toronto, ON, M5H 3T9 (phone 1-877-442-4322). A complaint form is available online at www.iroc.ca. Another option is for you to contact the Ombudsman for Banking Services and Investment (OBSI) after you have received our final response or 90 days have passed from the date of your complaint, but no later than 180 days of the final response letter. OBSI may be contacted at P.O. Box 896, St. Adelaide, Toronto, ON, M5C 2K3 (phone 1-999-451-4519) or at www.obsi.ca. Please note that OBSI will not investigate any matter which has been submitted to arbitration or litigation. Another alternative is to request that our firm arbitrate the complaint (see www.iroc.ca for more information), or you may wish to pursue litigation. Please be mindful that limitation periods will apply to bringing a court action.

13. The use of performance benchmarks in assessing the performance of your investments

Investors may find it helpful to compare the returns from their investments against one or more relevant benchmarks (i.e. the return that they may have received had they invested in a comparable investment, or a comparison of their investment to an average or median return of a basket of comparable investments). A benchmark for a Goodwood Fund or managed account might be an index of issuers with similar investment mandates. Investors should be aware of the similarities and differences between the benchmark and the investments they hold, such as the concentration/diversification of securities, industries and or markets, the impact of fees and expenses on such returns, and risks inherent in such investments and investment strategies. Should Goodwood use a benchmark comparison when reporting the performance of the Managed Account, an explanation of the similarities and differences between the composition of the Managed Account and the benchmark will be provided at that time.

14. Other important information

Goodwood is a member of the Canadian Investor Protection Fund (“CIPF”). CIPF protects your account within certain limits. These limits are described in the CIPF brochure given to you at the time of account opening. CIPF does not cover losses from market fluctuations.