



GOODWOOD INC.

CONFLICTS OF INTEREST DISCLOSURE STATEMENT

Goodwood Inc. (“Goodwood”) is a privately owned, independent investment management corporation incorporated under the laws of Ontario. Goodwood is a registered under the Securities Act (Ontario) as an Investment Fund Manager (IFM) and is also a member of the Canadian Investment Regulatory Organization (CIRO).

This conflicts of interest disclosure statement is designed for investors in the Goodwood Funds who purchase their Units directly from Goodwood and not through another dealer and for investors in other Goodwood managed or advisory accounts (the “**Clients**”) and describes the material conflicts of interest that arise or may arise between Goodwood and such clients, and between Goodwood’s registered representatives and such clients. Canadian securities laws require Goodwood to take reasonable steps to identify and respond to existing and reasonably foreseeable material conflicts of interest in a client’s best interest and tell clients about them, including how the conflicts might impact clients and how Goodwood addresses them in a client’s best interest.

What is a Conflict of Interest?

A conflict of interest may arise where (a) the interests of Goodwood or those of its representatives and those of a client may be inconsistent or different, (b) Goodwood or its representatives may be influenced to put Goodwood’s or the representative’s interests ahead of those of a client, or (c) monetary or non-monetary benefits available to Goodwood, or potential negative consequences for Goodwood, may affect the trust a client has in Goodwood.

How Does Goodwood Address Conflicts of Interest?

Goodwood and our representatives always seek to resolve all material conflicts of interest in the client’s best interest. Where it is determined that Goodwood cannot address a material conflict of interest in the client’s best interest, Goodwood and our representatives will avoid that conflict.

Goodwood has adopted policies and procedures to assist in identifying and controlling any conflicts of interest that Goodwood and our representatives may face.

Material Conflicts of Interests

As a CIRO Dealer Member and IFM, Goodwood and our employees have an obligation to identify, address and disclose conflicts of interest that do, or could, arise within our business. A conflict of interest may be considered material if a reasonable investor would expect to be informed of the nature and extent of an identified conflict of interest and if the interests of the Client and Goodwood are not aligned. Conflicts of interest may be deemed to be immaterial if the interests of the Client and Goodwood remain aligned. Goodwood’s policy is to address any material conflicts of interest in the best interest of the Client and will avoid any conflict of interest that cannot be resolved in the best interest of the Client. A description of the material conflicts of interest that Goodwood has identified in relation its role as investment fund manager and portfolio manager to the Goodwood Funds are set out in the Offering Memorandum of each Goodwood Fund.

A description of the material conflicts of interest that Goodwood has identified in relation its role as the selling dealer to the Goodwood Clients, the potential impact and risk that each conflict of interest could pose, and how each conflict of interest has been or will be addressed, is set out below.



Proprietary Products

As a selling dealer, Goodwood intends to sell interests in investment funds (the Goodwood Funds) which are managed and advised by us (referred to as “**proprietary products**”).

Goodwood (“**the Manager**”) will not receive any compensation from Goodwood Clients or from the Goodwood Funds in connection with the distribution of Units of the Goodwood Funds as the selling dealer. The Manager does earn fees from its ongoing management of the Fund, but there are no commissions payable to the Manager on the sale of securities of investment funds it manages.

The potential conflict is that the Manager is only providing Clients with access to proprietary products, from which the Manager receives management and/or advisory fees, and is not providing Clients with access to a wider universe of investment funds managed by third-party fund managers. Further, the suitability determination conducted by the Manager for Goodwood Clients (if applicable) will not consider the larger market of non-proprietary products or whether those non-proprietary products would be better, worse, or equal in meeting Clients’ investment needs and objectives.

To manage the conflicts inherent in making investment recommendations or taking investment actions for Goodwood Clients in proprietary product only, the Manager will only permit a Client to be invested in Units of the Fund if the Manager considers such securities to be suitable for such Client and that investing in such securities are in such Client’s best interest. Because the Manager’s suitability review does not include a broader universe of potential products, investors may wish to consider consulting a third party dealer or adviser before acquiring Units of the Fund.

Outside Activities

Individuals representing Goodwood may be involved in other activities outside of the firm that pose a conflict with the firm or its clients. Conflicts could arise due to the time involved with the outside activity, leaving insufficient time to devote to Goodwood, potential client confusion in dealing with the representative or access to material non-public information about securities issuers. The potential conflict of interest inherent in an outside activity must be analyzed by the employee and the firm prior to the outside activity being approved by the Chief Compliance Officer (CCO) of Goodwood. This will include considering: whether the individual will have sufficient time to properly carry out their duties with Goodwood; whether the individual will be able to properly service clients (including a fund); the risk of client confusion and what controls there are to mitigate this 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 (if so, the individual or the entire firm may be restricted from trading in or participating in decisions relating to securities of the issuers involved).

Goodwood has developed policies and procedures to manage the conflicts associated with outside activities to which all Employees must adhere to restrict any outside activity that would interfere (or give the appearance of interfering) with an Employee’s ability to act in the best interests of Goodwood and its Clients.

Goodwood Fees and Expenses

Goodwood offers fee-based accounts for some clients and charges its separately managed account clients fees for its advisory services based on a percentage of the market value of the client’s account. Goodwood has appointed a third-party service provider to obtain the prices of securities in clients’ accounts. These separately



managed accounts pay fees directly to Goodwood and may invest in a non-fee or lower-fee paying series of a fund managed by Goodwood to avoid double-charging fees, or invest in a no-load series since they do not have an external adviser. Some clients may negotiate a fee with Goodwood based on the size of their account.

As management fees and/or performance fees paid to the Manager are based on the net asset value of the investment funds or the value of the securities held in client segregated accounts, the Manager receives more revenue when the net asset value of funds and the segregated accounts are higher. This creates a perceived or potential conflict of interest when the Manager is involved in the valuation of securities held by the funds or the segregated accounts. Management and performance fees for the Goodwood Funds are set out in the Offering Documents of the relevant fund. Goodwood has appointed a third-party fund administrator for the Goodwood Funds and has valuation policies and procedures designed to mitigate any potential conflicts of interest. In addition, the Goodwood Fund financial statements are audited annually by an independent third-party.

Best Execution

When placing orders for and on behalf of Goodwood Funds or Clients' accounts, Goodwood will select those brokers and dealers from whom they reasonably expect to obtain the best execution (after considering all transaction costs or other benefits). Goodwood does not utilize soft dollar arrangements.

As a Dealer, brokerage services are from time to time provided by Goodwood. To manage conflicts, in the event that Goodwood provides brokerage services for the execution of orders directly, such order execution will be on terms and conditions no less favourable to clients than would otherwise be obtainable if the orders were placed through independent brokers or dealers, and at commission rates less than comparable rates that would have been charged by independent brokers or dealers.

Fair Allocation

Goodwood acts as Manager to segregated managed accounts and to the Goodwood Funds and may provide investment advisory services to other investment vehicles (each, a "**client**"). Goodwood may aggregate orders for a number of Client accounts for the purchase or sale of a particular security. A conflict of interest can arise when selecting which Clients' accounts to participate in the allocation. Goodwood has adopted trading policies which are designed to ensure fair allocation of securities amongst these accounts. These policies are disclosed in the Goodwood Funds offering documents and account opening materials for other clients.

Personal Trading

When Goodwood employees trade and invest in the same securities as Goodwood, including its funds or client accounts, there is a perceived or potential conflict of interest that the employee may benefit from opportunities at the expense of Goodwood's clients or its funds. Goodwood has established personal trading policies and procedures to monitor personal trades of employees, officers and directors. All employees must obtain prior written approval for trades in securities in personal accounts and accounts over which they have a beneficial interest or control. Personal trading records are supervised and regularly reviewed against brokerage statements to avoid any conflicts of interest.

Referral Arrangements

Goodwood has in place referral arrangements whereby the referrer refers clients to Goodwood for a fee. Details of the referral arrangement, including the fee paid by Goodwood to the referrer and the nature of any existing or reasonably foreseeable conflicts of interests that may arise from such referral are disclosed in writing to the



clients being referred. Referral arrangements may be entered into both with other registrants and with non registrants. This can create a conflict between the person to whom the referral is made and the person making the referral, as the person making the referral is incented to do so by the promise of receiving compensation even where the investment is not necessarily in the best interest of the person making the investment. No such payments will be made unless the referred investors are first advised of the arrangement and all applicable securities laws in connection with the referral arrangements are complied with.

Marketing Practices

Marketing materials are used in various forms to advertise Goodwood's products and services. Marketing can create a conflict of interest as there may be an incentive to overstate attributes and to understate risks and weaknesses. All marketing materials are reviewed by the CCO and approved prior to distribution. Marketing policies are in place governing the preparation and dissemination of marketing materials, including prohibiting material misstatements or omissions, including required disclosures, requirements for hypotheticals and CCO approval.

Gifts & Entertainment

A perceived or potential conflict of interest could arise if an employee, officer or director of Goodwood gives or accepts gifts, entertainment, compensation or gratuities from clients, business partners or other parties of more than a minimal value in connection with the services provided to clients. Our registered representatives are prohibited from accepting extraordinary or extravagant gifts, entertainment or compensation that could influence the decisions they make in the course of performing their duties and to compromise or give the impression of compromising their independence. All decisions must remain objective and impartial in the best interests of clients.

Compensation Practices

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 a higher commission to sell a product where the firm would earn higher management or performance fees. Goodwood seeks to mitigate these conflicts by designing compensation programs that are product agnostic. Our registered representatives are not compensated differently based on which products or services they sell, nor is the variable portion of their compensation determined by such factors.

Conflicts may also arise when Goodwood is compensated by third parties, through commissions, new issue commission, or other fees, which could act as an incentive for trading in or recommending a particular investment product or service to clients. Goodwood has implemented effective processes for monitoring trading. Conflicts related to compensation can also occur in supervisory positions, such as compliance, where supervisory staff 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. Goodwood does not use any variable compensation tied to sales or revenue in compensating compliance staff.



Related and Connected Issuers

Conflicts may arise when investment dealers and advisers trade in or advise with respect to their own securities or securities in certain other issuers to which they, or certain other parties related to them, are related or connected.

Goodwood Inc. (“**the Manager**”) engages in activities as an investment dealer, portfolio manager and investment fund manager. In the course of its activities, the Manager may provide advice in respect of the purchase or sale of corporations, general partnerships, limited partnerships, trusts or other issuers which may be considered to be related issuers or connected issuers of the Manager, including without limitation one or more investment vehicles formed or sponsored by and/or managed by the Manager. If the Manager does provide advice or act as an agent for the purchase or sale of securities of related issuers or connected issuers, it will: (a) disclose this fact in writing to the purchasers of such securities; and (b) comply with all applicable requirements under securities legislation.

Goodwood Fund, Goodwood Capital Fund, Goodwood Milford Fund Trust, Goodwood Milford Fund Limited Partnership, Goodwood MV Realty LP and SPValue Litigation LP (together, the “**Funds**”) are connected issuers of the Manager by virtue of their relationship with the Manager and/or the Portfolio Manager, as applicable. The Funds are investment funds to which the Manager provides fund management, portfolio management and distribution services. The Manager will not accept any commission either from the purchaser or from the Funds in connection with the sale of units of a Fund. Instead, the Manager typically charges a management fee, redemption fee and/or performance fee in connection with our management of the Funds and/or their investment portfolios. Information regarding the services provided to each Fund and the fees charged by the Manager is contained in the offering memorandum of the respective Fund. The Manager may also provide brokerage services to the Funds and to other managed or sub-advised accounts (each, a “**client**”) and may, in such cases, earn fees and commission from trades of the clients’ investment portfolios.

The Manager may also utilize the services of third-party sub-advisers to provide investment advice and trade recommendations for certain Funds. The Manager is responsible for payment of sub-advisory fees directly so there is no duplication of fees charged to clients. **Following the closing of the recent change of control transaction involving the Manager, the Manager expects that sub-advisory services will be transitioned to Nour Private Wealth Inc., an affiliate of the Manager.** The Manager has policies and procedures to address any conflicts that may arise from these types of relationships which include oversight and supervision to ensure investment advice and actions are in the best interest of the Funds and clients.

The Manager, an affiliate of the Manager, or key personnel of the Manager or an affiliate, may from time to time provide services to or have other relationships with other issuers of securities, including issuers in which clients are invested. In those circumstances, that issuer would be considered under relevant securities law to be a “connected issuer” of the Manager, which 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 the Manager or to the individuals providing services to such issuers but potentially prejudicial to clients, or vice-versa. The Manager 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 the Manager 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.



Other Conflicts of Interest

From time to time, other conflicts of interest may arise. Goodwood will continue to take appropriate measures to identify, address and disclose such situations fairly and reasonably and in the best interests of its clients, where required, to the client in a timely manner, upon identification of the conflict.