



## **SCHEDULE A**

### **STATEMENT OF POLICIES**

#### **Policy Regarding Fair Allocation**

The following is a summary of the policy of Leon Frazer & Associates, a member of iA Investment Counsel Inc. ("LFA"), on the fair allocation of investment opportunities.

LFA shall allocate investment opportunities fairly among all of its clients at all times so that all clients will be treated equally, regardless of the size of their investment portfolios. Regard shall be had to (i) the type of proposed transaction, (ii) the investment merits of the securities to be purchased or sold, (iii) the substance of the client's investment portfolio, and (iv) the investment preferences of the client.

Decisions to buy or sell a security (an investment action) are made by LFA's Investment Committee based on reasoned judgment and client suitability. Because different clients have different portfolio requirements, it may be the case that an investment action may not be applicable to all accounts at LFA. For those accounts for which action is determined to be appropriate, however, LFA will follow its policy relating to 'block trades' and the pricing and allocation thereof. Such policy also applies to new issues (IPOs) and secondary issues.

The following principles and practices are fundamental to LFA's commitment to treat all client accounts fairly and equitably:

- All accounts are treated in a fair and equitable manner and favouring certain accounts over others is not permitted.
- No preferential allocation of partial fills takes place.
- Subject to clients' Investment Policy Statements, the executed portion of the order, including new issues, is prorated among individual accounts. Where pro-rata allocation is not appropriate (e.g. *de minimis* allocation), the Portfolio Manager and/or designate will reallocate based on objective criteria and in a manner that ensures all accounts receive fair and equitable treatment over time.
- Each account that participates in a block trade receives the identical average execution price.

(05/2016)

#### **Statement Regarding Related Issuers and Connected Issuers**

The securities laws of the Canadian Provinces require securities advisers such as iA Investment Counsel Inc. (the "Manager"), when they advise on or exercise discretion 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 securities advisers, prior to advising their clients, to inform them of the relevant relationships and connections with the issuer of the securities. Clients should refer to the applicable provisions of the securities laws of the province in which they reside for the particulars of these rules and their rights or consult a lawyer.

#### **General**

"We" or "us" shall mean the Manager for the purpose of this statement. Each of "T.E. Investment Counsel", "T.E. Wealth", "Leon Frazer & Associates", and "JovPortfolio Management" is a trademark and business name under which the Manager operates.

Under certain circumstances we may deal with or for you in securities transactions where the issuer of the securities or the other party to the transaction is us or a party having an ownership or business relationship with us.

Since these transactions may create a conflict or the appearance of a conflict between our interests and yours, we are required by securities laws to disclose to you certain relevant matters relating to such transactions.

## Key Concepts

Related Issuer is a person or company related to us if:

- (a) the person or company issuing securities is an influential securityholder of us,
- (b) we are an influential securityholder of the person or company issuing securities, or
- (c) we, and the person or company issuing securities, are each a related issuer of the same third person or company.

Connected Issuer means an issuer or selling securityholder distributing securities where the issuer or selling securityholder, or a related issuer of the issuer or selling securityholder, has a relationship with any of the following persons or companies that may lead a reasonable prospective purchaser of the securities to question if we are independent of the issuer or selling securityholder for the distribution:

- (a) us;
- (b) a related issuer to us;
- (c) a director, officer or partner employed by us; or
- (d) a director, officer or partner of a related issuer to us.

Influential Securityholder generally means a person, company or professional group that directly or indirectly:

- (a) owns, controls or has the power to direct the voting of more than 20 percent of the votes to determine the directors of the issuer, or is a (general) partner of the issuer if the issuer is a partnership;
- (b) owns, controls or has the power to direct the voting of more than 10 percent of the votes to determine the directors of the issuer, and either
  - (i) is entitled to nominate at least 20 percent of the directors or has officers, directors or employees in common with and constituting at least 20 percent of the directors of the issuer or a related issuer; or
  - (ii) the issuer is entitled to nominate at least 20 percent of the directors of their influential securityholder or has officers, directors or employees in common with and constituting at least 20 percent of the directors of the influential securityholder; or
- (c) is owned or controlled by the issuer if the issuer has the power to direct the voting of more than 10 percent of the votes to determine the directors of a company that is an influential securityholder (other than a professional group), and either
  - (i) the company is entitled to nominate 20 percent of the directors of the issuer or has officers, directors or employees in common with and constituting at least 20 percent of the directors of the issuer or of the related issuer; or
  - (ii) the issuer, together with its related issuers, is entitled to nominate at least 20 percent of the directors of the company or has officers, directors or employees in common with and constituting at least 20 percent of the directors of the company.

## Required Disclosure

We must make certain disclosures where we advise you, or exercise discretion on your behalf with respect to securities issued by us, by a related issuer or, in the course of a distribution, by a connected issuer. In these situations, we must disclose either our relationship with the issuer of the securities, or that we are the issuer. We must also make disclosure to you where we know or should know that, as a result of our acting as your adviser, or of our exercising discretion on your behalf, securities will be purchased from or sold to us (as principal), a related issuer or, in the course of a distribution, a connected issuer.

The following is a list of the time and manner in which these disclosures must be made:

- (a) Where we exercise discretion to buy or sell securities for your account, the required disclosures will be contained in a statement which we prepare and send to you and we will obtain your prior specific and informed written consent.
- (b) Where we advise you with respect to the purchase or sale of securities, the disclosure must be made prior to our giving advice, either through the receipt of this statement or otherwise.

We may, from time to time, be deemed to be related or connected to one or more issuers for the purpose of

such disclosures and other securities laws referred to above. We may have acted, and are prepared to continue to act, as an adviser with respect to securities of such related or connected issuers and to provide the full range of services customarily provided by us in respect of securities of other issuers. We shall carry out such services in the ordinary course of our business in accordance with our usual practices and procedures and in accordance with all applicable disclosure and other regulatory requirements.

### **Additional Disclosure**

The Manager does not allow individual registrants that are directors, officers or partners of outside companies to give any financial advice on the outside companies of which the registrant is a director, officer or partner. The Manager will notify all clients of the registrant in writing of the registrant's conflict of interest.

### **Related and/or Connected Issuers**

The following entities are related and/or connected issuers to the Manager or, by reason of their relationship with Industrial Alliance Insurance and Financial Services Inc. ("Industrial Alliance") or one of its subsidiaries, may be deemed to be related and/or connected to the Manager.

#### ***Industrial Alliance Insurance and Financial Services Inc.***

Industrial Alliance indirectly owns the Manager. Industrial Alliance is a publicly-traded company listed on the TSX (IAG). Industrial Alliance is a Canadian insurance company with a diversified business ranging from wealth management to group pensions.

#### ***IA Clarington Investments Inc.***

Each of the following investment funds, as well as those investment funds generally referred to below but not listed, is a mutual fund trust or a mutual fund corporation managed by IA Clarington Investments Inc. ("IA Clarington"). IA Clarington has retained the services of Industrial Alliance Investment Management Inc. ("IAIM") to act as the adviser (portfolio manager) of all such investment funds. IA Clarington and IAIM are affiliates of the Manager.

IAIM has retained the services of the Manager to act as the sub-adviser to the following investment funds.

IA Clarington Canadian Conservative Equity Fund

IA Clarington Canadian Conservative Equity Class

IAIM has retained the services of Sarbit Advisory Services Inc. ("SASI") to act as the sub-adviser to the following investment funds. IA Clarington is an influential securityholder of SASI.

IA Clarington Sarbit Activist Opportunities Class

IA Clarington Sarbit U.S. Equity Fund

IA Clarington Sarbit U.S. Equity Class (Unhedged)

The following investment funds hold underlying investment funds advised by the Manager and certain of its affiliates.

Distinction Prudent Class

Distinction Conservative Class

Distinction Balanced Class

Distinction Growth Class

Distinction Bold Class

Please note that this statement does not list other investment funds containing the name "IA Clarington" or "Leon Frazer", which readily identifies them as related to IA Clarington (and therefore to the Manager) or to the Manager itself, respectively.

#### ***iA Investment Counsel Inc.***

Each of the following investment funds is a pooled fund managed by the Manager, which also acts as the adviser (portfolio manager) of these investment funds.

Jov Prosperity Canadian Fixed Income Fund

Jov Prosperity Canadian Equity Fund

Jov Prosperity U.S. Equity Fund

Jov Prosperity International Equity Fund

Please note that this statement does not list other pooled funds containing the name “Leon Frazer”, which readily identifies them as related to the Manager.

### **Related Registered Firms**

Securities laws require that where a registered firm has a principal shareholder, officer or director that is a principal shareholder, officer or director of another registered firm, the first firm must disclose to its clients the details of the relationship(s) and the policies and procedures adopted to minimize the potential for conflict of interest resulting from such relationship(s).

The Manager is registered: (a) in all provinces of Canada, including in Ontario under the *Securities Act* (Ontario) (the “Act”), as an adviser in the category of portfolio manager; (b) in Ontario under the Act, in Quebec and in Newfoundland and Labrador as an investment fund manager; and (c) in Ontario under the Act as a dealer in the category of exempt market dealer. The Manager is related to the following registered firms by virtue of each having Industrial Alliance as a direct or indirect holder of 10% or more of their voting securities, and in certain cases, by virtue of having directors and/or officers in common:

Industrial Alliance Securities Inc. is registered under the Act as a dealer in the category of investment dealer;

IA Securities (USA) Inc. is registered under applicable securities laws in the United States of America with the Financial Industry Regulatory Authority as a broker-dealer;

IA Clarington is registered under the Act as an adviser in the category of portfolio manager and as an investment fund manager;

IAIM is registered under the Act as an adviser in the category of portfolio manager, and as commodity trading counsel, commodity trading manager, and investment fund manager;

SASI is registered under the Act as an adviser in the category of portfolio manager;

Investia Financial Services Inc. is registered under the Act as a dealer in the categories of mutual fund dealer and exempt market dealer;

FundEX Investments Inc. is registered under the Act as a dealer in the categories of mutual fund dealer and exempt market dealer;

Forstrong Global Asset Management Inc. is registered under the Act as an adviser in the category of portfolio manager and under applicable securities laws in the United States of America as an investment adviser;

FIN-XO Securities Inc. is registered under the Act as a dealer in the category of investment dealer; and

Burgeonvest Bick Securities Limited is registered under the Act as a dealer in the category of investment dealer and as an investment fund manager.

The Manager generally carries on its activities independent of the other registered firms affiliated with it. However, from time to time there may be certain cooperative business arrangements between it and the other firms, such as arrangements relating to introduction of clients, distribution of products or administrative support.

In addition to applicable regulatory provisions and contractual provisions respecting any business arrangements that may exist between the Manager and these other firms, the directors, officers and employees of each of the firms are subject to guidelines or codes of conduct governing their actions. These guidelines are supplemented by the Manager’s internal compliance policies and procedures.

(05/2016)

## Protocol for Reducing Potential Conflicts of Interest

The relationships that bind Leon Frazer & Associates, a member of iA Investment Counsel Inc. ("LFA"), to Industrial Alliance Insurance and Financial Services Inc. ("Industrial Alliance") and its subsidiaries make it necessary to implement the policies set forth below, with a view to dealing with potential conflicts of interest and ensuring that LFA's investment decisions are made and executed in the best interest of its clients. Although certain directors and officers may exercise functions in more than one of the companies related to LFA, Industrial Alliance and LFA are operated as separate legal entities.

- a) All investment decisions regarding the purchase and sale of securities making up the client's portfolio shall be made in the normal course of LFA's activities, without intervention from Industrial Alliance or one of the entities currently associated or affiliated with Industrial Alliance. LFA shall remain autonomous in respect of the decision-making and operations regarding the management of clients' funds and the choice of their investments.
- b) Investment decisions shall be made in good faith by LFA's Portfolio Managers, without such decisions being influenced by reasons other than the best interest of LFA's clients.
- c) Neither Industrial Alliance nor any of its affiliates or their respective directors, officers and employees shall take part in or influence, directly or indirectly, the formulation of any investment advice that LFA shall give to clients. However, some of these affiliated companies may provide LFA, on request, with investment research services, and from time to time, such entities may collaborate with a view to offering products and services of interest to LFA's clients. It is understood, however, that in such cases, no information regarding the client may be exchanged without first obtaining the client's express written consent.
- d) Subject to applicable laws, LFA may, from time to time, purchase the securities of related or connected issuers for its clients' portfolios. LFA shall obtain a client's consent (i) prior to exercising the same discretionary power on behalf of the client, in respect of the securities of a related issuer, as that granted under the terms of LFA's mandate, and (ii) at the time of investment in a security (for example, as part of an initial placement of securities, such as an initial public offering, or in respect of the resale of securities subject to restrictions from an underwriter) of a connected issuer. LFA shall also obtain the client's consent in all other cases required by any applicable securities laws or regulations.
- e) When LFA produces reports for a client concerning transactions effected in the exercise of its discretionary management power, LFA shall disclose its relationship with its related and connected issuers in compliance with any applicable securities laws or regulations.
- f) LFA may, from time to time, advise its clients on the purchase and sale of investment funds of related issuers referred to herein, insofar as:
  - LFA deems that the purchase or sale is in the best interest of a client;
  - the purchase does not generate dual management fees; and
  - the prior consent of the client is obtained.

(05/2016)

## **SCHEDULE B**

### **COMPLAINT PROCESS**

#### **What to do if you have a complaint - Our Complaint Process**

##### **Filing a complaint with us**

If you have a concern regarding our services or an investment product, contact your Portfolio Manager. If your issue is not resolved to your satisfaction, please report any complaints to:

Leon Frazer & Associates, a member of iA Investment Counsel Inc.  
26 Wellington Street East, Suite 800  
Toronto, Ontario M5E 1S2  
PHONE: 416-642-6176  
FAX: 416-864-1491

Attention: [Chief Compliance Officer](#)

You may want to consider using a method other than email for sensitive information.

##### **Tell us**

- what went wrong
- when it happened
- what you expect (an apology, correction etc.)

##### **We will acknowledge your complaint**

We will acknowledge your complaint in writing, as soon as possible, within 5 business days of receiving your complaint.

We may ask you to provide clarification or additional information to help us resolve your complaint.

##### **Help us resolve your complaint sooner**

- Make your complaint as soon as possible.
- Reply promptly if we ask you for more information.
- Keep copies of all relevant documents, such as letters, emails and notes of conversations with us.

##### **We will provide our decision**

We normally provide our decision in writing, within 90 days of receiving a complaint. It will include:

- a summary of the complaint
- the findings of our review
- an explanation of our decision

##### **If our decision is delayed**

If we cannot provide you with our decision within 90 days, we will:

- inform you of the delay
- explain why our decision is delayed, and
- give you a new date for our decision

You may be eligible for the independent dispute resolution service offered by the Ombudsman for Banking Services and Investments (OBSI).

##### **If you are a Québec resident**

You may consider the free mediation service offered by the Autorité des marchés financiers.

##### **A word about legal advice**

You always have the right to go to a lawyer or seek other ways of resolving your dispute at any time. A lawyer can advise you of your options. There may be time limits for taking legal action, delays could limit your options and legal rights later on.

### **If you are not satisfied with our decision**

You may be eligible for OBSI's free and independent dispute resolution service if:

- we do not provide our decision within 90 days after you made your complaint, or
- you are not satisfied with our decision

OBSI can recommend compensation of up to \$350,000.

OBSI's service is available to clients of our firm. This does not restrict your ability to take a complaint to a dispute resolution service of your choosing at your own expense, or to bring an action in court.

### **Who can use OBSI**

You have the right to use OBSI's service if:

- your complaint relates to a trading or advising activity of our firm or by one of our representatives
- you brought your complaint to us within 6 years from the time that you first knew, or ought to have known, about the event that caused the complaint, and
- you file your complaint with OBSI according to its time limits below

### **Time limits apply**

- If we do not provide you with our decision within 90 days, you can take your complaint to OBSI any time after the 90-day period has ended.
- If you are not satisfied with our decision, you have up to 180 days after we provide you with our decision to take your complaint to OBSI.

### **Filing a complaint with OBSI**

#### **Contact OBSI**

Email: [ombudsman@obsi.ca](mailto:ombudsman@obsi.ca)

Telephone: 1-888-451-4519 or 416-287-2877 in Toronto

#### **OBSI will investigate**

OBSI works confidentially and in an informal manner. It is not like going to court, and you do not need a lawyer.

During its investigation, OBSI may interview you and representatives of our firm. We are required to cooperate in OBSI's investigations.

#### **Information OBSI needs to help you**

OBSI can help you best if you promptly provide all relevant information, including:

- your name and contact information
- our firm's name and contact information
- the names and contact information of any of our representatives who have been involved in your complaint
- details of your complaint
- all relevant documents, including any correspondence and notes of discussions with us

#### **OBSI will provide its recommendations**

Once OBSI has completed its investigation, it will provide its recommendations to you and us. OBSI's recommendations are not binding on you or us.

OBSI can recommend compensation of up to \$350,000. If your claim is higher, you will have to agree to that limit on any compensation you seek through OBSI. If you want to recover more than \$350,000, you may want to consider another option, such as legal action, to resolve your complaint.

**For more information about OBSI, visit [www.obsi.ca](http://www.obsi.ca).**

(05/2016)