

FGP RELATIONSHIP DISCLOSURE INFORMATION

FGP Relationship Disclosure Information

Private Clients

In this document we provide important information concerning the relationship between Foyston, Gordon & Payne Inc., and you, our client. To clarify, when the terms “we,” “us” or “FGP” are used in this document, we mean Foyston, Gordon & Payne Inc. When we refer to “you” or “your” we are referring to you as the holder or joint holder of an account held with us (an “Account”) and when applicable, anyone authorized to give instructions in respect of an Account. When we refer to “FGP Funds” or the “Funds” we are referring to investment funds managed by FGP.

This document will be provided to you at the time you open your Account with us or before we begin providing advice or trading services to you. If there is a significant change to the information contained in this document, we will provide you with updated information in writing as soon as reasonably possible.

Products and Services Offered

FGP is a portfolio manager for individuals, corporations, trusts, estates, institutions, pension funds, and not-for-profit organizations. We work closely with each client to establish specific investment objectives, risk tolerance parameters, and consider other unique circumstances which are incorporated into a written Investment Policy Statement or other similar document. Furthermore, our relationship managers encourage a close working relationship with your advisors including accountants, legal counsel, and financial and estate planners to ensure that long-term objectives are being met.

Discretionary portfolios may be constructed using segregated investments or FGP Funds as appropriate. Segregated portfolios are primarily constructed with individual stocks, bonds and mortgages and may be utilized for portfolios greater than \$2,000,000 at FGP’s discretion. FGP Funds may be used for all, or a portion of, a client’s portfolio in accordance with the client’s investment objectives. FGP Funds are private products managed by FGP and offered through a prospectus exemption. There is no secondary market available to FGP Funds and therefore certain redemption restrictions may apply which are described within the offering documents of each Fund.

Once investment policy guidelines have been established and provided to us, the relationship manager assumes discretionary responsibility for building, managing, and monitoring the investment portfolio in accordance with those guidelines. The services provided by FGP shall include advice on portfolio structure, the selection of suitable individual securities or suitable FGP Funds, effecting purchases and sales of securities and dealing with such matters as maturities, redemptions, subscriptions, conversion privileges, rights, warrants, proxies and any other changes relating to the client’s securities, arranging with the custodian for disbursement or the reinvestment of income, and providing statements and meetings with the client to review the portfolio holdings and transactions.

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Your Account with FGP

Use of FGP's Discretion

Most of the Accounts are managed or discretionary accounts in which we exercise discretion in selecting the assets held in your Account. Managed accounts are managed in accordance with the terms of the Investment Management Agreement entered into between you and us in connection with your Account and any applicable Investment Policy Statement or other similar document which, among other things, outlines your investment needs and objectives, financial circumstances and risk tolerance, and any amendments thereto.

In certain circumstances, we may not have discretionary authority over certain types of investments held within your Account, and this fact will be noted in your Investment Management Agreement or other documentation in relation to your Account. We will only transact on those investments based on your instructions.

FGP collects information from you upon Account opening to fulfill our "know your client" obligations under securities laws. In addition, we use and hold the information provided by you in your Account documentation to, among other things, confirm your identity and assess areas of potential conflicts of interest. We periodically update "know your client" information to ensure that we have current information regarding your investment needs and objectives, personal and financial circumstances, time horizon and tolerance and capacity for risk, to assist us in determining whether the investment actions within your Account are suitable for you and are in your best interest. We are required to assess each investment action (eg. purchases, sales, transfers where applicable) made in your Account to ensure it is suitable based on the "know your client" information you provide.

Advice from Advising Representative - Client Relationship Managers

Upon account opening, you will be assigned to either an Advising Representative (AR) or an Advising Representative - Client Relationship Manager (CRM) to provide you with investment advice and to manage your portfolio on either a discretionary or non-discretionary basis. CRMs are permitted under securities regulation to manage, on a discretionary basis, portfolios constructed of pooled funds or portfolios which follow a model that has been designed by an AR, but are not permitted to provide advice or analysis on individual securities. FGP pooled funds and model portfolios are constructed and managed by the Portfolio Managers of our investment teams.

The individual(s) currently registered as CRMs are:

- Gabriel Lopezpineda, Senior Vice President & Client Relationship Manager, Head of Institutional
- Tanya Kramarska, Vice President, Client Relationship Manager
- Mimi Majumder, Principal, Client Relationship & Business Development Manager

Custody of Your Assets

FGP does not hold physical custody of your investment assets. For your protection, your assets must be segregated and held by a custodian that is subject to regulatory oversight, minimum capital, and insurance requirements. Custodians may register securities in their name, but you are the beneficial owner of those securities.

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If you are invested in the FGP pooled funds, you own units of the Fund and those units are recorded in your name on the books and records of FGP. The Funds have a custodian and when they invest in securities the Funds register those securities in the name of the Funds' custodian, CIBC Mellon Trust Company ("CIBC Mellon") according to the custody and recordkeeping arrangements disclosed in the offering documents of the Funds.

If you invest in segregated securities (individual stocks, bonds, mortgages) with FGP, a custodian is required to custody those assets. If you do not have a relationship with a custodian we may recommend you use the custody services of CIBC Mellon. CIBC Mellon is a Canadian qualified custodian under applicable securities law and is independent of FGP. We consider the reputation, operational efficiency, and ability to deliver the services necessary for our investment strategies for the custodian we use for the FGP Funds. The Portfolio Valuation Report in your quarterly account statement package shows where your assets are held.

Investment assets held by a custodian may potentially be at risk of loss: (i) if the custodian becomes bankrupt or insolvent; (ii) if there is a breakdown in the custodian's information technology systems; or (iii) due to fraud, willful or reckless misconduct, negligence, or error of the custodian or its personnel. FGP performs regular due diligence with respect to each custodian's reputation, financial stability, relevant internal controls, and ability to deliver custodial services and believes each custodian's system of controls and supervision is sufficient to manage risks of loss to our clients in accordance with prudent business practices.

Access to Your Assets

FGP has trading authority over your assets held by the custodian which allows us to buy, sell and settle trades for securities on your behalf in accordance with your Investment Management Agreement. We may in limited circumstances also have access to your assets held by the custodian where you have granted FGP written authorization. Those circumstances may include:

- if you have granted FGP authority to transfer funds from your investment account to your bank account or third party (for pre-existing arrangements only);
- to withdrawal from your investment account to pay FGP's quarterly investment management fees; and
- if you have granted FGP authority to transfer assets between your investment accounts held at FGP.

FGP is not authorized to transfer securities or funds into or out of your investment account in any other circumstances. Granting FGP access to your assets, even in the limited circumstances set out above, exposes you to a potential risk of loss: (i) if there is a breakdown in our information technology systems; or (ii) due to fraud, willful or reckless misconduct, negligence, or error of FGP or its personnel. To reduce the risk of loss, FGP has strict operational controls and is required under securities laws to insure against the risk of loss from any access it may have to your investment assets.

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Account Fees and Fund Operating Expenses

In consideration for managing the investments in your Account, we may receive a management fee set out in your Account documentation. Aside from that ongoing management fee, if any, we do not charge additional fees to open, operate or maintain an Account. For clients who prefer a performance fee structure, we may be able to accommodate this. We will provide you at least 60 days' written notice before we impose any new or increased charge associated with the operation, transfer or termination of your Account. However, if your Account holds individual securities ("segregated portfolio") or your Account is held at a custodian, you may also be charged certain fees or expenses by third parties who provide services in relation to your Account, including any custodian that holds securities for the Account and the brokers or dealers who execute securities transactions for your Account. The fees and expenses charged to you by these parties will vary from time to time and will be deducted from your Account. Additionally, if you are working with a financial planner or investment counselor to manage your wealth, you may be charged a fee for these services in relation to your Account at FGP. The fees and expenses charged by these parties will vary from time to time and will be deducted from your Account if authorized by you.

If we invest some or all of the assets of your Account in FGP Funds or other types of investment funds, you will also bear a portion of the fees and other expenses paid by those funds. In addition, certain actions in relation to the purchase and redemption of your investment in an individual FGP Fund may be subject to a short-term trading fee, a full description of which can be found in the offering document for each FGP Fund. However, if we invest your assets in FGP Funds, FGP will ensure that the management fees paid to us by you in relation to your Account do not duplicate any similar fees received by us from the FGP Funds. The FGP Funds do not charge management fees.

Account Statements

FGP or your custodian will provide to you a quarterly statement of account containing certain information about the status of your Account, including details about each transaction/activity conducted in your Account during the time period covered by the statement and information about each security you own and the cash balance, if any, in the Account at the end of the period covered by the statement.

On an annual basis, you will receive from us a Charges and Compensation Report, detailing the charges and compensation related to your account with FGP, and an Investment Performance Report which will include annualized performance information on your account(s) since inception, as well as for the past 1, 3, 5, and 10 year periods as applicable. If your account was opened for less than 12 months, you can expect to receive annualized performance information the following year.

Use of Benchmarks

An investment performance benchmark is a standard against which the performance of your investments is compared. FGP does not provide performance benchmarks on an individual or consolidated account basis; however, we do provide performance benchmarks for each of the FGP

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Funds. The performance benchmarks that we use are those that we believe to be the most reasonable basis of comparison to evaluate each fund's performance. The benchmark for each FGP Fund is disclosed in the Investment Policy Statement for the Fund provided to each client when they open an Account and when the IPS's are updated. For the FGP Income, FGP Balanced and the FGP Private Balanced Funds we use a blended benchmark consisting of a number of indices as no individual index would provide a reasonable comparison.

Your Role In Our Relationship

It is important that you actively participate in our relationship. In particular, we encourage you to:

- Keep us fully and accurately informed regarding your personal circumstances, and promptly advise us of any change to information that could reasonably result in a change to the types of investments appropriate for you, such as a change to your income, investment objectives, risk tolerance, time horizon or net worth.
- Review the documentation and other information we provide to you regarding your Account, transactions conducted on your behalf and the holdings in your portfolio and ask us any questions you have about this information or your relationship with us.
- Please compare the records you receive from us with your custodian's periodic statements for consistency, where applicable. However, please note possible temporal differences may occur due to differing basis of preparation.

Trusted Contact Person

A trusted contact person(s) is an individual (age 19 or older) identified by you, who FGP could contact and disclose information about your account

- to address possible financial exploitation; or
- to confirm specifics of your current contact information, health status, or the identity of any legal guardian, executor, trustee, or holder of a power of attorney.

The trusted contact person is not the same as your power of attorney, another person FGP may have on its record. The power of attorney has authority to make financial decisions on your behalf under certain circumstances, such as if you become incapacitated. In contrast, your trusted contact person may have absolutely no interest in or involvement in making financial decisions and could in fact be someone FGP may reach out to if it questions whether a power of attorney is acting inappropriately.

You may designate multiple trusted contact persons. FGP is not required to contact your trusted contact person(s) but may at its discretion contact one or more of the people you have designated as trusted contact person(s). The designation of a trusted contact person is optional and you may withdraw it at any time by notifying FGP in writing. If you would like to change your trusted contact person, you may do so by providing FGP with signed, written instructions, advising the name, address,

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phone number and e-mail of your trusted contact person and indicating whether this person is in addition to or in place of any other trusted contact person(s) you have previously designated.

Temporary Account Hold

FGP may place a temporary hold on a client account in such circumstances where it has a reasonable belief that the client is unable to make financial decisions because of limited mental capacity or that the client is vulnerable and that financial exploitation is occurring, occurred or has or will be attempted. In such cases, the temporary hold will be closely monitored and a decision to release or continue the hold will be made at least every 30 days.

Your Protection as an Investor

FGP carries financial institution bond insurance with a limit of \$25 million per claim, per year, covering against various losses including but not limited to employee dishonesty, forgery, theft and other fraudulent means.

Additionally, if the assets in your Account are held directly with a custodian, there may be additional coverage available to you. Please consult the custodian directly for additional information. I

Investments held in your Account in individual securities, FGP Funds or cash balances are not considered “deposits” within the meaning of the Canada Deposit Insurance Act and are not covered by the Canadian Deposit Insurance Corporation, the Canadian Investor Protection Fund or by any other government insurance agency.

Using Borrowed Money to Make an Investment

Securities may be purchased using available cash or a combination of available cash and borrowed money. If available cash is used to pay for the securities in full, the percentage gain or loss will equal the percentage increase or decrease in the value of the securities purchased. Using borrowed money to purchase securities can magnify the gain or loss on the cash invested. The effect of this is called leveraging.

If you are considering providing us with borrowed money to make investments on your behalf, you should be aware that a leveraged purchase involves greater risk than a purchase using available cash resources only. To what extent a leveraged purchase involves undue risk is a decision that needs to be made by you and will vary depending on your personal circumstances, your risk and return objectives, and the securities or other investments purchased. The use of leverage may not be suitable for all investors.

It is also important that you are aware of the terms of any loan that is secured by securities or other investments. The lender may require that the amount outstanding on the loan does not rise above an agreed percentage of the market value of the securities or other investments. Should this occur, you will be required to pay down the loan or sell the investments so as to return the loan to the agreed percentage relationship. Money is also required to pay interest on the loan. Under these circumstances, investors who leverage their investments are advised to have adequate financial resources available both to pay interest and also to reduce the loan if borrowing arrangements require such a payment. In addition, if you

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borrow money to purchase securities, your responsibility to repay the loan and pay interest as required by its terms remains the same even if the value of the securities purchased decline.

Risks Associated with Investments

Securities laws require us to disclose the risks that should be considered when making an investment decision. Before making any investment decision, it is important to consider your investment objectives, your level of risk tolerance and the risks associated with the investment you are considering. Generally, there is a strong relationship between the amount of risk associated with a particular investment and its potential to increase in value in the long term. However, investment risks vary depending on the type of investment.

A description of the risks associated with an investment in each FGP Fund that may be held in your Account is set out in that fund's offering document and we encourage you to read those risks carefully prior to an investment in any FGP Fund.

If your Account is invested in individual securities, certain investment risks may apply depending on the types of securities you own.

Investment risks can include:

General investment risk – the risk that changes in interest rates, economic conditions, and market and company news will result in frequent and substantial changes in the value of your investments.

Capital risk – the risk that the value of an investment at the time of disposal may be significantly lower than the amount invested.

Concentration Risk – the risk that a loss is amplified from having a significant portion of your portfolio in a particular issuer (or related issuers), asset class, industry or sector.

Liquidity risk – the risk that your investment(s) may not be readily saleable.

Currency risk – the risk that securities denominated in a currency other than Canadian dollars will be affected by changes in the value of the Canadian dollar in relation to the value of the currency in which the security is denominated.

Interest rate risk – the risk to the earnings or market value of a portfolio due to uncertain future interest rates.

Business risk – the risk inherent in the operations and results of the entity or industry in which you have invested, including the risk associated with the amount of leverage or debt that the entity in which you have invested used to finance assets

Conflicts of Interest

The conflicts of interest that FGP, its employees or clients may encounter are described in the appendix.

Referral Arrangements

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We may enter into referral arrangements from time to time with third parties pursuant to which we refer clients to another entity and receive a fee or another entity refers clients to us for which we pay referral fees. You will be informed of the details of these referral arrangements, including the parties to the referral arrangement, how the referral fee for referral services is calculated and the party to whom it is paid, in a separate document.

Tax Information

Under the Intergovernmental Agreement for the Enhanced Exchange of Tax Information under the Canada-U.S. Tax Convention entered into between Canada and the United States and related proposed Canadian legislation, we are required to report certain information with respect to clients and investors in our funds who are U.S. residents and U.S. citizens (including U.S. citizens who are residents or citizens of Canada) and certain other “U.S. persons” as defined under the IGA (excluding registered plans such as RRSPs), to the CRA. The CRA will then exchange the information with the U.S. Internal Revenue Service pursuant to the provision of the Canada-U.S. Income Tax Treaty. In order to comply with these requirements, we will collect certain information from you at the time you open your Account and at other times as needed.

Canadian Anti-Spam Legislation

Under Canada’s anti-spam legislation, we are required to obtain your consent to send you emails and other electronic messages. We will typically seek this consent from you at the time you open your Account. You may withdraw your consent at any time by selecting the unsubscribe link within the email.

Client Complaint Resolution Process

The following is a summary of our Complaint Handling Process, which we have designed to help ensure that any problem or complaint that arises in the course of our relationship with you is addressed quickly and effectively. As a first step, we recommend discussing any concerns or complaints you have with the relationship manager responsible for your Account. If the relationship manager is unsuccessful in resolving your concerns, or you are uncomfortable in discussing the issue with the relationship manager for your account, you may contact our Chief Compliance Officer by e-mail at Compliance@foyston.com or by phone at (416) 362-4725.

Advising Us of a Concern or Complaint

Tell us what went wrong, when it happened, and what you expect. We will acknowledge your complaint in writing, as soon as possible, typically within five business days of receiving your complaint. We may ask you to provide clarification or more information to help us resolve your complaint. You can help us resolve your complaint sooner by making your complaint as soon as possible, replying promptly if we ask you for more information and keeping copies of all relevant documents such as letters, emails and notes of conversations with us.

We will provide our decision in writing, within a reasonable time after receiving a complaint (eg. 60 - 90 days). It will include a summary of the complaint, the results of our investigation, our decision to make an offer to resolve the complaint or deny it, and an explanation of our decision. For clients residing

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outside of Quebec, if our decision is delayed, and 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.

If you are not satisfied with our decision, you may be eligible for the independent dispute resolution service offered by the Ombudsman for Banking Services and Investments (“OBSI”).

OBSI

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 if 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. Keep in mind there are time limits for taking legal action.

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 six 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. You can contact OBSI via email: at ombudsman@obsi.ca or telephone at 1-888-451-4519 or 416-287-2877 in Toronto.

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. 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, and all relevant documents, including any correspondence and notes of discussions with us. 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.

Quebec Clients

Clients residing in Quebec can generally expect a final response to their complaint within 60 days and no later than 90 days from when the complaint was received. A summary of the Complaint Handling Process for Clients residing in Quebec can be found on our website at <https://www.foyston.com/legal>. A hard copy is available upon request.

If you are dissatisfied with our Complaint Handling Process or its outcome, you may request FGP to forward a copy of your complaint file to the Autorité Des Marchés Financiers to examine the manner in which your complaint was handled.

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