

Conflicts of Interest Disclosure Statement

**Securities legislation in Canada requires Barrantagh Investment Management Inc. (“Barrantagh”) to make certain disclosures regarding conflicts of interest. This statement is to inform you of the nature and extent of conflicts of interest that might be expected to arise between Barrantagh and its Clients.**

Barrantagh’s head office is in Toronto and was established in 1995. Barrantagh is an independent investment management company incorporated under the laws of Canada. Barrantagh is entirely owned by senior members of staff. Barrantagh is a portfolio manager providing disciplined portfolio management to individual and institutional investors. In addition, Barrantagh as investment fund manager and exempt market dealer, manages the Barrantagh Small Cap Canadian Equity Fund(“Fund”).

It is important for you to be informed about how we identify and respond to conflicts of interest to minimize their impact. We consider a conflict of interest to be any situation where the interests of a Client and those of Barrantagh are inconsistent.

Barrantagh takes reasonable steps to identify all existing material conflicts of interest and those that we would reasonably expect to arise. Barrantagh determines the level of risk for each conflict. The firm avoids situations that would result in a serious conflict of interest that would be too high a risk for Clients or market integrity. In other circumstances involving a conflict of interest, Barrantagh takes the appropriate steps to control the conflict of interest.

The Fund has an Independent Review Committee (“IRC”). The IRC reviews and advises on the conflict of interest matters that may occur. Barrantagh has policies and procedures to identify and control actual or potential conflicts of interest matters related to this fund.

The situations in which Barrantagh could be in a conflict of interest, and the way in which Barrantagh intends to respond to such conflicts, are described below.

**Referral Arrangements** – Barrantagh has in place referral arrangements whereby the referrer refers Clients to Barrantagh for a fee. Details of the referral arrangement, including the fee paid by Barrantagh to the referrer, are disclosed to the Clients being referred.

**Investments in Related or Connected Issuers** - A related issuer means a person or company that influences or is influenced by, through ownership or direction and control over voting securities, another person or company. Barrantagh is an independent firm and is not influenced by any other person or company. A person or company is connected to another person or company if a prospective purchaser of securities of the person or company may question the other’s independence. Clients may invest in the Fund where Barrantagh serves as manager; as such, the Fund may be considered Connected Issuers. If Barrantagh is recommending a Fund to a Client, Barrantagh will disclose its relationship or connection to the Fund or other connected issuer to the Client and receive the Client’s written consent.

**Conflicts of Interest Relating to Barrantagh Personnel/Personal Trading** – Barrantagh’s personnel may find themselves in situations where their personal interests’ conflict with those of a Client.

Barrantagh’s Code of Ethics and related policies and procedures establish basic principles for employee conduct which, among other things, prohibit an employee from:

* Using confidential information acquired in connection with his or her duties
* Accepting gifts, entertainment and compensation that would influence decisions to be taken while performing his or her duties
* Engaging in activities that could interfere or conflict with his or her duties.

Barrantagh does not allow any of its personnel to engage in activities outside the scope of their duties, including serving as a director of a company or other entity, without first ensuring that such activities do not compromise the interests of Barrantagh’s clients.

When Barrantagh staff invest in the same securities as Barrantagh, including its funds, there is a perceived or potential conflict of interest that the staff person may benefit from opportunities at the expense of Barrantagh’s Clients or its Fund. Barrantagh has a Code of Ethics that sets out standards for business conduct to prevent conflicts of interest and has established personal trading policies and procedures to monitor personal trades of employees, officers and directors who have access to information about Client portfolios and the Fund. Every employee is considered an Access Person and must obtain prior written approval for trades in securities in personal accounts and accounts over which they have a beneficial interest or control. Blackout periods are applied. Personal trading records are reviewed against brokerage statements and trading approvals on a quarterly basis.

**Best Execution and Soft Dollars** – When placing orders for and on behalf of Clients’ accounts, Barrantagh will select those brokers and dealers from whom they reasonably can expect to obtain the best execution (after considering all transaction costs and research or other benefits). Barrantagh does not participate in soft dollar arrangements. Copies of the best execution and soft dollar policies of Barrantagh are available on request.

**Marketing, Promotion and Sale of the Fund** - Barrantagh’s services as advisor and dealer are integrated and generally not separable from each other when it acts as dealer on the trade in the Fund. In such circumstances, Barrantagh does not receive any separate compensation for acting as a dealer on the trade. Barrantagh’s interest is in the fees paid to it by the Client or the Fund for its management and advisory services. Barrantagh may from time to time solicit orders from Canadian Clients for and trade in the Fund. Barrantagh does not receive any commission or similar selling compensation for acting as a dealer on such trades for the Fund. Barrantagh does not search for or recommend investment funds which are not sponsored or managed by Barrantagh.

**Fair Allocation Amongst Clients** – Barrantagh is appointed to act as an advisor to many Clients. It may aggregate orders for several Client accounts for the purchase of a particular security.  Unfair allocation of trades by Barrantagh is a potential conflict of interest. To avoid any potential conflicts of interest, Barrantagh has adopted trading policies designed to ensure fair allocation of securities amongst Clients. A copy of Barrantagh’s fair allocation policy is provided to new Clients before opening an account and thereafter when a significant change to the policy is made. A copy is available on request.

**Fees and Valuation** – Barrantagh charges its Clients fees for its advisory services based on a percentage of the market value of the Client’s account. Management fees for the Fund are set out in the prospectus. Barrantagh must obtain the recommendation of the IRC for any increase in these management fees as well as the prior approval of securityholders for any such increase.

Barrantagh is responsible for the valuation of its Clients’ assets and for determining the market value of the Client’s account. Valuation is a potential conflict of interest because Barrantagh’s interest in valuing a security to show good performance for obtaining a good ranking and attracting more investment may conflict with the firm’s fiduciary responsibility to its Clients to provide accurate performance calculations for investment-making purposes. Barrantagh has appointed a third-party service provider to obtain the prices of securities in Clients’ accounts and in the Fund and the net asset value of the Fund. Barrantagh has valuation policies and procedures designed to mitigate any potential conflicts of interest. Barrantagh also uses a third-party to calculate performance.

**Expense Allocation in a Fund** –All operating expenses of the Fund are allocated in an equitable manner. The management fees are charged based on the rates set out in the offering documents for the Fund or in your investment management agreement with Barrantagh. Operating expenses are allocated generally based on assets of the Fund. Barrantagh has established procedures to fairly allocate expenses across the Funds.

**Pricing Errors** – Barrantagh may have a potential conflict of interest when determining when and how to deal with a pricing error or other type of unitholder account error, due to the time, processing cost and reimbursement of investors involved. Barrantagh uses a third- party service provider to calculate net asset values of the Fund. Barrantagh has policies that establish consistent standards for the correction of discrepancies in the calculation of net asset value in the Fund and in accordance with industry guidelines.

**Proxy Voting** – Barrantagh generally has discretion in voting the portfolio securities purchased for Clients. A perceived conflict of interest arises because of the opportunity for the firm to vote securities or to agree to certain corporate actions in its own interest. To minimize this potential conflict, Barrantagh has contracted with an independent third party to provide proxy voting recommendation and voting record services. Clients may request a copy of the third party’s policies and procedures. Barrantagh does not invest in securities of issuers to exercise control over, or participate in, the management of issuers. An individual proxy voting report is available to all Clients as part of the Client quarterly report. A record of the proxy voting for the Fund is available at barrantagh.com.

**Outside Business Activities** – Barrantagh has developed policies and procedures that govern employees outside business activities and to which all employees must adhere. Barrantagh has implemented a notification and pre-approval process to restrict any outside business activity that would interfere or give the appearance of interfering with an employee’s ability to act in the best interests of Barrantagh and its Clients.

**Other Conflicts of Interest** – From time to time, other conflicts of interest may arise. Barrantagh will continue to take appropriate measures to identify and respond to such situations fairly and reasonably and in the best interests of its Clients.