

Conflicts of Interest Disclosure Statement

This disclosure statement provides clients with important information about how Leith Wheeler Investment Counsel Ltd. (“Leith Wheeler”, “we”, “our” and “us”) identifies and addresses material conflicts in the best interest in our clients.

Canadian securities laws require us to identify existing and reasonably foreseeable material conflicts of interest and address them in the best interest of our clients. The purpose of this Conflicts of Interest Disclosure Statement is to:

- provide our clients with a description of the nature and extent of the conflicts,
- the potential impact on and risk that the conflicts could pose to our clients, and
- how we address them in the best interests of clients.

What is a Conflict of Interest?

A conflict of interest includes any circumstance where:

- The interests of a client and those of Leith Wheeler or our representatives, are inconsistent or divergent.
- Leith Wheeler or our representatives may be influenced to put our or their interests ahead of a client’s interests.
- Monetary or non-monetary benefits available to Leith Wheeler or our representatives, or potential detriments to which Leith Wheeler or our representatives may be subject, may compromise the trust that a client has in us.

When is a Conflict of Interest “Material”?

When determining whether a conflict is material, Leith Wheeler considers whether the conflict may be reasonably expected to affect either or both of the following:

- The decisions of the client in the circumstances.
- The recommendations or decisions of Leith Wheeler or our representatives in the circumstances.

How are Material Conflicts of Interests Addressed?

We have policies and procedures in place which outline how we operate our business so that your interests come first. When conflicts of interest exist, we deal with them by avoiding or controlling the conflict and disclosing this to you. The following is provided to you to assist you in understanding and assessing how we address material, potential and actual conflicts of interests in your best interest.

Proprietary Products – A conflict of interest exists as we only offer our clients the Leith Wheeler Funds and strategies which are used in providing our asset management services to clients. Because we only offer our Funds, the suitability determination we conduct will not consider the larger market of non-proprietary products or whether those non-proprietary products would be better, worse, or equal in meeting a client’s investment needs and objectives. We review and monitor the suitability of the products you hold in your Account.

Fee-based Accounts – A potential conflict of interest may exist in fee-based accounts if the account holds securities with embedded compensation. We offer discretionary and non-discretionary investment Accounts which are fee-based Accounts. We earn an investment management fee which is charged as a percentage of the market value of your Account(s). All fees related to your Account(s) are disclosed in your Investment Management Agreement which you sign at the time of account opening. You are provided 60 days prior notice of any fee increases. In addition, you will receive an annual Charges and Payments report that identifies costs associated with your Account.

Compensation - A conflict of interest may exist depending upon the incentives provided to a firm’s registered representatives. Leith Wheeler does not provide our registered representatives with any incentives, bonus compensation, or compensation tied only to sales volume. Leith Wheeler provides a compensation package to all of its employees which includes profit sharing commensurate to their role and responsibilities which includes the opportunity to become a shareholder of the firm. Compensation for all employees is reviewed and approved annually by the LWIC’s Board of Directors. This structure creates a potential conflict between the interests of our clients and our Portfolio Managers because it creates an incentive for our Portfolio Managers to attract and retain new clients and increase assets managed by Leith Wheeler and could create the potential incentive for our Portfolio Managers to provide prioritized service to clients who generate the greatest revenues.

These potential conflicts are addressed through compliance by Leith Wheeler and its registered representatives with the KYC, suitability determination and fair dealing obligations under applicable securities laws and policies and procedures of Leith Wheeler. Before we open an Account for a client, purchase or sell a security or take any other investment action for a client, our registered representatives are required to take reasonable steps to ensure that the action is suitable for our client and puts our client’s interest first.

Outside Activities - A conflict of interest may arise from an employee’s involvement in an outside activity (i.e., director positions with issuers or other organizations) that could affect, or be perceived to affect, their ability to properly carry out their responsibilities at Leith Wheeler and their duties to clients. All employees involved in outside activities are required to obtain approval by the senior management team prior to accepting such position. We review all outside activities annually to determine if any conflicts arise.

Personal Trading - A conflict of interest may arise when employees trade securities in their own personal investment accounts. This could affect or be perceived to affect our Client Accounts due to the employee trading securities for their own benefit at the expense of our Client Accounts. We require all employees to obtain prior approval for trading in their personal investment accounts. If the proposed trade conflicts with that of an Account,

the employee is not permitted to carry out their trade. We conduct ongoing monitoring of all transactions in our employees' personal investment accounts.

Gifts and Entertainment – A conflict of interest may arise when our employees give or receive gifts or entertainment of significant value from clients and third parties, such as vendors or service providers. This could affect or be perceived to affect our employees as it may influence or compromise their judgement. We limit the value of gifts and entertainment and require prior approval for situations where gifts and/or entertainment exceed a certain amount.

Fee Arrangements – A conflict of interest may arise when clients are charged differing fees for the same or substantially similar services. We may negotiate and enter into different fee arrangements for products and services offered to our clients subject to our sole discretion. Fees may vary due to certain client accounts being subject to legacied fees, pre-existing client relationships and fee schedules, account size, account aggregation for fee assessment or other circumstances. We address this conflict by establishing processes to treat clients fairly, honestly and in good faith.

Fees and Valuation – A conflict of interest may exist as the fees that Leith Wheeler earns are based upon the valuation of the securities in a Client Account. We calculate our investment management fees based on a percentage of the market value of your Account. A conflict of interest may arise as Leith Wheeler is also responsible for determining the market value of the securities in your Account. We manage this conflict by using independent pricing sources and adhering to a pricing methodology to value securities. For our Funds, we outsource the net asset value calculation to a third-party provider of fund accounting services.

Referral Arrangements – Paid referral arrangements are almost always a conflict of interest. We may enter into referral arrangements where we receive or pay a referral fee. A formal referral agreement between us and any professional and/or company must be in place before clients can be referred. The terms of the agreement will be disclosed to clients in writing. Prior to making the referral, we will ensure that the other party has the appropriate qualifications to provide specific services to you. If you are referred to us by a third-party, we will ensure that our services are suitable for you. Details of any referral arrangement, including the fees we pay or receive, are disclosed to the client or prospect prior to paying or receiving the fee.

Fair Allocation Amongst Clients – A conflict of interest may arise if we were to favour one client over another in allocating available securities. We are responsible for allocating securities into your Account. We have policies and procedures in place to ensure fairness in allocation on a pro rata basis (equal proportions of the entire trade), with considerations to certain factors such as market exposure, cash availability and transaction costs to each client.

Best Execution and Use of Client Brokerage Commission - A conflict of interest may arise if we were selecting broker/dealers for our benefit or using the broker commission generated from these trades for our benefit instead of yours. We are responsible for trading securities for you. Therefore, we are responsible to selecting brokers/dealers to execute trades in the marketplace. We have policies and procedures in place to ensure that Leith Wheeler seeks best execution (after considering all transaction costs and research) for your trades and oversight to monitor all brokerage commissions generated are used to benefit our clients.

Handling Errors - A conflict of interest may arise when determining when and how to deal with a pricing error or other types of errors, as we may create the error and also remedy the error. We use independent pricing sources and adhere to a pricing methodology to value securities in your Accounts and to calculate net asset values of our proprietary Funds. We have policies in place designed to ensure that errors caused by us are consistently resolved in the best interest of our clients and/or Funds.

Proxy Voting and Other Corporate Actions - A conflict may arise where Leith Wheeler exercises our voting rights and places its interests ahead of a client's interests. To address such conflicts, we analyze each proxy vote on its own merits and, if considered significant, it is reviewed by our Portfolio Review Committee. We maintain records of how we vote securities in our clients' best interests. We also have a policy not to invest in securities of issuers for the purposes of exercising control over issuers or participating in management of issuers.

Leith Wheeler Funds – There are conflicts of interest inherent in the management of the Leith Wheeler mutual and pooled funds. The conflicts of interest are addressed by Leith Wheeler in the best interests of the Funds and, in certain circumstances, are referred to and considered by the Independent Review Committee for the mutual funds. The members of the Independent Review Committee are independent of Leith Wheeler.

Inter-fund Trading and In-Specie Transfers – Where securities are purchased by a Fund or Client Account for which we provide discretionary management ("Managed Account") at a time when another Fund or Managed account is a seller of such securities, it is an inherent conflict of interest because of the potential benefit to the Fund or Managed Account. Under Canadian securities laws, Leith Wheeler is subject to certain rules that prohibit the trading of securities between a Managed Account and a Fund, or between Managed Accounts. We have obtained regulatory relief and are permitted, with the consent of the client and subject to the conditions of the exemptive relief, to carry out these types of trades.

Other Conflicts of Interest - From time to time, other situations creating a potential conflict of interest may arise. We will continue to take the necessary measures to identify and respond to such situations fairly and reasonably, and in the best interests of our clients.

Should any additional material conflicts of interest be identified, we will inform you in a timely manner. This document will be updated should there be any change with respect to material conflicts of interest.

List of related/affiliated issuers – the following is a list of funds offered by Leith Wheeler.

Leith Wheeler Balanced Fund
Leith Wheeler Canadian Dividend Fund
Leith Wheeler Canadian Equity Fund
Leith Wheeler Carbon Constrained Canadian Equity Fund
Leith Wheeler Core Active Bond Fund
Leith Wheeler Core Bond Fund
Leith Wheeler Core Plus Bond Fund
Leith Wheeler Corporate Advantage Fund
Leith Wheeler Corporate Bond Fund
Leith Wheeler Carbon Constrained Bond Fund
Leith Wheeler Diversified Pooled Fund
Leith Wheeler Emerging Markets Equity Fund
Leith Wheeler Global Equity Fund
Leith Wheeler High Yield Bond Fund
Leith Wheeler Income Advantage Fund
Leith Wheeler Institutional BB/B High Yield Bond Fund
Leith Wheeler International Equity Plus Fund
Leith Wheeler International Pooled Fund
Leith Wheeler Long Active Bond Fund
Leith Wheeler Long Bond Pooled Fund
Leith Wheeler Money Market Fund
Leith Wheeler Multi Credit Fund
Leith Wheeler Passive US Equity Fund
Leith Wheeler Preferred Share Fund
Leith Wheeler Short Term Income Fund
Leith Wheeler Special Canadian Equity Fund
Leith Wheeler Special Global Equity Fund
Leith Wheeler Unrestricted Diversified Pooled Fund
Leith Wheeler US Dividend Fund
Leith Wheeler US Equity Fund
Leith Wheeler US Equity Non-Taxable Pooled Fund
Leith Wheeler US Equity Select Pooled Fund
Leith Wheeler US Small/Mid-Cap Equity Fund
Leith Wheeler US Small/Mid-Cap Equity Pooled Fund
Leith Wheeler US\$ Money Market Fund
Leith Wheeler Infrastructure Fund I (Pension) LP
Leith Wheeler Infrastructure Fund I LP
Leith Wheeler Infrastructure Fund II LP
Leith Wheeler Infrastructure Fund II (Pension) LP
Leith Wheeler Private Asset Fund LP