

CONFLICTS OF INTEREST

Canadian securities laws require us to take reasonable steps to identify and respond to existing and reasonably foreseeable material conflicts of interest in our clients' best interests and inform clients about them, including how the conflicts might impact clients and how we plan to address them in the best interests of our clients. This section describes the material conflicts of interest that arise or may arise in our capacity as an exempt market dealer. For material conflicts of interest associated with our activities as investment fund manager and portfolio manager of our funds, please see the Information Memorandum, term sheet or other disclosure document for the funds under the heading "Conflicts of Interest" or in other disclosure provided to investors.

What is a Conflict of Interest?

A conflict of interest may arise in circumstances where (i) our interests or those of our representatives and your interests as our client may be inconsistent or different, (ii) we or our representatives may be influenced to put our or their interests ahead of yours, or (iii) monetary or non-monetary benefits available to us, or potential negative consequences for us, may compromise the trust that you have in us.

How do we address Conflicts of Interest?

We and our representatives always seek to resolve all material conflicts of interest in your best interest. Where it is determined that we cannot address a material conflict of interest in your best interest, we and our representatives will avoid that conflict.

We have adopted policies and procedures to assist us in identifying and controlling any conflicts of interest that we and our representatives may face.

Material Conflicts of Interest

A description of the material conflicts of interest that we have identified in relation our role as an exempt market dealer, 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.

Limitation on product offering: proprietary products only

As an exempt market dealer, the investment opportunities currently available through us are limited to securities of investment funds that are managed by us (referred to as **proprietary products**). In particular, the only investment opportunities currently available through us are units of the following investment funds:

Primevestfund
Primevest Partners Fund
WestPrime Fund Limited Partnership.

Primevestfund and Primevest Partners Fund are investment funds formed by us. WestPrime Fund Limited Partnership is a limited partnership formed by us and an unrelated party. We act as investment fund manager and portfolio advisor of Primevestfund, Primevest Partners Fund and WestPrime Fund Limited Partnership, and a company controlled by us serves as the non-managing general partner of WestPrime Fund Limited Partnership. Units of these funds are sold to investors by us and other dealers in reliance on exemptions from applicable prospectus requirements. Because of our role in managing the business and affairs of these funds, the funds are considered to be connected issuers to us. Additional information about these funds is available in each fund's Information Memorandum, term sheet or other disclosure document, copies of which are available from us upon request.

Our roles in managing, advising and selling units of Primevestfund, Primevest Partners Fund and WestPrime Fund Limited Partnership will inevitably give rise to certain conflicts between our interests and yours. These conflicts of interest could mean that we are only providing you access to proprietary products because we receive compensation related to those products. In addition, our relationship with these

products may cause us to follow a ‘know your product’ process that is less robust than it otherwise would be for non-proprietary products. Our review of these products may also be conducted with a less independent view than would be done by an arm’s length party. Further, because we do not offer investments in third party products, any suitability determination conducted by us and our representatives will not consider the larger market of non-proprietary products or whether those non-proprietary products would be better, worse, or equal in meeting your investment needs and objectives.

We manage these conflicts by ensuring that we do not receive any fees or other compensation for our services as an exempt market dealer and our representatives do not receive any sales-based compensation or commissions or referral fees related to the sale of proprietary products. In addition, unless you are a “permitted client” and have requested that we not make suitability determinations for your account, we will conduct a suitability assessment to ensure that each investment is suitable for you and in your best interests, having regard to your financial and other circumstances. We also carry out periodic assessments of the products we offer, including their performance, to ensure that they remain appropriate for the range of our clients and prospective clients. Despite the steps we take to manage these conflicts, you may wish to get independent advice from a trusted professional before you consider investing in the proprietary products we offer.

Personal Trading Activities

Employee personal trading can create a conflict of interest because employees with knowledge of our trading decisions could use that information for their own benefit. We have adopted a policy to restrict and monitor personal trading by our employees, officers and directors in order to ensure that there is no conflict between such personal trading and the interests of our funds and our clients. Each of our employees, officers and directors put the interests of our clients first, ahead of their own personal self-interests. In particular, any individual who has, or is able to obtain access to, non-public information concerning the portfolio holdings, the trading activities or the ongoing investment programs of our funds, is prohibited from using such information for his or her direct or indirect personal benefit or in a manner which would not be in the best interests of our clients. These individuals also must not use their position to obtain special treatment or investment opportunities not generally available to our clients. These individuals are only allowed to make a personal trade if it falls within a general exception in our personal trading policy or if our compliance officer has determined that such trade will not conflict with the best interest of our clients. We encourage our employees, officers and directors to invest primarily through our funds, thereby reducing the amount of their personal investments and consequently, reducing the likelihood of a conflict of interest arising between us and our clients.

Outside Activities

A perceived or potential conflict of interest may arise as a result of an employee’s, officer’s or director’s activities, interests or associations outside of their position(s) with us (referred to as **outside activities**). In particular a perceived or potential conflict of interest can arise from such an individual engaging in such activities as a result of compensation received, the time commitment required or the position held by the individual in respect of the outside activities. The risk of this conflict is that outside activities may call into question or interfere with an individual’s ability to carry out their responsibilities to us or our clients or to properly provide services to us or our clients, may give rise to confusion as to which entity(ies) the individual is acting for when providing services to us or our clients, and/or place the individual in a position of power or influence over clients or potential clients.

To address this conflict, we have adopted policies and procedures that require disclosure and approval of all outside activities, disclosure of outside activities to securities regulatory authorities where required, and periodic monitoring by our compliance team to ensure compliance with such policies and procedures. Outside activities will only be approved where we determine that such activities will not interfere with the proper discharge of the individual’s duties to us and our clients.

Gifts and Entertainment

The receipt of gifts or entertainment from business partners may result in a perceived conflict as it gives rise to the perception that our representatives will favour such business partners when making investment decisions. To manage this perceived conflict of interest, we have adopted a gifts and entertainment policy, which prohibits our representatives from accepting gifts or entertainment beyond what we consider consistent with reasonable business practice and applicable laws. We set maximum thresholds for such permitted gifts and entertainment so that there cannot be a perception that the gifts or entertainment will influence decision-making.

Referral Arrangements

We may enter into referral arrangements from time to time whereby we pay or provide a fee or other benefit for the referral of a client to us or to our funds, or whereby we receive a fee or other benefit for the referral of a client to another entity. Referral arrangements may be entered into both with other registrants and with non registrants.

In all cases, the referral arrangement will be set out in a written agreement which will be entered into in advance of any referrals being made. Details of how the referral fee is calculated and paid and to whom it is paid and other required information regarding each referral arrangement will be provided to affected clients as required.

We also have policies and procedures that are designed to ensure that fees and other benefits received or paid or provided, as applicable, in connection with referral arrangements are appropriate and do not provide inappropriate incentives, and that any referral by us is in the client's best interest. We undertake periodic reviews of referral arrangements. Clients do not pay any additional charges and fees in connection with referrals, and are not obligated to purchase any product or service in connection with a referral. As at the date of this document, we do not currently have any referral arrangements in place.

Complaint Handling

Addressing a complaint by a client can create a potential conflict if we have a choice between addressing the complaint in a manner that is beneficial to us or addressing the complaint in the best interests of the client. The potential risk to you is that we act in our own business interests. To control this potential conflict, we have adopted policies and procedures for the handling of client complaints. These policies and procedures are described below under the heading "Complaints and Dispute Resolution" below.