



ALTEMA

THE BETTER INVESTING ALTERNATIVE

ALTEMA ASSET MANAGEMENT INC. RELATIONSHIP DISCLOSURE BROCHURE

1.0 INTRODUCTION AND BACKGROUND. Canadian securities laws require Altema Asset Management Inc. ('Altema') to provide you with a disclosure document that describes our relationship with you ("Client" or "you"); the services and products we offer; the fees and expenses we charge you; how we attempt to mitigate conflicts of interest, the risks that you should consider when making investments and other important information for you to consider. If there are any material changes to the Relationship Disclosure Document, we will provide you with notice of its update. If you have any questions about this document, please contact Altema directly at:

201 Portage Ave, 18th Floor
Winnipeg MB R3B 3K6
Phone: 833-658-7600
Email: info@altemafunds.com

2.0 ABOUT ALTEMA. Altema is a registered Portfolio Manager, Investment Fund Manager and Exempt Market Dealer in Manitoba, Newfoundland & Labrador and Ontario and is registered as a Portfolio Manager and Exempt Market Dealer in British Columbia. Altema is the manager of the Altema Diversified Equity Market Neutral Fund (the 'Fund'). The Fund seeks to provide consistent long-term capital appreciation and to provide Unitholders with an attractive risk-adjusted rate of return with less volatility than traditional equity markets and low correlation to major equity markets. Altema offerings to high-net worth individuals and families, as well as to corporations and trusts, are by way of (i) discretionary portfolio management services; and/or (ii) direct investments in the Fund.

2.1 DESCRIPTION OF SERVICES. As a portfolio manager Altema provides discretionary advice as to the investments in an account established by a Client. As an exempt market dealer Altema distributes units of its Fund pursuant to the provisions of National Instrument 45-106 *Prospectus Exemptions*. Altema makes a determination that every investment decision it makes is suitable for its Clients, and which places the Client's interests first. This suitability determination is made on the basis of the Client's personal and financial circumstances, investment needs and objectives, risk profile, investment knowledge and investment time horizon.

3.0 INVESTING IN RELATED FUNDS. Altema invests in its own fund, the Altema Diversified Equity Market Neutral Fund, which is a related and connected issuer to Altema, as an issuer. The suitability determination conducted by Altema and its 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 the client's investment needs and objectives. Clients will be invested in investment funds managed by Altema and the Client consents to such purchase. Altema will receive compensation from these related investment pools, primarily in the form of management and performance fees.

3.1 ALTEMA'S DUTIES. Altema has an obligation at all times to assess whether a purchase or sale of a security in the Client's account is suitable for the Client prior to executing a transaction on the Client's behalf, and which places the Client's interests first. Altema shall review the Client's personal and financial circumstances, investment needs and objectives, risk profile, investment knowledge and investment time horizon, and based upon the information provided by the Client (the "Client Information"), shall gain an understanding of the Client's personal and financial circumstances, investment needs and objectives, risk profile, investment knowledge and investment time horizon. For portfolio management Clients, pending review of the Client Information, assets deposited into the Account may be invested in short term investments, provided that Altema may cause such assets to be invested in such other investments as it deems appropriate in its discretion. Upon completion of its review of the Client Information, Altema shall proceed to implement its investment plan unless the Client has otherwise instructed Altema in writing. For portfolio management Clients, the specific risks relating to the investments held by the Client will be outlined in the Client's Investment Policy Statement.

4.0 YOUR ROLE IN OUR RELATIONSHIP. The Client confirms the accuracy and completeness of the personal information disclosed to Altema from time to time and acknowledges that such information is material to and will be relied upon by Altema in providing its services to the Client. The Client will inform Altema, in writing, of any material changes that occur from time to time in the Client's personal and financial circumstances, investment needs and objectives, risk profile, investment knowledge and investment time horizon. You confirm that the information you provide us verbally, in writing, electronically or by any other means is true and complete. You agree to notify us of any change in your personal and financial circumstances, investment needs and objectives, risk profile, investment knowledge and investment time horizon.

5.0 CUSTODIAN SERVICES.

For portfolio management Clients, your assets are held in Canada in a fully disclosed, segregated account at Interactive Brokers Canada Inc. (“IB”). IB’s offices are located at 1800 McGill College Avenue, Suite 2106, Montreal, Quebec. IB is a member of and regulated by the Canadian Investment Regulatory Organization (“CIRO”). IB is a qualified Canadian Custodian under applicable securities laws. IB is independent of Altema. The assets in your IB account are not co-mingled with other Clients’ assets. IB is a member Canadian Investor protection Fund (“CIPF”). CIPF, subject to condition and limits, safeguards your assets from the insolvency or bankruptcy of a CIRO member firm. You can find more information regarding CIPF at <https://www.cipf.ca>.

Your assets are subject to a risk of loss: (i) if IB becomes bankrupt or insolvent and CIPF coverage is insufficient to safeguard all your assets held by IB; (ii) if there is a prolonged and/or unrecoverable breakdown in IB’s information technology systems; and, (iii) due to the fraud, willful or reckless misconduct, negligence or error of IB. Altema has reviewed IB’s reputation, financial stability, relevant internal controls and ability to deliver custodial services and has concluded that IB’s system of controls and supervision is sufficient to manage risks of loss to your assets in accordance with prudent business practice.

6.0 ACCOUNT STATEMENTS AND REPORTING. For exempt market dealer Clients, you will receive a confirmation statement after making any investment and a quarterly statement summarizing your investment in the Fund.

For portfolio management Clients, you will receive a monthly statement from IB in any month in which there is a transaction which shall contain the name, quantity and total market value of each security held in your IB account, along with the total market value of all cash and securities held in the Client custodial account. If there were no transactions, you will only receive a quarterly report from IB.

For all Clients, on an annual basis at the end of each calendar year Altema will provide a summary of all compensation paid to Altema, respectively, regarding your account(s) for the preceding year and Altema will provide a report on the investment performance within your account.

7.0 FEES FOR PORTFOLIO MANAGEMENT SERVICES. In consideration of the services to be rendered by Altema, the Client shall pay or cause to be paid to Altema a Portfolio Management Fee, plus any applicable taxes, including GST, calculated in accordance with the Fee Schedule attached as Schedule ‘A’ of your Investment Management Agreement (IMA) you have signed with Altema. The Client is also responsible for any trading commissions or account fees as may be charged by the Custodian, and which has been disclosed in the Custodian’s account opening documentation. The Subscriber directs and authorizes the Portfolio Management Fees payable to Altema hereunder to be withdrawn, when due, from the Account or from any other account in respect of which the Client and Altema have entered into a Portfolio Management Agreement.

From time to time, Altema may invest in ETFs as part of its Investment Management Services. Fees may also be charged within ETFs invested within the Client’s account, which fees will vary based upon the constituent ETFs invested within the account.

If the Account invests in investment funds managed by Altema, Altema will ensure that there is no duplication of management fees payable by you.

7.1 FEES FOR THE ALTEMA FUND. The Altema Fund contains management and performance fees charged within the fund as follows:

Series	Management Fee	Performance Fee
Series A Units	2.5% per annum	20% subject to High Water Mark
Series F Units	2.0% per annum	20% subject to High Water Mark
Series I Units	2.0% per annum or as otherwise agreed to by the Manager and the holders of Series I Units	20% subject to High Water Mark
Series O Units	2.0% per annum or as otherwise agreed to by the Manager and the holders of Series O Units	20% or as otherwise agree to by the Manager and the holders of Series O units, subject to High Water Mark

A performance fee is calculated and accrued daily in respect of each Series outstanding prior to giving effect to redemptions on such date in an amount equal to the percentage specified above of the positive amount by which the Adjusted Net Asset Value of each such Unit on the Performance Valuation Date exceeds the High Water Mark of such Unit. The Performance Fee in respect of a fiscal year is payable on the last business day of such fiscal year, except in respect of Units are redeemed prior to the last business day of the fiscal year. If any Units are redeemed prior to the last business day of the fiscal year, a Performance Fee will be payable on the relevant Redemption Date in respect of each such Unit in the same manner as described above.

High Water Mark for a Unit as at any date means, initially, its subscription price, and thereafter will be adjusted from time to time to equal its Net Asset Value immediately following the payment of a Performance Fee in respect of that Unit. The High Water Mark of a Unit will be appropriately adjusted in the event of a consolidation, subdivision, redesignation or conversion of Units.

These fees are included in the net performance of the funds.

7.2 IMPACT OF FEES ON INVESTMENT RETURNS. Ongoing fees can reduce the value of your investment portfolio. This is particularly true over time, because not only is your investment balance reduced by the fee, but you also lose any return you would have earned on that fee. Over time, even ongoing fees that are small can have an impact on the value of your investment portfolio.

8.0 INVESTMENT RISKS TO CONSIDER WHEN MAKING AN INVESTMENT DECISION

8.1 LIQUIDITY. The Funds are each an exempt security and does not provide daily liquidity.

8.2 DERIVATIVES. Altema may from time-to-time employ the use of derivatives as part of its trading strategy. Derivative products are highly specialized instruments that require investment techniques and risk analyses which may differ from those associated with stocks and bonds. Derivatives are subject to a number of risks, such as interest rate risk and market risk. They also involve the risk of mispricing or improper valuation, the risk that changes in the value of the derivative may not correlate perfectly with the underlying reference security and the risk that the counterparty may not honour its obligation. Derivatives may be highly illiquid and the use of derivatives could result in a loss of more than the principal amount invested.

8.3 LEVERAGING/BORROWING TO INVEST. Using borrowed money to finance the purchase of securities involves greater risk than a purchase using cash resources only. If you borrow money to purchase securities, your responsibility to repay the loan and pay interest as required by its terms remain the same even if the value of the securities purchased declines. Borrowing money to invest is risky. The Client acknowledges borrowing to invest should only be considered if the Client has stable income, is comfortable with taking risk, is comfortable taking on debt to buy investments that may go up or down in value and is investing for the long term. Conversely, the Client acknowledges that borrow to invest should not be considered if the Client has a low tolerance for risk, is investing for a short period of time, intends to rely on income from investments to pay living expenses or repay the loan.

8.4 ALTEMA FUNDS. Altema's fund is an exempt security, and they are by their nature investments that have a greater deal of risk than other investments. Investment in an Exempt Security is not guaranteed in any way. There is no market for the Exempt Securities offered by Altema and such Exempt Securities are subject to certain restrictions on re-sale and you may be unable to dispose of such Exempt Securities.

8.5 RISKS ASSOCIATED WITH INVESTMENTS. Attached as schedule 'A' is a list of risk factors associated with investments in Altema's Funds and for investing in general.

9.0 USE OF BENCHMARKS. Altema will provide relevant benchmark comparisons in our individual Client portfolios, upon request.

10.0 FAIRNESS IN ALLOCATIONS. Altema confirms that in the event that securities are purchased for the accounts of more than one Client of Altema (a 'block trade') and an insufficient number of securities are available to satisfy the purchase order, the securities available will be allocated to the extent possible pro rata to the size of the Client's accounts taking into consideration the Client Information.

11.0 SOFT DOLLARS: Altema does not enter into any soft dollar arrangements.

12.0 PRIVACY. Altema will its best efforts to ensure that it does not disclose to any third parties such confidential information. Altema uses Microsoft Office 365's OneDrive Cloud service to store all electronic files. Your personal data may be stored at a secure location in Canada or the United States and may be subject to review by Canadian or United States regulators. For further information, please discuss with the Privacy Officer at info@altemafunds.com or by calling 833-658-7600. Altema's privacy policy can be found on the website at: altemafunds.com

13.0 CONFLICTS OF INTEREST. From time to time Altema may be involved in matters where its interests are conflicted to the interests of its Clients. Altema has developed policies and procedures in order to identify conflict and potential conflict of interest matters. Once a conflict has been identified Altema has developed guidelines that involve taking steps to remove the conflict, or, if not possible, to take steps to minimize the impact of the conflict and provide appropriate disclosure to all affected parties. See schedule B for the Conflicts of Interest Statement of Disclosure.

14.0 COMPLAINT HANDLING AND DISPUTE RESOLUTION. If the Client has a complaint or concern regarding Altema's services, the Client is to forward these to the Altema Chief Compliance Officer. Altema will provide an initial response within 5 days of receipt, will advise you of the availability of the Ombudsman for Banking Services and Investments ("OBSI"), a free and independent dispute resolution service, and will provide you with a final decision or proposed resolution within 90 days of receipt. Should the Client not be satisfied with Altema's decision or proposed resolution, Altema will then advise that the Client may be eligible to use OBSI. OBSI may be contacted by email at ombudsman@obsi.ca or by telephone at 1-888-451-4519. OBSI works confidentially, in an informal manner and a lawyer is not required. OBSI will investigate your matter and may interview the Client and representatives of Altema. Altema will cooperate with OBSI's investigations. OBSI will then provide its recommendation which is not binding on Altema. For more information regarding OBSI, please view the OBSI website at www.obsi.ca.

15.0 TRUSTED CONTACT PERSON AND TEMPORARY HOLDS. By choosing to provide information about a trusted contact person, you authorize Altema to contact the trusted contact person and disclose information about your accounts to that person in the following circumstances:

- (a) possible financial exploitation of yourself;

- (b) concerns about your mental capacity as it relates to your financial decision making or lack of decision making;
- (c) the name and contact information of any of the following:
 - a. a legal guardian of yourself,
 - b. an executor of an estate under which you are a beneficiary;
 - c. a trustee of a trust under which you are a beneficiary, or
 - d. any other personal or legal representative of yourself; or
- (d) your current contact information.

Temporary Holds. A temporary hold means a hold that is placed by Altema on the purchase or sale of a security on your behalf or on the withdrawal or transfer of cash or securities from your account. Altema will only place a temporary hold on your accounts if we reasonably believe that:

- (a) you are a vulnerable Client; and
- (b) you have been financially exploited, financial exploitation is occurring, has been attempted or will be attempted; or
- (c) we reasonably believe that you do not have the mental capacity to make decisions involving financial matters.

Should a temporary hold be placed on your accounts we will provide you notice of the temporary hold and the reasons for the temporary hold as soon as possible. We will continue to review the relevant facts on an ongoing basis in order to determine if continuing the hold is appropriate. Within 30 days of placing the temporary hold and, until the hold is revoked, we will update you on a monthly basis to inform you if we have revoked the temporary hold or provide you with notice of our decision to continue the hold, and the reasons for that decision.

SCHEDULE A - RISKS ASSOCIATED WITH INVESTMENTS

You could lose all the money you invest. Only investors who can reasonably afford the risk of loss of their entire investment should consider the purchase of units in the Altema Funds. Certain risks associated with the purchase of units are described below.

Risks Associated with an Investment in the Altema Funds

General Investment Risk

The Net Asset Value of the Fund and the Series Net Asset Value of the Units will vary directly with the market value and return of the investment portfolio of the Fund. There can be no assurance that the Fund will not incur losses. There is no guarantee that the Fund will earn a return.

Fees and Expenses

The Fund is obligated to pay fees, brokerage commissions and legal, accounting, filing and other expenses regardless of whether or not it realizes profits.

Income

An investment in the Fund is not suitable for an investor seeking cash distributions from such investment.

Tax Liability

The Fund is not required to, and does not intend to, distribute its income in cash. If the Fund has taxable income for Canadian federal income tax purposes for a fiscal year, such income will be distributed to Unitholders in accordance with the provisions of the Trust Agreement and reinvested in additional Units unless a Unitholder specifically requests that distributions be paid in cash. Unitholders will be required to include all such distributions in computing their income for tax purposes, even if cash may not have been distributed to such Unitholders. Since Units may be acquired or redeemed on a monthly basis and distributions of taxable income of the Fund to Unitholders are anticipated only to be made on annual basis, such distributions to a particular Unitholder may not correspond to the economic gains and losses which such Unitholder may experience.

Operating History for the Fund

Although persons involved in the management of the Fund and the service providers to the Fund have had long experience in their respective fields of specialization, the Fund had no operating or performing history before October 2018. Investors should be aware that the past performance by those involved in the investment management of the Fund should not be considered as an indication of future results.

Not a Public Mutual Fund

The Fund is not subject to the restrictions placed on public mutual funds to ensure diversification and liquidity of the Fund's portfolio.

Not a Trust Company

The Fund is not a trust company and, accordingly, is not registered under the trust company legislation of any jurisdiction. Units are not "deposits" within the meaning of the *Canada Deposit Insurance Corporation Act* (Canada) and are not insured under provisions of that statute or any other legislation.

Nature of Units

The Units are neither fixed income nor equity securities. An investment in Units does not constitute an investment by Unitholders in the securities included in the portfolio of the Fund. Unitholders will not own the securities held by the Fund by virtue of owning Units of the Fund. Unitholders will not have the statutory rights normally associated with ownership of shares of a corporation including, for example, the right to bring "oppression" or "derivative" actions.

Changes in Investment Strategy

The Manager may alter the Fund's investment strategies and restrictions without prior approval by Unitholders to adapt to changing circumstances.

Limited Ability to Liquidate Units

There is no formal market for Units and one is not expected to develop. This offering of Units is not qualified by way of prospectus, and consequently the resale of Units is subject to restrictions under applicable securities legislation. In addition, Units may not be assigned, encumbered, pledged, hypothecated or otherwise transferred except with the prior written consent of the Manager, which may be withheld in the Manager's sole and absolute discretion. Accordingly, it is possible that Unitholders may not be able to resell their Units other than by way of redemption of their Units at any Valuation Date which redemption will be subject to the limitations described under "Redemptions". Unitholders may not be able to liquidate their investments in a timely manner. As a result, an investment in the Units is suitable only for sophisticated investors who do not require liquidity for their investment and are able to bear the financial risk of the investment for an extended period of time.

Valuation of the Fund's Investments

Valuation of the portfolio securities and other investments may involve uncertainties and judgmental determinations and, if such valuations should prove to be incorrect, the Net Asset Value of the Fund and the Series Net Asset Value per Unit could be adversely affected. Independent pricing information may

not at times be available regarding certain of the Fund's securities and other investments. Valuation determinations will be made in good faith in accordance with the Trust Agreement.

Unitholders not Entitled to Participate in Management

Unitholders are not entitled to participate in the management or control of the Fund or its operations. Unitholders do not have any input into the Fund's trading. The success or failure of the Fund will ultimately depend on the indirect investment of the assets of the Fund by the Manager, with which Unitholders will not have any direct dealings.

Reliance on Manager

Unitholders will be relying on the ability of the Manager to actively manage the Fund. The Manager will make the actual trading decisions upon which the success of the Fund will depend significantly. No assurance can be given that the trading approaches utilized by the Manager will prove successful. There can be no assurance that satisfactory replacements for the Manager will be available, if the Manager ceases to act as such. Termination of the Manager will expose investors to the risks involved in whatever new investment management arrangements can be made.

Dependence of Manager on Key Personnel

The Manager will initially depend, to a great extent, on the services of Salvatore (Sam) Pellettieri. The loss of such individual for any reason could impair the ability of the Manager to perform its management activities on behalf of the Fund.

Possible Effect of Performance Fees

The Manager may receive a Performance Fee based on the performance of the Fund's investment portfolio. Such Performance Fee arrangements may create an incentive to make investments that are riskier or more speculative than would be the case if such arrangements were not in effect. In addition, because a performance-based fee will be calculated on a basis which includes unrealized appreciation of portfolio assets, it may be greater than if such fee were based solely on realized gains.

Potential Indemnification Obligations

Under certain circumstances, the Fund might be subject to significant indemnification obligations in favour of the Manager and other service providers. The Fund will not carry any insurance to cover such potential obligations and, to the Manager's knowledge, none of the foregoing parties will be insured for losses for which the Fund has agreed to indemnify them. Any indemnification paid by the Fund would reduce the Net Asset Value of the Fund and, by extension, the Series Net Asset Value of the Units.

Possible Effect of Redemptions

Substantial redemptions of Units from the Fund could require the Fund to liquidate positions more rapidly than otherwise desirable to raise the necessary cash to fund redemptions and achieve a market position appropriately reflecting a smaller asset base. Such factors could adversely affect the value of the Units redeemed and of the Units remaining.

Potential Liability of Unitholders

The Trust Agreement provides that no Unitholder shall be subject to any liability whatsoever, in tort, contract or otherwise, to any person in connection with the investment obligations, affairs or assets of the Fund and all such persons shall look solely to the Fund's assets for satisfaction of claims of any nature arising out of or in connection therewith. There is a risk, which is considered by the Manager to be remote in the circumstances, that a Unitholder could be held personally liable, notwithstanding the foregoing statement in the Trust Agreement, for obligations of the Fund to the extent that claims are not satisfied out of the assets of the Fund. It is intended that the operations of the Fund will be conducted in such manner so as to minimize such risk. In the event that a Unitholder should be required to satisfy any obligation of the Fund, such Unitholder will be entitled to reimbursement from any available assets of the Fund.

Lack of Independent Experts Representing Unitholders

Each prospective investor should consult his or her own legal, tax and financial advisors regarding the desirability of purchasing Units and the suitability of investing in the Fund.

Possible Negative Impact of Regulation of Hedge Funds

The regulatory environment for hedge funds is evolving and changes to it may adversely affect the Fund. To the extent that regulators adopt practices of regulatory oversight in the area of hedge funds that create additional compliance, transaction, disclosure or other costs for hedge funds, returns of the Fund may be negatively affected. In addition, the regulatory or tax environment for derivative and related instruments is evolving and may be subject to modification by government or judicial action that may adversely affect the value of the investments held by the Fund. The effect of any future regulatory or tax change on the portfolio of the Fund is impossible to predict.

Certain US Taxation Risk

Pursuant to new US tax rules, Unitholders of the Fund may be required to provide identity and residency information to the Fund, which may be provided by the Fund to US tax authorities in order to avoid a US withholding tax being imposed on US and certain non-US source income and on proceeds of disposition received by the Fund or on certain amounts (including distributions) paid by the Fund to certain Unitholders.

Risks Associated with the Altema Funds Underlying Investments

Investment and Trading Risks in General

All trades made by the Manager risk the loss of capital. The Manager may utilize trading techniques or instruments, which can, in certain circumstances, maximize the adverse impact to which the Fund may be subject. No guarantee or representation is made that the Fund's investment program will be successful, and investment results may vary substantially over time. Many unforeseeable events, including actions by various government agencies, and domestic and international economic and political developments may cause sharp market fluctuations which could adversely affect the Fund's portfolio and performance.

General Economic and Market Conditions

The success of the Fund's undertaking may be affected by general economic and market conditions, such as interest rates, availability of credit, inflation rates, economic uncertainty, changes in laws, and national and international political circumstances. These factors may affect the level and volatility of securities prices and the liquidity of the Fund's investments. Unexpected volatility or illiquidity could impair the Fund's profitability or result in losses.

Composition of Portfolio

The composition of the securities held by the Fund, taken as a whole, may vary widely from time to time and may be concentrated by commodity, industry or geography, resulting in the securities held by the Fund being less diversified than anticipated. Overweighting investments in certain sectors or industries involves risk that the Fund will suffer a loss because of declines in the prices of securities in those sectors or industries.

Portfolio Turnover

Portfolio securities may be sold without regard to the time they have been held when, in the opinion of the Manager, investment considerations warrant such action. While not expected, a higher rate of portfolio turnover would involve correspondingly greater expenses than a lower portfolio turnover rate.

Liquidity of Underlying Investments

It is possible that the Fund may not be able to sell some of its investments without facing substantially adverse prices.

Availability of Investment Strategies

The identification and exploitation of the investment strategies pursued by the Fund involves a high degree of uncertainty. No assurance can be given that the Manager will be able to locate suitable investment opportunities in which to deploy all of the Fund's capital.

Foreign Securities

Investments in obligations of foreign entities and instruments denominated in foreign currencies involve risks not normally associated with domestic investment such as currency fluctuations, investment controls and political events.

Sector Risk

To the extent that the Fund has concentrated positions in any one sector of the economy, it will be subject to risk factors that are specific to that sector, thereby increasing overall risk to the Fund's portfolio. For example, the assets, earnings and share values of companies involved in the natural resource industry are subject to risks associated with the world price of energy, forces of nature, economic cycles, commodity prices, exchange rates, political events, changes in fiscal regimes, unexpected results of exploration, drilling and reservoir performance and results surprises (earnings, drilling, strategies etc.).

General Derivatives Risk

The Fund may use derivative financial instruments, including, without limitation, credit default swaps, options, futures, forwards, interest rate swaps, and cross-currency swaps and may use derivative techniques for hedging and for trading purposes, including for the purpose of obtaining the economic benefit of an investment in an entity without making a direct investment. The risks posed by such instruments and techniques, which can be extremely complex, include, in addition to the risks outlined above: (i) legal risks (the characterization of a transaction or a party's legal capacity to enter into it could render the financial contract unenforceable, and the insolvency or bankruptcy of a counterparty could pre-empt otherwise enforceable contract rights); (ii) operations risk (inadequate controls, deficient procedures, human error, system failure or fraud); (iii) documentation risk (exposure to losses resulting from inadequate documentation); (iv) liquidity risk (exposure to losses created by inability to prematurely terminate the derivative or a cease trade order being issued in respect of the underlying security); (v) investment risk arising from the disappearance of any conversion premium due to premature redemptions, changes in conversion terms or changes in issuer's dividend policy; and (vi) lack of liquidity during market panics.

Although a derivative hedge reduces risk, it does not eliminate risk entirely. Use of derivatives for hedging purposes involves certain additional risks, including (i) dependence on the ability to predict movements in the price of the securities hedged; (ii) imperfect correlation between movements in the securities on which the derivative is based and movements in the assets of the underlying portfolio; and (iii) possible impediments to effective portfolio management or the ability to meet short-term obligations because of the percentage of a portfolio's assets segregated to cover its obligations. In addition, by hedging a particular position, any potential gain from an increase in value of such position may be limited.

Leverage

The Fund may use financial leverage by borrowing funds against the assets of the Fund. Leverage increases both the possibilities for profit and the risk of loss for the Fund. From time to time, the credit markets are subject to periods in which there is a severe contraction of both liquidity and available leverage. The combination of these two factors can result in leveraged strategies being required to sell positions typically at highly disadvantageous prices in order to meet margin requirements, contributing to a general decline in a wide range of different securities. Illiquidity can be particularly damaging to leveraged strategies because of the essentially discretionary ability of dealers to raise margin requirements, requiring leveraged strategy to attempt to sell positions to comply with such requirements at a time when there are effectively no buyers in the market at all or at any but highly distressed prices. These market conditions have in the past resulted in major losses to a substantial number of private investment funds. Should such conditions recur, Unitholders will be solely reliant upon the ability and experience of the Manager to limit losses to the Fund.

Commodity Price Risk

The price of commodities can be affected by a variety of factors, such as the global economy, weather, politics, and OPEC policy. The Manager employs a number of approaches to mitigate these risks.

However, there can be no assurances that losses due to unexpected commodity price fluctuations will not occur.

Options

It is the intention of the Fund to use options selectively as a return enhancement and portfolio hedging tool. In certain circumstances, the Fund may elect to sell options, as a part of its overall investment strategy. Selling call and put options is a highly specialized activity and entails greater than ordinary investment risk. The risk of loss when purchasing an option is limited to the amount of the purchase price of the option, however investment in an option may be subject to greater fluctuation than an investment in the underlying security. In the case of the sale of an uncovered option there can be potential for an unlimited loss. To some extent this risk may be hedged by the purchase or sale of the underlying security.

Short Sales

Selling a security short (“shorting”) involves borrowing a security from an existing holder and selling the security in the market with a promise to return it at a later date. Should the security increase in value during the shorting period, losses will incur to the Fund. There is in theory no upper limit to how high the price of a security may go. Another risk involved in shorting is the loss of a borrow, a situation where the lender of the security requests its return. In cases like this, the Fund must either find securities to replace those borrowed or step into the market and repurchase the securities. Depending on the liquidity of the security shorted, if there are insufficient securities available at current market prices, the Fund may have to bid up the price of the security in order to cover the short position, resulting in losses to the Fund. Moreover, the borrowing of securities entails the payment of a borrowing fee. There is no assurance that a borrowing fee will not increase during the borrowing period, adding to the expense of the short sale strategy.

Interest Rate Risk

It is the intention of the Manager to hedge the majority of term interest rate risk through the use of short government positions and/or interest rate swaps. Hedging relationships can break down for large moves in underlying rates, and may require regular re-balancing. To the extent the Manager elects not to, or is unable to completely hedge our interest rate risk, the Fund may be adversely impacted by movements in interest rate risk.

Currency and Exchange Rate Risk

It is the intention of the Fund to include currency instruments in its investment strategy. Gains or losses in different currency positions could be hedged or unhedged. Thus, changes in currency exchange rates may affect the value of the Fund.

Counterparty and Settlement Risk

Although the counterparties with which the Fund effect transactions are primarily regulated entities and are subject to independent credit evaluation and regulatory oversight, a large majority of the markets in which the Fund will effect its transactions may be “over the counter” or “interdealer” markets. This exposes the Fund to the risk that a counterparty will not settle a transaction in accordance with its terms and conditions because of a dispute over the terms of the contract or because of a credit or liquidity problem, thus causing the Fund to suffer a loss. In addition, in the case of a default, the Fund could become subject to adverse market movements while replacement transactions are executed. Such “counterparty risk” is accentuated for contracts with longer maturities where events may intervene to prevent settlement, or where the Fund has concentrated its transactions with a single or small group of counterparties. The Fund is not restricted from dealing with any particular counterparty or from concentrating any or all of its transactions with one counterparty, however the Manager intends to effect all or substantially all of its transactions with Canadian Schedule I banks.

Moreover, neither the Fund nor the Manager has an internal credit function which evaluates the creditworthiness of its counterparties. The ability of the Fund to enter into an agreement with any one or number of counterparties, the lack of any meaningful and independent evaluation of such counterparties’ financial capabilities and the absence of a regulated market to facilitate settlement may increase the potential for losses by the Fund.

Custody Risk and Broker or Dealer Insolvency

The Fund may not control the custodianship of all of its securities. The Fund’s assets will be held in one or more accounts maintained for the Fund by its prime brokers or at other brokers. Such brokers are subject to various laws and regulations in various jurisdictions that are designed to protect their customers in the event of their insolvency. However, the practical effect of these laws and their application to the Fund’s assets are subject to substantial

limitations and uncertainties. Because of the large number of entities and jurisdictions involved and the range of possible factual scenarios involving the insolvency of a prime broker or any sub-custodians, agents or affiliates, it is impossible to generalize about the effect of their insolvency on the Fund and its assets. Investors should assume that the insolvency of any of the prime brokers or such other service providers would result in the loss of all or a substantial portion of the Fund's assets held by or through such prime broker and/or the delay in the payment of withdrawal proceeds.

Concentration

To the extent that the Fund takes concentrated positions, there is less diversification and therefore greater risk of loss to the Fund from any one position.

Cyber Security Risk

With the increased use of technology in the course of business, the Funds are susceptible to operational, information security and related risks. Generally, cyber security incidents can result from deliberate attacks or unintentional events that threaten the integrity, confidentiality or availability of the Fund's information resources. A cyber security incident includes, but is not limited to, gaining unauthorized access to the Funds' electronic systems (e.g., through hacking or malicious software) to corrupt data, disrupt business operations or steal confidential or sensitive information, or may involve denial of service attacks which may cause system failures and disrupt business operations. Failures or breaches of the electronic systems of the Fund, Manager, other service providers (e.g., transfer agent, custodian, sub-custodians and prime brokers) or the issuers of securities in which the Fund invests have the ability to cause disruptions and negatively impact the Fund's business operations. These disruptions could potentially result in financial losses, interference with the Fund's ability to calculate their net asset values, impediments to trading, inability of the Fund to process transactions including redeeming units, violations of applicable privacy and other laws, regulatory fines, penalties, reputational damage, reimbursement or compensation or additional compliance costs associated with corrective measures. Similar adverse consequences could result from cyber security incidents affecting the issuers of securities in which the Fund invests and counterparties with which the Fund engages in transactions. In addition, substantial costs may be incurred to prevent any cyber security incidents in the future. While the Funds have established business continuity plans and risk management systems seeking to address system breaches or failures, there are inherent limitations in such plans and systems and there is no guarantee that such efforts will succeed. Furthermore, the Funds cannot control the cyber security plans and systems of the Funds' service providers or issuers of securities in which the Fund invests.

SCHEDULE B – CONFLICTS OF INTEREST

At Altema (Altema) our goal is to be acting in our Client's best interests at all times and these new rules require us to provide enhanced disclosure so that you have greater visibility of our efforts to always act in your best interests.

Altema is a registered Portfolio Manager, Investment Fund Manager and Exempt Market Dealer in Manitoba, Newfoundland & Labrador and Ontario and is registered as a Portfolio Manager and Exempt Market Dealer in British Columbia.

Conflicts of Interest: What exactly is a conflict of interest? A conflict of interest means that there is an influence which may affect the decision we, as your portfolio manager would make in the management of your account, or conversely it may affect the decision that you, as the Client, would make regarding your account with us.

How We Manage of Conflicts of Interest: In general, we deal with and manage relevant conflicts as follows: **Avoidance:** This includes avoiding conflicts that are prohibited by law as well as conflicts that cannot effectively be addressed. **Control:** We manage acceptable conflicts through means such as policies and procedures. **Disclosure:** By providing you with information about conflicts, you are able to assess their significance when evaluating our services. At Altema, we have adopted policies and procedures to assist in identifying conflicts of interest. Conflicts deemed too significant to be addressed through controls or disclosures will be avoided. If the conflict cannot be avoided, we will control the conflict with policies and processes, and where it will assist in managing the conflict, we will provide disclosure to you in order to explain how we manage the conflict in your best interests. This disclosure will assist you in helping to understand the nature of your relationship with Altema.

Specific Material Conflicts of Interest: Our existing or reasonably foreseeable material conflicts of interest are described below. We are also disclosing those potential conflicts that we avoid, in order to better explain how we put the best interests of our Clients first. *Conflicts Arising from Proprietary Products:* Altema is the investment fund manager and portfolio manager for the Altema Diversified Equity Market Neutral Fund (the 'Fund') which is utilized in Altema managed Client accounts and through direct subscription of the Fund. Altema manages this conflict as we disclose the nature of our relationship with the Funds and obtain your consent prior to the purchase of the Fund. *Conflicts Arising from Third-party Compensation:* From time to time, Altema may be compensated directly or indirectly by issuers and manufacturers. Altema manages this conflict by providing disclosure to our portfolio management Clients at the time of account opening. *Conflicts in Fee-Based Accounts:* Altema does not charge fees to any portfolio management Clients. The fees contained in the Fund are disclosed to all Clients for all portfolio management Clients and all direct purchase Clients. *Conflicts Between Clients:* Altema manages this conflict for portfolio management Clients as it discloses to its Clients that services are not exclusive at the time of account opening as well as being provided disclosure of our Fairness in the Allocations policy. *Conflicts Related to Referral Arrangements:* Altema manages this conflict as whenever we enter into a referral arrangement with a third party, detailed disclosure of the referral arrangement is provided to our Clients, and all referred Clients are required to provide their consent to, and acknowledgement of, the referral arrangement. *Conflicts Arising from Having Full Control or Authority Over the Financial Affairs of a Client:* Altema avoids this conflict as it does not have any individuals who have full control or authority over the financial affairs of a Client and Altema would not permit this situation to occur. *Conflicts Arising from Individuals Who Serve on Public Boards and Outside Business Activities:* Altema avoids the conflict of interest where an individual serves on the board of a public company as no employees of Altema currently serve on any public boards. Regarding outside activities, Altema manages this conflict as all outside business-related roles or relationships, such as directorships or trusteeships of any kind, or paid or unpaid roles with charitable organizations, must be approved by Altema. Where such relationship may give rise to a situation where our Clients should be made aware of the outside business activity, Clients will be provided with disclosure of the outside activity. *Trade Execution – Use of Client Brokerage Commission (Soft Dollars):* Altema does not enter into any soft dollar arrangements. *Trading and Pricing Errors:* Altema controls this conflict by having a policy of when there is an instance of a material trading or pricing error caused by an employee of Altema, and where a Client or the Fund has been negatively impacted, the Client or the Fund is made whole. *Personal Trading, Use of Inside Information for Personal Gain and Gifts and Entertainment:* Altema avoids this conflict overall as the principals of Altema are invested in the Fund alongside their Clients. Altema controls these conflicts as when we invest in the same securities as our Clients, we have a Code of Ethics that prohibits the use of inside of information and has established personal trading policies and procedures to monitor personal trades. The Code requires pre-clearance and reporting of personal securities transaction and employees provide an annual acknowledgement of compliance with the Code. Altema has a Gift Policy which requires all gifts above \$200 be formally approved. *Valuation of Portfolio Securities:* Altema controls this conflict as valuations of Client holdings are determined by third parties and from publicly available market data.