



The purpose of this document is to provide you with information pertaining to conflicts of interest as required by applicable securities laws. Any phrase using the terms “we”, “us”, or “our” refer to Value Partners Investment Counsel (VPIC), an operating division of Value Partners Investments Inc. (VPII).

Actual, potential, and perceived conflicts of interest are present every day in our interactions with others. Our relationship with you is no different. We operate a business and have a responsibility to maximize the economic benefit to our shareholders and other stakeholders. We also have an obligation to you, to adhere to the highest ethical standards in managing your money. Our mission as a firm is to build client wealth and we believe that the best way to achieve our mission is to always put your best interests first and earn your business as a trusted advisor.

The general types of conflicts of interest which can arise are:

- Conflicts of interest between you and us,
- Conflicts of interest between you and our other clients, and
- Conflicts of interest between us and our related and associated companies.

## Management of Conflicts of Interest

In general, we deal with and manage relevant conflicts as follows:

- **Avoid:** In situations where conflicts cannot be effectively addressed or where conflicts are prohibited by law, we will avoid them.
- **Control:** We will establish robust policies and procedures to provide standard operating procedures and guidelines on managing certain conflicts.
- **Disclose:** We will provide you with information about certain conflicts so that you are able to independently assess their significance when evaluating our recommendations and actions.

Our goal is to address conflicts in a fair, equitable and transparent manner, consistent with the best interest of our clients. We will try to avoid conflict where possible, and in all other cases either disclose the conflict or manage it through internal controls and review processes. Conflicts deemed too significant to be addressed through controls or disclosures will be avoided. Disclosures will be made in a timely and understandable manner.

The following information is intended to assist you in understanding and assessing actual, potential and perceived conflicts of interest that are material in nature and how we have chosen to address them.

We understand that this is a complex subject matter. If you ever have any questions or concerns, whether they involve conflicts of interest or anything else, please feel free to contact us at [info@vpinvestmentcounsel.ca](mailto:info@vpinvestmentcounsel.ca) or 1-844-807-8562.

# CONFLICTS OF INTEREST DISCLOSURE STATEMENT

JUNE 30, 2021



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POTENTIAL CONFLICT OF INTEREST	HOW WE ADDRESS THE CONFLICT
<p><b>Proprietary Products</b></p> <p>We may recommend internally managed investment funds (the 'VPI Pools') which are related issuers and considered Proprietary Products.</p>	<p>We disclose the nature of our relationship with the VPI Pools as well as any associated investment restrictions and obtain your consent prior to the purchase of the VPI Pools.</p> <p>We have several investment options available that we may consider suitable for you based on your personal financial circumstances. This may include a recommendation to invest your account in one or more of the VPI Pools.</p> <p>Any investment recommendation considered appropriate for your account is subject to the same due diligence, selection and ongoing monitoring process. If our recommendation is to invest in the VPI Pools, it will be because we believe it to be in your best interests as the most suitable option available.</p> <p>Our employees are not compensated based on the type of investments held in your account(s) and there is no incentive for them to invest your account in one investment option over another.</p>
<p><b>Referral Arrangements</b></p> <p>We may pay a referral fee to affiliates or third parties that refer you to us.</p> <p>In some circumstances, these referring parties may also benefit from an ownership stake in our parent company, VPGI.</p>	<p>We have standard fee schedules and service offerings for all clients so that the fees you pay and the services you receive are not impacted by the referral fee we pay to referral agents.</p> <p>You receive written disclosure of the terms of the referral agreement, including disclosure of any referral fee being paid and the ownership stake of the referring party, if any.</p>
<p><b>Related Registrants and Issuers</b></p> <p>There is the potential for conflicts between our related parties and related registrants and/or issuers.</p>	<p>We have policies in place to minimize conflicts of interest and provide disclosures to clients to assist in addressing conflicts of interest. Our related registrants and issuers are disclosed to clients at time of account opening and clients are updated when there are material changes to this information.</p>

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<b>POTENTIAL CONFLICT OF INTEREST</b>	<b>HOW WE ADDRESS THE CONFLICT</b>
<p><b>Fee-based accounts</b></p> <p>Fee-based accounts could potentially hold securities with embedded compensation, which may generate additional revenue over and above the management fee that we charge you.</p>	<p>We exercise our fiduciary duty to act in your best interests and all investment recommendations we provide are driven by your personal circumstances.</p> <p>We inform you of the fees, commissions and other compensation you pay in advance of opening your account so that you know and understand the fees you will be paying.</p> <p>We invest your assets in securities which do not have embedded commissions to ensure there is no duplication of fees.</p> <p>In instances where transferred assets include investment fund assets with an embedded fee, we do not charge a fee on that portion your account until we sell them and invest the proceeds in securities that we offer.</p>
<p><b>Fair Allocation and Cross Trades</b></p> <p>We act as an advisor to many clients and may aggregate orders for multiple client accounts on the purchase of a particular security. There is the potential to allocate securities across client accounts in a manner that is not fair for all clients.</p> <p>There is the potential to trade securities between client accounts.</p>	<p>We have a Trade Allocation Policy consistent with industry standards to help ensure the fair allocation of securities across client accounts.</p> <p>We have a policy that strictly prohibits any trading between client accounts.</p>
<p><b>Outside Business Activities (OBAs)</b></p> <p>Our representatives may participate in OBAs such as serving on a board of directors, participating in community events or pursuing other business interests. There is the potential for these OBAs to cause them to put their interests ahead of yours.</p>	<p>We review all proposed OBAs and do not permit any OBA where the conflict or perceived conflict cannot be managed or is otherwise prohibited by Securities Regulation. For example, it is prohibited for a registered individual to serve as a director of another registered firm that is not an affiliate.</p> <p>If a permitted OBA presents a potential conflict, we will disclose it to you.</p> <p>All OBAs of registered employees are required to be disclosed to our regulator. If they have any issues or concerns, they will let us know.</p>
<p><b>Best execution &amp; Soft Dollars</b></p> <p>We use brokers and/or dealers to place orders for trades in your account(s). For any VPI Pool that is managed by VPIL, we select the brokers and/or dealers to place orders or trades on behalf of the Pool(s). These brokers and/or dealers may provide us with soft dollar benefits (including research reports and/or terminals to trade electronically and access market information). This may lead to the perception that such dealers may not be providing best execution.</p>	<p>We have policies in place to ensure that portfolio managers of the VPI Pools select brokers and/or dealers that we can expect to obtain best execution (after considering all transaction costs, research and other benefits). We also comply with all regulatory requirements concerning soft dollars.</p> <p>Our best execution and soft dollar policies are disclosed to you.</p>

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POTENTIAL CONFLICT OF INTEREST	HOW WE ADDRESS THE CONFLICT
<p><b>Trade and Pricing Errors</b></p> <p>There is the potential for a pricing or trading error to occur in your account and that the error may not be resolved in a fair and reasonable manner.</p>	<p>We have an error correction policy based on industry best practices to help ensure that trade and pricing errors are handled in a fair, reasonable and consistent manner with consideration for your best interests.</p>
<p><b>Personal Trading</b></p> <p>There is the potential for representatives to use non-public information about you and the securities in your account for their own personal gain.</p>	<p>We have a Personal Trading Policy to ensure that all employees, officers and directors with access to non-public information act in accordance with applicable laws and do not engage in personal trading activities which are prohibited by law or which may negatively impact our clients.</p>
<p><b>Gifts and Entertainment</b></p> <p>There is the potential for representatives to receive or give gifts or entertainment as a result of their relationship with our clients, service providers or referral partners.</p>	<p>We have a Business Code of Conduct which includes a policy on Gifts and Entertainment setting out guidelines and limits for permissible gifts and entertainment activities.</p>
<p><b>Valuation</b></p> <p>We charge advisory fees based on the market value of your account and there is the potential to be motivated to over-value certain securities to generate more revenue.</p>	<p>We use an independent third-party service provider to value the securities held in you account. This service provider uses pricing from market sources that are independent from us. In general, securities held in your account(s) have market prices that are easily accessible through public sources.</p>
<p><b>Proxy Voting</b></p> <p>We have the discretion to vote securities held in your account(s) and there is the potential to vote or agree to certain corporate actions that are not in your best interest.</p>	<p>We have a Proxy Voting Policy which sets out guidelines on how to exercise the voting rights of securities held in your account(s). We do not invest in securities in order to execute control over or participate in the management of the issuer.</p>



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