



CONFLICT OF INTEREST

There is a possibility that a conflict of interest may arise in connection with the business that Carte Wealth Management Inc. ("CWMI" or "we") conducts for you. Securities laws of Canada require dealers such as CWMI and its advisers to take reasonable steps to identify, disclose and address existing and potential material conflicts of interests that may arise between you, your Advisor and CWMI. The Canadian Securities Administrators, who administer securities laws across Canada, considers a conflict of interest as the interests of CWMI, its advisers and their clients, to be any circumstance where the interests of different parties are inconsistent, competing, or divergent. These conflicts may affect CWMI or your advisor's ability to meet our know-your-client (KYC), know-your-product (KYP) and suitability obligations, and duty to act fairly, honestly and in good faith with clients.

Where a material conflict of interest arises, CWMI will take reasonable steps to disclose to you the nature and extent of the matter that conflicts with your interest, in writing and in a timely manner. We will ensure that the conflict is addressed in a way that is in your best interest.

CWMI has adopted policies and procedures to assist our team in identifying, addressing, and responding to any conflict of interest that CWMI, its employees or CWMI Advisors may face when working on your behalf. Our employees and CWMI Advisors are required and encouraged to identify and disclose material conflicts of interest to any clients with whom the conflict pertains as soon as they become known.

Every CWMI employee and CWMI Advisor is subject to our CWMI code of conduct, which includes, among other things, policies, and procedures to address common types of situations that may give rise to material conflicts of interest. For example, we have adopted policies that prohibit Advisors from:

- Borrowing from, or lending money to, clients or investing with clients; and
- Acting as a power of attorney, except in the case of immediate family members.

Advisors are also required to disclose and obtain preapproval from CWMI when they engage in any outside business activity to ensure that such activities.

- Do not create or give rise to material conflicts of interest; or
- Interfere with their ability to service clients.

In general, we deal with and manage materials 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 physically separating our different business functions and limiting the internal exchange of information.

Disclosure: By providing you with information about material conflicts, you may independently assess their significance when evaluating our recommendations and any actions we take.

Under certain circumstances, CWMI may deal with you or for you in securities transactions where the issuer of those securities or the other party to the transaction is CWMI or a party having an ownership or business relationship with CWMI.

Since these transactions may create a conflict between CWMI and you, we are required by securities law to disclose to you certain relevant matters relating to the transactions which are contained in the following sections entitled “Related Registrant” and “Related and Connected Issuers”.

Important Concepts

Related Issuer:

A related issuer is a person or company that is related in any way to CWMI such as:

- the person or company issuing securities is an influential security holder of CWMI.
- when CWMI is an influential security holder of the person or company issuing securities; or
- when CWMI and the person or company issuing securities, are a related issuer of the same third person or company.

Required Disclosure

When CWMI acts as your dealer or advises you with respect to securities issued by CWMI, or by a related issuer, or in the course of distribution by a Connected Issuer, CWMI must disclose the nature and extent of its relationship with the issuer of the securities, or that CWMI is the issuer. CWMI will also disclose to you where CWMI knows or should know, that if as a result of CWMI acting as your dealer or advisor, or of CWMI exercising discretion on your behalf, securities will be purchased from or sold to CWMI, a related issuer, in the course of an initial distribution, from a connected issuer.

The following is a list of the timeline and way these disclosures must be made:

- Where CWMI buys securities for your account or advises you with respect to the purchase of securities, the disclosure must be made prior to the purchase or the giving of the advice, either through the receipt of this disclosure or otherwise.

CWMI may, from time to time, be deemed to be related or connected to one or more issuers for purposes of disclosure and other rules of the securities laws. CWMI may have acted and is prepared to continue to act where permitted by law, as an advisor or dealer with respect to securities of such related and connected issuers and to provide the full range of services customarily provided by CWMI in respect of securities of other issuers. CWMI shall carry out such services in the ordinary course of its business in accordance with our usual practices and procedures and in accordance with all applicable disclosure and other regulatory requirements.

The following information is intended to assist you in understanding and assessing material, potential and actual conflicts of interest, including how we address them. This is an overview of a complex subject. Despite that, we believe the simplest control is the most effective – your continued satisfaction and patronage. **If you ever have any questions or concerns, whether they involve conflicts of interest or anything else, you should never hesitate to say so and ask your advisor for an explanation and more information.**

Possible Conflicts and How They Are Managed

Conflict of Interest	How Conflicts Will Be Addressed
We earn compensation by selling products and services to you for which you pay us.	We will inform you of fees, commissions and other compensation in advance so that you know what you will be paying.
Different products and services have differing levels of compensation.	Our compensation is disclosed to you and we offer pricing alternatives intended to reduce the conflicts associated with commission-based pricing. We are required by industry regulations and firm policy only to make “suitable” investment recommendations. We may choose not to offer a complex product that carries a high commission.
We would like you to use more of our services and buy more of our products.	We have policies and procedures prohibiting recommendations solely for the purpose of generating revenue for us without any benefit to you. Management has put in place compliance programs to monitor investment advisors to help identify and address concerns.
Our compensation, organizationally and individually, may involve commissions based on sales volume.	We offer fee-based accounts, as well as similar products such as no-load mutual funds, which have pricing structures designed to reduce commission incentives.

<p>We would like you to use more of the services offered by our business partners from whom we receive referral fees.</p>	<p>Where we use referral arrangements, we disclose and manage them according to regulatory standards.</p> <p>We have policies and procedures, against which we monitor our advisors' activities, prohibiting recommendations solely for the purpose of generating revenue for us without any benefit to you.</p>
<p>We may receive compensation from securities issuers and other third parties based on their products we sell to you. This may include "trailer fees" on mutual funds and commissions and "trailer fees" on segregated funds and insurance products.</p>	<p>We will disclose to you the situations and type of third-party compensation we may receive. Securities regulations require issuers to provide specific disclosure in the offering document (e.g., prospectus) of such arrangements and the compensation we will receive.</p>
<p>We engage in trading of securities for our own account (called proprietary trading).</p>	<p>We maintain information barriers between our corporate trading activities and retail advisory business.</p> <p>Firm and employee trades are identified as such and client trades are given priority to firm and employee trades in accordance with industry "client priority" regulations.</p>
<p>Your advisor or representative may make permitted personal investments in private companies that manufacture investment products.</p>	<p>Your advisor or representative must declare and have approved by us any such private investments before they are made.</p> <p>If such personal investments have been approved, your advisor or representative will, and we will, disclose such an investment to you in writing.</p>
<p>We may permit certain individuals who are registered with us (including your investment advisor or account representative) to be employed by, participate in, or accept compensation from other persons or firms, outside the scope of his/her relationship with us.</p>	<p>These relationships are subject to legislative and industry regulatory requirements that impose restrictions on dealings between related registered firms and/or individuals that are dually registered with a related registered firm.</p> <p>Such restrictions are intended to minimize the potential for conflicts of interest resulting from these relationships.</p> <p>We have adopted internal policies and procedures that supplement the regulatory requirements, including policies on privacy and confidentiality of information.</p>
<p>Individuals may serve on a board of directors of a charity or take on other community activities that could take time or attention away from your account.</p>	<p>Securities legislation prohibits an individual from serving as a director of another registered firm that is not an affiliate of our firm.</p> <p>When an advisor or representative sits on a board of directors of a charity or undertakes other community activities in any substantive way, they are subject to regulatory guidance on the disclosure and approval of outside business activities.</p>