

### 1. GENERAL

TWMG Inc. offers mutual funds and GIC's to clients through representatives and independent contractors who sell mutual funds exclusively on behalf of TWMG Inc.

Mutual funds own different types of investments, depending upon their investment objectives, including stocks, bonds and cash. The value of these investments will change from day to day, reflecting changes in economic conditions and the market, company news and interest rates. As a result, the value of the securities held by a mutual fund may go up and down and the value of your investment in a mutual fund may be more or less when you sell it than when you purchased it.

This disclosure was designed to provide you with important facts about your mutual fund investments and the obligations of TWMG Inc. and its dealing representatives. We are regulated by the respective provincial securities commissions and our self regulatory body, the Mutual Fund Dealers Association (MFDA). Under the regulations of the MFDA, your dealing representative is obligated to deliver this document to you before you sign any application for purchasing securities distributed by TWMG Inc.

By signing the TWMG Inc. application form, you acknowledge that you have received and understood the contents of this document. You also agree that your personal information may be shared with an affiliate of the TWMG Inc. If dually registered, your dealing representative may offer other products available through members of the TWMG Inc. group of companies.

### 2. YOUR PERSONAL INFORMATION

Any personal information provided will be used solely for the purpose of administering your account(s), evaluating your needs and corresponding with you.

Access to your personal information at TWMG Inc. will be limited to:

- Employees, dealing representatives of TWMG Inc.;
- and affiliates of TWMG Inc. and third party intermediaries who administer your accounts;
- regulatory bodies authorized by law;
- those to whom you have granted permission.

Members of the TWMG Inc., mutual funds companies and third party intermediaries are prohibited from disclosing your personal information to unauthorized parties.

### 4. NATURE OF THE ADVISORY RELATIONSHIP

As the client, you are responsible for making all investment decisions, however, you can rely on the advice given by your advisor. Your advisor is responsible for the advice and ensuring that it is suitable based on your investment needs and objectives.

### 5. PROCEDURE REGARDING THE HANDLING OF CASH AND CHEQUES

TWMG Inc. and your advisor cannot under any circumstance accept cash for the purchase of securities. Your purchase can be done using a personalized cheque made payable to the fund management company from which you are purchasing your securities.

Under no circumstance should a cheque be made payable to your advisor or another person in the branch office.

### 6. SUITABILITY OF ORDERS ACCEPTED/RECOMMENDATIONS MADE

TWMG Inc. and your advisor are required under securities legislation and MFDA Rules to ensure that each recommendation made to you is suitable based on your investment objectives, risk tolerance and other personal circumstances. We are also required to make a suitability determination on any proposed trades, including those proposed by you, the client.

In addition to assessing suitability at the time of the account opening, the following circumstances will trigger an assessment of the suitability of the investments in your account:

- If you transfer assets from another institution into your account with TWMG Inc.
- When we become aware of a material change in your personal and financial situation
- If you change financial advisors with TWMG Inc.

The Dealing Representative has the right, solely for their own protection, to determine in their discretion whether or not any order for transactions in mutual funds is acceptable and whether to execute said order.

### 7. COMPLAINT HANDLING PROCEDURES

TWMG Inc. takes client's written and verbal complaints seriously and wishes to resolve any dispute amicably, fairly and quickly. The following is a summary of our complaint handling procedures, which we provide to all new clients and to any clients that have filed a complaint.

How to file a complaint with TWMG Inc.

Any concerns or complaints may be directed to the Chief Compliance Officer via post at TWMG Inc.'s Head Office, address listed below, or via e-mail at: [complaints@twmg.net](mailto:complaints@twmg.net), or via telephone at: 514-345-8880

Chief Compliance Officer  
TWMG Inc.  
100 boul. Alexis-Nihon, suite 595  
Ville St-Laurent, QC  
H4M 2P1

T. 514.345.8880 F. 514.345.1806

[compliance@twmg.net](mailto:compliance@twmg.net) [www.twmg.net](http://www.twmg.net)

We encourage clients to make their complaint in writing or by email where possible. Where client has difficulty putting their complaint in writing, they should advise us so that we can provide assistance. For confidential reason we will only deal with the client or another individual who has the client's express written authorization to deal with us.

TWMG Inc. will provide you with an initial response letter within 5 business days of receipt of the complaint. Within 90 days, upon conclusion of the investigation, TWMG Inc. will provide you with a substantive response and conclusion. Our both responses will include copy of CCIF. Should the investigation require more than 90 days, TWMG Inc. will advise you of the timeline required. Our response may be an offer to resolve your complaint, a denial of the complaint with reasons or another appropriate response. Our response will summarize your complaint, our findings and will contain a reminder about your options with the Ombudsman for Banking Services and Investments. We will respond to communications you send us after the date of our response to the extent necessary to implement a resolution or to address any new issues or information you provide.

If we offer you a financial settlement, we may ask you to sign a release and waiver for legal reasons.

Clients may contact us at any time to provide further information or to inquire as to the status of their complaint, by contacting the individual handling their complaint or by contacting our Chief Compliance Officer.

(1) Client who chooses to communicate by email should be aware of possible confidentiality issues regarding internet communications.

### 8. MUTUAL FUND DEALERS ASSOCIATION OF CANADA CLIENT COMPLAINT INFORMATION

Clients of a mutual fund dealer who are not satisfied with a financial product or service have a right to make a complaint and to seek resolution of the problem. MFDA Member dealers have a responsibility to their clients to ensure that all complaints are dealt with fairly and promptly. If you have a complaint, these are some of the steps you can take:

- Contact your mutual fund dealer. Member firms are responsible to you, the investor, for monitoring the actions of their representatives to ensure that they are in compliance with by-laws, rules and policies governing their activities. The firm will investigate any complaint that you initiate and respond back to you with the results of their investigation within the time period expected of a Member acting diligently in the circumstances, in most cases within three months of receipt of the complaint. It is helpful if your complaint is in writing.
- Contact the Mutual Fund Dealers Association of Canada ("MFDA"), which is the self-regulatory organization in Canada to which your mutual fund dealer belongs. The MFDA investigates complaints about mutual fund dealers and their representatives, and takes enforcement action where appropriate. You may make a complaint to the MFDA at any time, whether or not you have complained to your mutual fund dealer. The MFDA can be contacted: By completing the on-line complaint form at [www.mfda.ca](http://www.mfda.ca), by telephone in Toronto at (416) 361-6332, or toll free at 1-888-466-6332, by e-mail at [complaints@mfda.ca](mailto:complaints@mfda.ca) or in writing by mail to 121 King Street West, Suite 1000, Toronto, ON M5H 3T9 or by fax at (416) 361-9073.

#### Compensation

The MFDA does not order compensation or restitution to clients of Members. The MFDA exists to regulate the operations, standards of practice and business conduct of its Members and their representatives with a mandate to enhance investor protection and strengthen public confidence in the Canadian mutual fund industry. If you are seeking compensation, you may consider the following:

- Ombudsman for Banking Services and Investments ("OBSI"): After the dealer's Compliance Department has responded to your complaint, you may contact OBSI. You may also contact OBSI if the dealer's Compliance Department has not responded within 90 days of the date you complained. OBSI provides an independent and impartial process for the investigation and resolution of complaints about the provision of financial services to clients. OBSI can make a non-binding recommendation that your firm compensate you (up to \$350,000) if it determines that you have been treated unfairly, taking into account the criteria of good financial services and business practice, relevant codes of practice or conduct, industry regulation and the law. The OBSI process is free of charge and is confidential. OBSI can be contacted: By telephone in Toronto at (416) 287-2877, or toll free at 1-888-451-4519 or by e-mail at [ombudsman@obsi.ca](mailto:ombudsman@obsi.ca). **Please note that you have 180 calendar days to bring your complaint to OBSI after receiving the dealer's response.**

- Legal Assistance: You may consider retaining a lawyer to assist with the complaint. You should be aware that there are legal time limits for taking civil action. A lawyer can advise you of your options and recourses. Once the applicable limitation period expires, you may lose rights to pursue some claims.
- Manitoba, New Brunswick and Saskatchewan: Securities regulatory authorities in these provinces have the power to, in appropriate cases, order that a person or company that has contravened securities laws in their province pay compensation to a claimant. The claimant is then able to enforce such an order as if it were a judgment of the superior court in that province. For more information, please visit: Manitoba: [www.msc.gov.mb.ca](http://www.msc.gov.mb.ca), New Brunswick: [www.nbsc-cvmbn.ca](http://www.nbsc-cvmbn.ca) or Saskatchewan: [www.fcaa.gov.sk.ca](http://www.fcaa.gov.sk.ca).
- Québec: The Autorité des marchés financiers ("AMF") pays indemnities to victims of fraud, fraudulent tactics or embezzlement where those responsible are individuals or firms authorized to practice under the legislation governing the provision of financial services in Quebec. It also rules on the eligibility of claims and sets the amount of the indemnities to be paid to victims. Consumers can thus be compensated to a maximum of \$200,000 per claim, through funds accumulated in a financial services compensation fund. For more information, please visit [www.lautorite.qc.ca](http://www.lautorite.qc.ca).

#### CLIENT COMPLAINT INFORMATION IN QUEBEC

In the province of Québec, you can contact the Chambre de la Sécurité Financière (CSF) or l'Autorité des marchés financiers (AMF).

If you are not satisfied with the outcome or with the examination of a complaint, the Autorité des marchés financiers ("AMF") can examine your complaint and may provide dispute resolution services.

If you think you are a victim of fraud, fraudulent tactics or embezzlement, you can contact the AMF to see if you meet the eligibility to submit a claim to the Fonds d'indemnisation des services financiers ("Financial Services Compensation Fund"). An indemnity up to \$200,000 can be payable through monies accumulated in the fund for an eligible claim.

#### Autorité des marchés financiers (AMF)

In Québec, the Autorité des marchés financiers, the regulatory body charged with administering the regulatory framework governing the financial sector, has as its mission to provide assistance to consumers and users of financial products and services, and to see to the implementation of protection and compensation programs for these consumers. The Autorité also operates an Information Centre to answer investors' questions. Upon receipt of a complaint from a client residing in Québec, a firm must, without delay, notify the client in writing that, in the event of dissatisfaction with the processing of the complaint, or with the result of the firm's examination of the complaint, the client may request that a copy of the complaint file be transferred to the AMF. The AMF will review the file and, if it deems appropriate, offer a mediation service for the parties. Participation is voluntary and requires the consent of both the firm and the client. This service is free.

The Autorité des marchés financiers can be contacted: by telephone at (514) 395-0337 or toll free at 1-877-525-0337 or at [www.lautorite.qc.ca](http://www.lautorite.qc.ca).

#### Chambre de la sécurité financière

The mission of the Chambre de la sécurité financière is to ensure consumer protection by maintaining discipline among, and overseeing the training and business ethics of its members who practice in one or more of the following sectors: insurance of persons, group insurance of persons, financial planning and group savings plan brokerage.

The professionals, members of the Chamber, must satisfy proficiency requirements in order to assure consumers that their interests are the overriding concern. They are subject to very stringent rules of ethics resulting from Bill 188, the regulations of the Autorité des marchés financiers du Québec (AMF), and the code of ethics of the Chambre de la sécurité financière. In order to ensure compliance with this code of ethics and the regulations, the Law has empowered the Chamber's syndic and co-syndic to supervise, investigate and take disciplinary action.

The Chambre de la sécurité financière can be contacted: by telephone at (514) 282-5777 or toll free at 1-800-361-9989 or at [www.chambresf.com](http://www.chambresf.com) under Consumer Protection.

#### 9. STATEMENT OF POLICIES

The securities laws of Canadian provinces require securities dealers and dealing representatives, when they trade in or advise with respect to their own securities or securities of certain other issuers to which they, or certain other parties related to them, are related or connected, to do so only in accordance with particular disclosure and other rules. These rules require dealers and dealing representatives, prior to trading with or advising their customers or clients to inform them of relevant relationships and connections with the issuer of the securities. Clients and customers should refer to the applicable provisions of these securities laws for the particulars of these rules and their rights or consult with a legal adviser.

#### 10. RISKS ASSOCIATED WITH BORROWING TO INVEST

Here are some risks and factors that you should consider before borrowing to invest:

Is it Right for You?

Borrowing money to invest is risky. You should only consider borrowing to invest if:

- You are comfortable with taking risk.
- You are comfortable taking on debt to buy investments that may go up or down in value.
- You are investing for the long-term.
- You have a stable income.

You should not borrow to invest if:

- You have a low tolerance for risk.
- You are investing for a short period of time.
- You intend to rely on income from the investments to pay living expenses.
- You intend to rely on income from the investments to repay the loan. If this income stops or decreases you may not be able to pay back the loan.

You can end up losing money. If the investments go down in value and you have borrowed money, your losses would be larger than had you invested using your own money. Whether your investments make money or not you will still have to pay back the loan plus interest. You may have to sell other assets or use money you had set aside for other purposes to pay back the loan. If you used your home as security for the loan, you may lose your home. If the investments go up in value, you may still not make enough money to cover the costs of borrowing. There are tax considerations. You should not borrow to invest just to receive a tax deduction. Interest costs are not always tax deductible. You may not be entitled to a tax deduction and may be reassessed for past deductions. You may want to consult a tax professional to determine whether your interest costs will be deductible before borrowing to invest. Your advisor should discuss with you the risks of borrowing to invest.

#### 11. FINTRAC

On March 18, 2010, as part of the Hiring Incentives to Restore Employment (HIRE) Act, the United States (U.S.) enacted the provisions known as the Foreign Account Tax Compliance Act (FATCA).

The Financial Transactions and Reports Analysis Centre of Canada, or FINTRAC, is Canada's financial intelligence unit, a specialized agency created to collect, analyze and disclose financial information and intelligence on suspected money laundering and terrorist activities financing. Created in July 2000, the Centre is an integral part of our country's engagement in the global fight against money laundering and the financing of terrorist activities. As of June 23, 2008 the new Federal regulation from FINTRAC makes it compulsory for all financial institutions to identify Politically exposed foreign persons.

#### 12. CANADA'S ANTI-SPAM LAW (CASL)

TWMG Inc. and its Agents request your consent to allow our advisors to send you important information and announcements by using email, SMS text message, instant message, or social media message. Your consent is required to comply with the CASL. The advisor can keep you up to date on the invitations to events, news, updates, promotions regarding mutual

fund products and other notifications. Please complete the form and check the Yes, I agree box below. If you do not sign this consent, your Advisor cannot send you any electronic news or updates. You may withdraw your consent at any time by contacting your Advisor.

#### 13. FATCA

FATCA requires non-U.S. financial institutions to enter into an agreement with the U.S. Internal Revenue Service (IRS) to report to the IRS accounts held by U.S. residents and U.S. citizens (including U.S. citizens that are residents or citizens of Canada). If a financial institution is not compliant with FATCA, FATCA requires U.S. payors (i.e., corporations and others that pay amounts, such as interest or a dividend) making certain payments of U.S.-source income to the non-compliant financial institution to withhold a tax equal to 30 percent of the payment. The 30 percent FATCA withholding tax can also be levied in respect of a compliant financial institution, on individual accountholders that fail to provide documentation as to whether they are U.S. residents or U.S. citizens, and on passive entities (i.e., entities whose business purpose is to generate passive income) that fail to identify their substantial U.S. owners, if any. In some circumstances, FATCA could require financial institutions to close the accounts of certain clients.

For more information on FACTA, please consult the government of Canada website on FACTA at <http://www.fin.gc.ca/afc/faq/fatca-eng.asp>.

#### 14. WHAT ARE FUND FACTS?

Clients of a TWMG Inc. shall receive a Fund Fact before any purchase of a mutual fund.

Fund Facts is an important document with key facts about the mutual fund you are purchasing. Every mutual fund has its own Fund Facts, with information about the fund's holdings, its performance, and the risks and costs of buying and owning the fund. You should always review Fund Facts when you purchase a mutual fund so that you are familiar with the fund's key features.