

FORM ADV PART 2A: BROCHURE



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CRD #324189

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This brochure (the “Brochure”) provides information about the qualifications and business practices of Guardian Partners Inc. If you have any questions about the contents of this Brochure, please contact us at (416) 840-8001. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission (the “SEC”) or by any state securities authority. Registration with the SEC or with any state securities authority does not imply a certain level of skill or training.

Additional information about Guardian Partners Inc. is also available on the SEC’s website at www.adviserinfo.sec.gov. You can search the SEC’s site using a unique identifying number, known as a CRD number. The CRD number for Guardian Partners Inc. is #324189.

ITEM 2: MATERIAL CHANGES

This is the initial Form ADV Part 2A Brochure for Guardian Partners Inc. (“GPI” or the “Firm”) which has been prepared as part of the Firm’s application to become registered as an investment adviser with the United States Securities and Exchange Commission (the “SEC”).

Going forward, we will provide clients with a summary of any material changes to this Brochure within 120 days of the close of the Firm’s fiscal year end. We may provide additional interim disclosure about material changes, if warranted, in compliance with regulatory guidance. For a current copy of the Firm’s Brochure, please contact us at (416) 840-8001.

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ITEM 4: ADVISORY BUSINESS

A. General Description of Advisory Business

Guardian Partners Inc. is a private company established in 1997, with its principal place of business in Toronto, Ontario, to provide wealth management services to individuals, families, and institutions. In March 2021, Guardian Capital Group Limited completed the acquisition of BNY Mellon Wealth Management, Advisory Services, Inc., and renamed it Guardian Partners Inc. The acquisition further enhanced Guardian Partners Inc.'s service offerings and commitment to the Outsourced Chief Investment Officer ("OCIO") marketplace. We continue to operate as an autonomous investment boutique, providing clients with objective advice, and maintaining an unbiased culture as we implement independent, third-party investment strategies.

Our parent company, Guardian Capital Group Limited, is a Canadian company, the shares of which are listed on the Toronto Stock Exchange.

Guardian Partners Inc.'s principal regulator is the Ontario Securities Commission ("OSC"), with an effective registration date of March 14, 2003. Guardian Partners Inc. ("GPI", the "Firm", "we", "us", "our"), is applying for registration with the SEC as a foreign adviser to facilitate the offering of its private investment services in the United States ("U.S.").

B. Investment Services

GPI is an investment adviser and discretionary asset manager. GPI provides specialized investment solutions for wealthy individuals, families, and institutions, with a history of partnering with our clients to preserve and grow wealth for future generations. We lead the development, execution, and maintenance of diversified portfolio strategies for our clients, and seek to provide unbiased and objective investment advice.

In Canada, GPI is registered in all provinces and two territories, the Yukon and Northwest Territories, as a portfolio manager and exempt market dealer. Additionally, GPI is registered as an investment fund manager in Ontario, Quebec and Newfoundland & Labrador.

In January of 2012, GPI launched four proprietary pooled fund investment offerings that are multi-manager strategies constructed using third-party managers. GPI is the portfolio manager, investment fund manager and trustee of the pooled funds. The Firm continuously monitors the strategies in these pooled funds and make changes, as necessary. These offerings are used by clients for specific reasons including simplicity, cost effectiveness, timeliness of actions, or to gain certain exposures.

Investment Advisory Services

As part of our Investment Advisory Services, also referred to as Outsourced Chief Investment Officer Services, we provide the following services:

- Preparation and review of Investment Policy Statements based on asset allocation studies which may lead to asset mix recommendations;
- Investment manager evaluation, research, and continuous monitoring;

- Monitoring compliance with the clients' Investment Policy Statements;
- Allocating and rebalancing funds in accordance with our clients' Investment Policy Statements;
- Performance measurement and attribution, by manager, consolidated;
- Board Member onboarding;
- Preparing and presenting educational materials; and
- Attending meetings as necessary to present performance data, economic assessment and outlooks, and if necessary, recommendations for changes to investment managers, asset mix or tactical shifts.

Discretionary Management Services

As part of our Discretionary Management Services, we provide the following services:

- Formulation of the Investment Policy Statement, including the development of the risk/return objectives, asset allocation, liquidity provisions, investment constraints, as well as wealth planning and financial analysis for high-net- worth individuals;
- Portfolio construction and customization, management, execution, and implementation as directed by and on behalf of the client;
- Ongoing oversight of portfolio asset mix, structure, and investment managers. As a firm, we are continuously monitoring and updating our economic outlook which informs our tactical asset allocation recommendations that we share with clients;
- Transition management and investment manager onboarding and termination;
- Manager search, selection, implementation, monitoring, and engagement;
- Formulation of comprehensive, portfolio strategy, and structure recommendations, including risk management;
- Education sessions for key client persons on timely investment topics;
- Quarterly portfolio reporting, strategy review meetings, and performance measurement;
- Continuous and proactive manager oversight and, where appropriate, rebalancing and manager changes;
- Monthly performance summary and investment income reporting, as may be required;
- Quarterly or annual portfolio compliance monitoring, as required and ongoing operational and back-office support;
- Thought Leadership Pieces/Events, Economic Research and Capital Markets Review;
- Communication pieces intended to offer expert, in-depth insights on a range of investment management and best practices topics, including focus pieces, and topical bulletins and commentaries; and
- New Director Onboarding Services for clients to ensure new directors are brought up to speed as soon as possible.

C. Availability of Customized Services

GPI tailors its investment services to a client's individual needs. Each client's stated investment policy and objectives are the primary guide for portfolio construction. We monitor strategy implementation at different levels such as through our investment team, portfolio accounting team and our compliance staff. Clients may impose reasonable restrictions on investing in certain

strategies, securities, or types of securities. Those restrictions are normally outlined in writing within, or as an addendum to, the Engagement Letter.

D. Wrap Fee and Model Programs

GPI does not participate in any wrap or model programs.

E. Investment Performance Differences

While accounts implementing the same investment strategy may perform similarly, performance differences are expected due to unique client objectives, restrictions, timing of trade orders, level of GPI's discretionary authority, and account cash flows. For more information about GPI's trade management policies and procedures, please see Item 12 - Brokerage Practices.

F. Client Assets

As of August 31, 2024, GPI has \$388.2 million USD in discretionary Regulatory Assets under Management, managed on behalf of clients, the majority of which are non-U.S. based.

ITEM 5: FEES AND COMPENSATION

A. Fees and Compensation

GPI is compensated for services rendered based on a percentage of assets under management or advisement. Fees charged to client accounts are based on a percentage of the market value of assets held (including cash balances), generally on a sliding scale.

GPI's standard fee schedule is disclosed below for both investment advisory services and discretionary management services:

Investment Advisory Services

The fee charged by GPI for Investment Advisory Services is listed below, with thresholds measured in Canadian dollars.

First \$20,000,000	0.40% per annum
Next \$20,000,000	0.25% per annum
Thereafter	0.10% per annum

A minimum annual fee for Investment Advisory Services of \$40,000 Canadian is applied (including any management fees paid to GPI by investors within our proprietary pooled funds).

Discretionary Management Services

The fee for Discretionary Management Services is made up of the fee charged by GPI, plus the fee (i) charged by each sub-adviser to GPI selected for the client and/or (ii) the fee payable to the third-party pooled funds listed in the Investment Policy Statement, where such funds are not those of a sub-adviser, based on that portion of the client account invested with each sub-adviser and that

sub-adviser's applicable fee schedule and/or the fee charged by that third-party pooled fund. Some sub-advisers and/or third-party pooled funds charge a flat fee no matter the size of the account, and some have tiered fee structures.

Once the Engagement Letter is signed, and the client's Investment Policy Statement is developed, GPI will provide clients with a revised fee schedule showing the total fee for Discretionary Management Services.

The total fee for Discretionary Management Services is accordingly based on the below formula:

- [Fee charged by GPI, as shown in the chart below] **PLUS**
- [Amount of assets invested with sub-adviser A] * [Sub-adviser A's fee for such amount of assets] **PLUS**
- [Amount of assets invested with sub-adviser B] * [Sub-adviser B's fee for such amount of assets] **PLUS**
- [Amount of assets invested in third-party pooled fund A] * [Third party pooled fund A's fee for such amount of assets] **PLUS**
- [etc.]

The fee charged by GPI for Discretionary Management Services is listed below, with thresholds measured in Canadian dollars.

First \$25,000,000	0.40% per annum
Next \$25,000,000	0.25% per annum
Thereafter	0.10% per annum

A minimum annual fee for Discretionary Management Services of \$40,000 Canadian is applied (including any management fees paid to GPI by investors within our proprietary pooled funds).

B. Methodology for Fee Calculation

The fee for Investment Advisory Services and Discretionary Management Services is calculated beginning on the Commencement Date, which is the date of the initial discovery and insight meeting which is the first meeting after the Engagement Letter is signed between the client and GPI. The Commencement Date is documented in the Engagement Letter.

The fee is based on the expected portfolio value, which is also listed in the Engagement Letter; this value also serves to develop the Investment Policy Statement. The first quarterly fee will be payable by the client after the first calendar quarter following the Commencement Date; an invoice is provided to the client.

To the extent that the implemented portfolio value is less than the expected portfolio value under advisement (perhaps due to staging of investments), the fee is calculated based on the combined portfolio value; that is, the implemented portfolio value plus the expected value of those assets that are still yet to be implemented, at the first calendar quarter end following the Commencement Date.

Once the portfolio is fully implemented, GPI will bill the client its fee for services each quarter in arrears by direct charge to the custodial account(s) and is based on the market value of investments under advisement at the quarter end. Interest on overdue accounts is calculated at the rate noted on the invoice commencing 30 days following the date of the invoice.

GPI fees for services will not be charged to a client's account in respect of any pooled fund investments when such pooled funds pay fees directly to GPI.

This fee schedule may be amended from time to time by GPI. Clients are given at least 60 days' advance written notice for any new fees or increase in fees.

Investment management fees and custody fees are charged separately pursuant to the signed agreement between the client and each investment manager and custodian, as applicable.

C. Fee Negotiation

Most clients are charged according to a standard schedule, but fees are at times negotiated within a narrow range. Factors considered in negotiation include the duration of the client relationship, the overall size of the relationship, the nature of services offered, as well as resources required to service the relationship.

D. Additional Fees and Expenses

All fees paid to GPI for services rendered are separate and distinct from the fees and expenses charged by the client's custodian. Clients choose their own custodians and negotiate those fees separately. Where applicable, clients will pay brokerage commissions, transaction costs, custodial fees, deferred sales charges, odd-lot differentials, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes which are unrelated to the fees paid to GPI. Such charges, fees and commissions are exclusive of and in addition to GPI's fees. Additional details relating to other fees and expenses are found in Item 12 – Brokerage Practices.

E. Termination of Services

Either party may terminate the Engagement Letter, with or without cause, by providing 45 days' prior written notice to the other party (the "Notice Period"). At the end of the Notice Period, GPI will consider that a client has provided it with a redemption notice for redemption of client holdings in pooled funds and any such units will be redeemed, in accordance with the provisions associated with such redemptions and described in the offering documents of pooled funds, as applicable. In the event of early termination, for whatever reason, where the client is being billed fees directly by GPI, the client shall be invoiced up to the end of the Notice Period. GPI shall also have the right, upon 7 days' prior written notice, to suspend performance of services in the event a client fails to pay any amount required to be paid under the Engagement Letter.

F. Performance Reporting Services

Investment accounts for which clients request that GPI provide regular performance reporting services, in addition to the account statements provided under Investment Advisory Services or pooled fund investments ("Performance Reporting Services"), will be charged an annual fee of

0.05% of each account's total market value, subject to a minimum of \$1,000 per annum per account. GPI will bill clients its fee for performance reporting services each quarter in arrears and will collect the fee directly from client custodial accounts under advisement or from the client's investments in the pooled funds. Performance Reporting Services are calculated starting from the statement date of the first statement received by GPI.

G. Additional Compensation

GPI and its employees do not accept compensation, including sales charges or service fees, for the sale of securities or other investment products, including asset-based sales charges or service fees from the sale of mutual funds.

GPI does not pay or receive fees of any kind from a third-party – the Firm's sole source of revenue is client fees.

ITEM 6: PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT

GPI does not manage client accounts on a performance-fee basis.

ITEM 7: TYPES OF CLIENTS

GPI offers its services to the following types of clients: individuals, families, investment funds, pension and profit-sharing plans, trusts, estates, endowments, foundations, and corporations or other business entities. The minimum annual fee for Investment Advisory Services and Discretionary Management Services is \$40,000 Canadian. GPI may, at its sole discretion, accept a lower minimum annual fee depending on the circumstances.

ITEM 8: METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS

A. Methods of Analysis and Investment Strategies Used in Formulating Investment Advice or Managing Assets

GPI employs an open-architecture, third-party money manager approach to provide clients with access to independent investment managers that have undergone rigorous due diligence. GPI has developed a platform of approved strategies designed to be combined to offer a unique and customized solution to meet client investment objectives. The Firm currently uses a range of strategies including dedicated equity strategies with a variety of geographical and thematic exposures, multiple credit strategies, and various alternative strategies we believe are instrumental in building resilient client portfolios through a range of market and economic cycles.

The manager search process begins with Idea Generation followed by the Manager Research Process and Rating. Both are described in further detail below.

Idea Generation

Investment opportunities are sourced internally and externally through the following channels:

- Continuous monitoring of capital markets and emerging investment trends and themes

- Quantitative screening
 - In-house tools used to visualize various important metrics of a strategy
 - External databases such as Morningstar Direct, eVestment, and Bloomberg
- Industry network
- Client generated ideas
- Conferences and seminars

Manager Research Process and Rating

The rigorous investment due diligence process employed by GPI's manager research professionals relies on original and fundamental research based on meetings with key investment decision makers and organizational leaders. Managers are evaluated on a range of factors GPI believes are indicative of a manager's capabilities. Once managers are evaluated, they are then compared across other similar mandates to assess the relative strengths and weakness of investment managers and their overall rating amongst their peers.

B. Material Risks Related to Investment Strategies or Methods of Analysis

Investing in securities involves risk of loss that clients should be prepared to bear. The primary risks associated with GPI's investment strategies and portfolio holdings are outlined below. There could be other risks of investment that are not discussed below. Past performance is no indication of future returns.

No Investment Guarantee Equivalent to Deposit Protection. Investment in a securities portfolio is not in the nature of a deposit in a bank account and is not protected by any government, government agency or other guarantee scheme which could be available to protect the holder of a bank deposit account. Furthermore, unlike a deposit in a bank account, the principal invested in an investment portfolio is capable of fluctuation.

Reliance on GPI. The success of a client's portfolio depends in substantial part upon the skill and expertise of the personnel of GPI and the ability of the Firm to successfully implement the investment policy of the client's portfolio. No assurance can be given that GPI will be able to do so. Moreover, decisions made by GPI could cause a client portfolio to incur losses or to miss profit opportunities on which it could otherwise have capitalized. Clients will not be able to evaluate for themselves the merits of investments to be acquired. Instead, clients must rely on the judgment of GPI and third-party managers to conduct appropriate evaluations and to make investment decisions. There can be no assurance that any of the key investment professionals will continue to be associated with GPI or third-party managers throughout the life of the client relationship.

General Economic and Market Risk. Client portfolios are affected by general economic and market conditions, such as interest rates, availability of credit, inflation rates, economic uncertainty, changes in laws, trade barriers, currency exchange controls and national and international political circumstances. These factors could affect the level and volatility of securities' prices and the liquidity of a portfolio's investments. Volatility or illiquidity could impair a portfolio's profitability or result in losses.

Equity Securities Risk. The value of equity securities varies in response to many factors. Factors specific to an issuer, such as certain decisions by management, lower demand for its products or services, or even loss of a key executive, could result in a decrease in the value of the issuer's securities. Factors specific to the industry in which the issuer participates, such as increased competition or costs of production or consumer or investor perception, can have a similar effect. The value of an issuer's stock can also be adversely affected by changes in financial markets generally, such as an increase in interest rates or a decrease in consumer confidence, which are unrelated to the issuer itself or its industry. In addition, certain equity-related instruments can be subject to additional risks, including liquidity risk, counterparty credit risk, legal risk, and operations risk, and could involve significant economic leverage and, in some cases, be subject to significant risks of loss. These factors and others can cause significant fluctuations in the prices of the securities in which a portfolio invests and can result in significant losses.

Issuer Risk. The value of an equity security could decline in response to developments affecting the specific issuer of the security or obligation, even if the overall industry or economy is unaffected. These developments could include a variety of factors, including but not limited to management issues or other corporate disruption, political factors adversely affecting governmental issuers, a decline in revenues or profitability, an increase in costs, or an adverse effect on the issuer's competitive position.

Smaller Company Risk. Investments in small-capitalization companies and mid-capitalization companies, including smaller, earlier stage companies, at times involve additional risks. These risks can be relatively higher with smaller companies. These additional risks could result from limited product lines, more limited access to markets and financial resources, greater vulnerability to competition and changes in markets, lack of management depth, increased volatility in share price, and possible difficulties in valuing or selling these investments.

Fixed-Income Securities Risk. To the extent that an account holds fixed-income portfolio investments, they will be influenced by financial market conditions and the general level of interest rates around the world. Specifically, if fixed income investments are not held to maturity, an account may suffer a loss at the time of sale of such securities.

Interest Rate Risk. The value of a portfolio that holds fixed-income securities will rise and fall as interest rates change. When interest rates fall, the value of an existing bond will rise. When interest rates rise, the value of an existing bond will fall. The value of debt securities that pay a variable (or floating) rate of interest is generally less sensitive to interest rate changes. To the extent an account invests in instruments with a negative yield (i.e., where there are negative interest rates), its value could be impaired.

Systemic Risk. Credit risk can also arise through a default by one or several large institutions that are dependent on one another to meet their liquidity or operational needs, so that a default by one institution causes a series of defaults by the other institutions. This is sometimes referred to as "systemic risk" and could adversely affect financial intermediaries, such as clearing agencies, clearing houses, banks, securities firms, and exchanges, with which a portfolio interacts daily.

Use of Leverage Risk. Using borrowed money to finance the purchase of securities involves greater risk than a purchase using cash resources only. If an investor borrows money to purchase

securities, the investor's responsibility to repay the loan and pay interest as required by its terms remains the same even if the value of the securities purchased declines.

Foreign Investment Risk. Investments in securities of foreign issuers could involve risks including adverse fluctuations in currency exchange rates, political instability, confiscations, taxes or restrictions on currency exchange, difficulty in selling foreign investments, and reduced legal protection. These risks are at times more pronounced for investments in developing countries.

ADR Risk. American Depositary Receipts ("ADRs") are typically issued by a US bank or trust company and represent ownership of underlying foreign securities. Positions in those securities are not necessarily denominated in the same currency as the common stocks into which they could be converted. Generally, ADRs, in registered form, are designed for the U.S. securities markets. In addition to the risks presented in any investment – changes in value, changes in demand – there are several risks unique to ADRs that must be considered. For instance, while they will react to normal market fluctuations like regular stocks, ADRs are still vulnerable to currency risks. If the value of the company's home currency falls too much relative to the US Dollar, the effect will eventually trickle down to the ADR. The same can be said for changes in the home country's government.

Emerging Market Securities Risk. Client portfolios can hold investments in various markets, some of which could be considered "emerging markets", or in companies with material exposure to emerging markets. Many emerging markets are developing both economically and politically and could have relatively unstable governments and economies based on only a few commodities or industries. Many emerging market countries do not have firmly established product markets and companies could lack depth of management or could be vulnerable to political or economic developments such as nationalization of key industries.

Emerging market securities risks include: (i) greater risk of expropriation, confiscatory taxation, nationalization, social and political instability (including the risk of changes of government following elections or otherwise) and economic instability; (ii) the relatively small current size of some of the markets for securities and other investments in emerging markets issuers and the current relatively low volume of trading, resulting in lack of liquidity and in price volatility; (iii) certain national policies which could restrict a portfolio's investment opportunities including restrictions on investing in issuers or industries deemed sensitive to relevant national interests; (iv) the absence of developed legal structures governing private or foreign investment and private property; (v) the potential for higher rates of inflation or hyper-inflation; (vi) currency risk and the imposition, extension or continuation of foreign exchange controls; (vii) interest rate risk; (viii) credit risk; (ix) lower levels of democratic accountability; (x) differences in accounting standards and auditing practices which could result in unreliable financial information; and (xi) different corporate governance frameworks. Furthermore, emerging markets are characterized by numerous market imperfections, analysis of which requires long experience in the market and a range of complementary specialist skills. In the recent past, the tax systems of some emerging markets countries have been marked by rapid change, which has sometimes occurred without warning and has been applied with retroactive effect.

Concentration Risk. A portfolio will generally seek to diversify portfolio investments on behalf of the portfolio; however, a significant percentage of the portfolio's assets could be invested from

time to time in groups of issuers deriving significant revenues from the same market, region, or industry. To the extent a portfolio makes such investments, the exposure to credit and market risks associated with such market, region or industry will be increased because changes in the value of a single issuer could have a greater impact on the total value of the portfolio than if the portfolio is invested in a larger number of issuers. To the extent that some of the issuers in the portfolio are in the same or related industries or sectors, any economic, political, regulatory, or other event affecting one of those industries or sectors could have a greater impact on the total value of the portfolio.

Liquidity Risk. Due to a lack of demand in the marketplace or other factors, a portfolio might not be able to sell some or all investments promptly or may only be able to sell investments at less than desired prices.

Independent Manager and Sub-Adviser Selection. When client assets are invested by outside professional asset managers (sub-advisers), GPI does not directly control the day-to-day investment decisions of these outside managers. An independent manager may stray from its stated investment strategy (known as "style drift") or make poor investment decisions which place client assets at greater risk of loss. An independent manager may face regulatory problems which could have an impact on their ability to attract assets and professional staff.

Currency Risk. When investments involve the currencies of various countries, the value of the assets of a portfolio as measured in the portfolio's base currency will be affected by changes in currency exchange rates, which could affect a portfolio's performance independent of the performance of its securities investments. A portfolio could seek to hedge all or any portion of its foreign currency exposure. However, even if a portfolio attempts such hedging techniques, it is not possible to hedge fully or perfectly against currency fluctuations affecting the value of securities denominated in non-base currencies because the value of those securities is likely to fluctuate due to independent factors not related to currency fluctuations. Currency exchange rates can fluctuate significantly over short periods of time causing, along with other factors, a portfolio's net asset value to fluctuate as well. To the extent that a substantial portion of a portfolio's total assets, adjusted to reflect a portfolio's net position after giving effect to currency transactions, is denominated in the currencies of specific countries, the portfolio will be more susceptible to the risk of adverse economic and political developments within those countries.

Position Limit Risk. "Position limits" imposed by various regulators and/or counterparties can also limit a portfolio's ability to effect desired trades. Position limits are the maximum amounts of net long positions that any one person or entity can own or control in a specific financial instrument. All positions owned or controlled by the same person or entity, even if in different accounts, can be aggregated for purposes of determining whether the applicable position limits have been exceeded. Thus, even if a portfolio does not intend to exceed applicable position limits, it is possible that different accounts managed by GPI and its affiliates could be aggregated. If at any time positions managed by GPI were to exceed applicable position limits, we would be required to liquidate positions, which could include positions of a portfolio, to the extent necessary to come within those limits. Further, to avoid exceeding the position limits, a portfolio could have to forego or modify certain of its contemplated trades.

Private Fund Risk. Private investment funds generally involve various risk factors, including, but not limited to, potential for complete loss of principal, liquidity constraints and lack of transparency, a complete discussion of which is set forth in each fund's offering documents, which will be provided to each qualified client for review and consideration. Unlike other liquid investments, private investment funds do not provide daily liquidity or pricing. Each prospective client must be qualified for investment in a fund and acknowledge and accept the various risk factors that are associated with such an investment.

Correlation of Performance Across Investments and Strategies. GPI will invest in securities in a manner which is intended to provide some degree of portfolio diversification. However, there can be no assurance that the performance of its investments will not be correlated. For example, in periods of illiquidity such as those experienced in 2008, assets in certain market sectors which historically did not show a high degree of correlation became correlated due to the sharp decrease in liquidity available to investors and the loss of systemically important institutions that affected all such investments. Similarly, there can be no assurance that the strategy employed by GPI will be uncorrelated with other investment strategies in the future.

Execution of Orders. A portfolio's investment strategies and trading strategies depend on its ability to establish and maintain an overall market position in a combination of financial instruments selected by GPI. A portfolio's trading orders may not be executed in a timely and efficient manner due to various circumstances, including, without limitation, trading volume surges or systems failures attributable to a portfolio, GPI, counterparties, brokers, dealers, agents, or other service providers. In such event, a portfolio might only be able to acquire or dispose of some, but not all, of the components of such position, or if the overall position were to need adjustment, the portfolio might not be able to make such adjustment. As a result, a portfolio would not be able to achieve the market position selected by GPI, which could result in a loss. In addition, GPI could rely on electronic execution systems (and could rely on new systems and technology in the future), and such systems could be subject to certain systemic limitations or mistakes, causing the interruption of trading orders made by a portfolio.

Trading on Exchanges. A portfolio can trade, directly or indirectly, securities on exchanges located anywhere. Some exchanges, in contrast to those based in the United States, for example, are "principals' markets" in which performance is solely the individual member's responsibility with whom the trader has entered into a contract and not that of an exchange or its clearinghouse, if any. In the case of trading on such exchanges, a portfolio will be subject to the risk of the inability of, or refusal by, a counterparty to perform with respect to contracts. Moreover, in certain jurisdictions there is generally less government supervision and regulation of worldwide stock exchanges, clearinghouses and clearing firms than, for example, in the United States. A portfolio is also subject to the risk of the failure of the exchanges on which its positions trade or of their clearinghouses or clearing firms and there could be a higher risk of financial irregularities and/or lack of appropriate risk monitoring and controls.

Failure of Brokers, Counterparties, Exchanges. Client portfolios will be exposed to the credit risk of the counterparties with which, or the brokers, dealers, and exchanges through which, client portfolios deal, whether engaging in exchange-traded or off-exchange transactions. Client portfolios could be subject to risk of loss of assets on deposit with a broker in the event of the

broker's bankruptcy, the bankruptcy of any clearing broker through which the broker executes and clears transactions on behalf of client portfolios, or the bankruptcy of an exchange clearing house. Client portfolios can also be subject to risk of loss of their funds on deposit with brokers who are not required by their own regulatory bodies to segregate customer funds. Client portfolios could be required to post margin for foreign exchange transactions either with GPI or other foreign exchange dealers who are not required to segregate funds (although such funds are generally maintained in separate accounts on the foreign exchange dealer's books and records in the name of the client).

In the case of a bankruptcy of the counterparties with which, or the brokers, dealers, and exchanges through which, client portfolios deal, or a client loss as described in the foregoing paragraph, client portfolios might not be able to recover any of their assets held, or amounts owed, by such person, even property specifically traceable to client portfolios, and, to the extent such assets or amounts are recoverable, client portfolios might only be able to recover a portion of such amounts. Further, even if client portfolios can recover a portion of such assets or amounts, such recovery could take a significant period of time. Prior to receiving the recoverable amount of the client account property, client accounts could be unable to trade any positions held by such person, or to transfer any positions and cash held by such person on behalf of client portfolios. This could result in significant losses to client portfolios.

Client portfolios can initiate transactions on "over the counter" or "interdealer" markets. Participants in these markets are typically not subject to credit evaluation and regulatory oversight as are members of "exchange based" markets. To the extent that client portfolios invest in swaps, derivatives or synthetic instruments, or other over-the-counter transactions in these markets, client portfolios can take a credit risk relative to parties with which it trades and could bear the risk of settlement default. These risks could differ materially from those involved in exchange-traded transactions, which generally are characterized by clearing organization guarantees, daily marking-to-market and settlement, and segregation and minimum capital requirements applicable to intermediaries.

Currency Counterparty Risk. Contracts in the foreign exchange market are not regulated by a regulatory agency, and such contracts are not guaranteed by an exchange or clearing house. Consequently, there are no requirements with respect to record-keeping, financial responsibility or segregation of customer funds or positions. In contrast to exchange-traded futures contracts, interbank-traded instruments rely on the dealer or counterparty being contracted with to fulfil its contract. As a result, trading in interbank foreign exchange contracts could be subject to more risks than futures or options trading on regulated exchanges, including, but not limited to, the risk of default due to the failure of a counterparty with which a client portfolio has a forward contract. Although GPI intends to trade with counterparties it believes to be responsible, failure by a counterparty to fulfil its contractual obligations could expose a client portfolio to unanticipated losses.

Cybersecurity Risk. As the use of technology has become integral to conducting business, GPI has become more susceptible to operational and information security risks. A breach in cyber security refers to both intentional and unintentional events that may cause GPI to lose proprietary information, suffer data corruption or lose operational capacity. This in turn could cause GPI to

incur regulatory penalties, reputational damage, additional compliance costs associated with corrective measures, and/or financial loss. Cyber security breaches may involve unauthorized access to GPI's digital information systems (e.g., through "hacking" or malicious software coding), but may also result from outside attacks, such as denial-of-service attacks (i.e., efforts to make network services unavailable to intended users). In addition, cyber security breaches of a GPI's third-party service providers can also subject GPI to many of the same risks associated with direct cyber security breaches. As with operational risk in general, GPI has established risk management systems designed to reduce the risks associated with cyber security. However, there is no guarantee that such efforts will succeed, especially since GPI does not directly control the cyber security systems of third-party service providers.

Pandemic Risk. Occurrences of epidemics or pandemics, depending on their scale, may cause different degrees of damage to global, national, and local economies. COVID-19 (also known as novel coronavirus or coronavirus disease 2019) presents unique, rapidly changing, and hard to quantify risks. Governments on the global, national, and regional level, have instituted a variety of measures including lockdowns, quarantines, and states of emergencies, which collectively have had a negative impact on certain sectors of the global economy. Due to the uncertainty surrounding COVID-19, global equity, bond, and credit markets may experience atypical volatility and/or be adversely affected. Such disruption may adversely affect the operating results and financial condition of portfolio holdings, and therefore in turn, client investment returns.

C. Material Risks Related to Securities

Investing in securities involves risk of loss that clients should be prepared to bear. See Item 8B above for a discussion of the risks related to securities. The risks described herein should not be considered an exhaustive list of all the risks which clients should consider.

D. Minimizing the Risk of Loss

We believe the professional and disciplined execution of our investment philosophy and due diligence will assist our clients in achieving their objectives over time, although there are no guarantees. We seek to mitigate investment risk by way of our top-down macro analysis with rigorous investment manager due diligence to identify investment opportunities and assist in the portfolio construction and asset allocation process. However, no investment is guaranteed. GPI clients placing funds in our strategies should do so with the full knowledge that loss of principal is a real risk.

ITEM 9: DISCIPLINARY INFORMATION

Registered investment advisers must disclose all material facts about any legal or disciplinary events that would be material to the evaluation of the firm or the integrity of its management. GPI does not have any legal, financial, or other disciplinary items to report.

ITEM 10: OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

A. Broker-Dealer Registration Status

Neither GPI nor any of its management persons are registered as a representative of a broker-dealer or have an application pending to register as a broker-dealer in the United States. As noted in Item 4,B. above, the Firm holds registration in Canada as a portfolio manager and exempt market dealer with the securities regulatory authorities in each province of Canada, the Northwest Territories and the Yukon, and is registered as an investment fund manager in the provinces of Ontario, Québec, Newfoundland & Labrador, Northwest Territories and the Yukon.

B. Futures Commission Merchant, Commodity Pool Operator or Commodity Trading Adviser Registration Status

Neither GPI nor any of its management persons are registered or have an application pending to register in the United States, as a futures commission merchant, commodity pool operator, commodity trading advisor, or a representative of the foregoing.

C. Material Relationships or Arrangements with Related Persons who are Industry Participants

Through its parent company's ownership structure, GPI is affiliated with numerous financial service entities located inside and outside the United States, as detailed below. This list of affiliated entities is subject to change over time.

- **Agincourt Capital Management, LLC** ("Agincourt") is an SEC-registered investment management firm based in Richmond, Virginia in the United States and principally owned by Guardian Capital, LLC an indirect subsidiary of Guardian Group. Agincourt primarily manages fixed income portfolios for a wide range of institutional clients.
- **Alexandria Bancorp Limited**, an indirect subsidiary of Guardian Group based in Grand Cayman, provides banking, investment management and trustee services to its international clients.
- **Alexandria Global Investment Management Limited**, an indirect subsidiary of Guardian Group, is registered as a mutual fund manager under the laws of the Cayman Islands, and is the manager of a mutual fund, The Alexandria Fund, which is sold to the public outside Canada and the U.S. The fund consists of numerous "sub-funds", each of which has a different investment objective.
- **Alta Capital Management, LLC** ("Alta Capital") is an SEC-registered investment management firm based in Salt Lake City, Utah and principally owned by Guardian Capital, LLC, an indirect subsidiary of Guardian Group. Alta Capital invests primarily in U.S.-based equity securities using a quality growth investment discipline on behalf of institutional, wrap and model-based program, high net worth, and individual clients.

- **Galibier Capital Management Ltd.** (“Galibier”) with its principal place of business in Toronto, Ontario, an indirect subsidiary of Guardian Group, is registered as a portfolio manager and investment fund manager in various jurisdictions across Canada.
- **GuardCap Asset Management Limited** (“GuardCap”), with its principal place of business in London, is a specialist investment firm focused solely on managing concentrated, bottom-up, equity strategies constructed on an "index-agnostic" basis for institutional, wrap and model-based platform clients. GuardCap is a subsidiary of Guardian Capital Group Limited, is registered with the SEC as a foreign adviser and is authorised and regulated by the Financial Conduct Authority of the United Kingdom.
- **Guardian Capital Advisors LP** ("GCALP"), another subsidiary of Guardian Group, is a registered investment adviser (in the U.S. and Canada) and exempt market dealer (in Canada) that specializes in advising high net worth individuals and is an affiliate of GPI.
- **Guardian Capital Holdings Ltd.**, a wholly owned subsidiary of Guardian Group, holds a 100% interest in Guardian Capital Real Estate Inc., which is the manager of Guardian Capital Real Estate Fund LP (“GCREF”), a Manitoba limited partnership that invests in direct real estate. Guardian Capital Holdings Ltd. also holds a 100% interest in Guardian Capital Real Estate GP Inc., GCREF’s general partner. Guardian Capital Holdings Ltd. holds a 100% interest in Guardian Smart Infrastructure Management Inc., which is the manager of Guardian Smart Infrastructure Partners LP, a limited partnership that invests in infrastructure projects. Guardian Capital Holdings Ltd. also holds a 100% interest in Guardian Smart Infrastructure Partners UGP LLC., which acts as general partner to Guardian Smart Infrastructure Partners GP LP, the general partner of Guardian Smart Infrastructure Partners LP.
- **Guardian Capital LP** is an independent, institutional investment firm. Guardian Capital LP is a subsidiary of Guardian Capital Group Limited, is registered as a Portfolio Manager in all provinces of Canada and is an SEC-registered investment adviser. Guardian Capital LP is the manager of a group of pooled trust funds, the Guardian Capital Funds, and advises a private investment fund complex known as the Guardian Aurora Funds. The Guardian Aurora Funds complex consists of a Cayman Islands domiciled master fund and two feeder funds.
- **Modern Advisor Canada Inc.** is a subsidiary of Guardian Group and is registered as an investment adviser in Canada.
- **Rae & Lipskie Investment Counsel Inc.** (“The RaeLipskie Partnership”) is an SEC-registered investment management firm based in Waterloo, Ontario, controlled by Guardian Group. The firm is registered as a portfolio manager and investment fund manager in various jurisdictions across Canada.
- **Sterling Capital (Cayman) Limited** is a wholly owned subsidiary of Sterling Capital Management, LLC that facilitates investment management services to non-U.S. companies.

- **Sterling Capital Management, LLC** (“Sterling”) is an SEC-registered investment management firm based in Charlotte, North Carolina in the United States and principally owned by Guardian Capital, LLC, an indirect subsidiary of Guardian Group. Sterling’s investment advisory services include mutual funds, separately managed accounts, model portfolios, and other commingled vehicles offered through a variety of intermediary and managed account platforms.

Conflicts of interest resulting from the above relationships are minimized in a number of ways. Regulations, policies and procedures restrict the relationships among dealers and advisers and govern their relationships with clients. The directors and officers of the Guardian Group who also serve as directors and officers of its related dealers and advisers generally provide overall corporate services to Guardian Group entities and are not involved in the day-to-day trading for or advising of clients. Each entity has its own full-time professional staff who carries out the day-to-day trading and advising, and who may also be officers, and represented on the boards of directors, of the entities involved. Each entity has its own conflicts of interest policies. Compliance with both internal and external regulations and policies and procedures are monitored at all levels of the organization, under the guidance of the Compliance Department and the Governance Committee of the Board of the Guardian Group.

D. Material Conflicts of Interest Relating to Third-Party Managers

As noted above, GPI recommends third-party managers to provide clients with exposure to certain asset classes and related expertise. GPI does not receive any compensation from third-party managers for such recommendations. Please refer to Items 4, 5, and 8 for more information about these arrangements.

ITEM 11: CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING

A. General Statement about Code of Ethics

We value client trust and place our fiduciary responsibilities to each client first and foremost in all aspects of our business. In accordance with Rule 204A-1 under the Advisers Act, GPI has adopted a code of ethics (the “Code of Ethics”). The Code of Ethics outlines our high standard of business conduct and reinforces each employee’s role in discharging our fiduciary duty to clients. The Code of Ethics sets forth standards of conduct expected of employees and addresses conflicts that arise from personal trading, gifts and entertainment, and outside business activities. GPI’s employees must initiate certain Code of Ethics reports to the compliance staff, including specified personal securities transactions, holdings, and pre-approval requests. GPI is committed to maintaining the confidentiality, integrity, and security of our current and prospective clients’ non-public personal information and adheres to high standards to safeguard such information.

A copy of GPI’s Code of Ethics is available to any current or prospective client by contacting us at (416) 840-8001.

B. Conflicts of Interest Generally

Where GPI exercises discretion under the client's authority in the purchase or sale of securities for the client's account, GPI could not exercise that discretion for securities in which GPI or a related person has a material financial interest unless GPI has obtained the client's prior specific and informed written consent.

C. Investing in the Same Securities and/or at the Same Time as Clients

GPI and/or a related person can purchase or sell securities that are recommended to clients either directly, or by third-party managers. The GPI Code of Ethics sets forth the basic policies of ethical conduct for all employees. In addition, the Code of Ethics governs personal trading by each employee deemed to be an Access Person¹ and requires that securities transactions effected by Access Persons of GPI are conducted in a manner that avoids any actual or potential conflict of interest between such persons and clients of GPI or its affiliates.

Access Persons are required to obtain pre-approval from the compliance staff prior to personal account transactions in certain designated financial instruments. In no circumstance will an Access Person be permitted to knowingly trade ahead of a client where GPI is buying or selling the same security on behalf of clients. This policy applies to financial instruments in which the Access Person has any direct or indirect beneficial ownership. An Access Person is deemed to have beneficial ownership if the Access Person, directly or indirectly, has or shares a direct or indirect opportunity to profit or share in any profit derived from the financial instrument.

GPI collects and maintains records of securities holdings and securities transactions effected by Access Persons and related persons as detailed above. These records are reviewed to identify and resolve potential conflicts of interest.

D. Restricted List Securities

From time-to-time, a financial instrument may be added to a 'restricted list' that is maintained by GPI, for example, where the Firm has inside information about a public company. In such circumstances, personal account transactions in the financial instrument are strictly prohibited. In addition, Access Persons must not disclose confidential or inside information to a third party where it can be reasonably ascertained that the third party will transact in financial instruments on the provision of this information.

¹ An Access Person of an SEC-registered investment adviser is any supervised person who has access to nonpublic information regarding any clients' purchase or sale of securities, or nonpublic information regarding the portfolio holdings of any reportable fund; or who is involved in making securities recommendations to clients, or who has access to such recommendations that are nonpublic.

ITEM 12: BROKERAGE PRACTICES

A. Factors Considered in Selecting or Recommending Broker-Dealers for Client Transactions

Where third-party managers or sub-advisers retain discretionary authority to transact on behalf of our clients, GPI does not select or recommend broker-dealers for client transactions.

When GPI retains discretion to make such a selection, GPI's policy on broker selection is to ensure that GPI, on behalf of its clients, receives good value from brokerage firms. This is achieved by allocating trades to approved brokerage firms based on their efforts, for the benefit of our clients. GPI maintains a list of approved brokerage firms. GPI is not permitted to conduct a trade with or direct a trade to a brokerage firm unless the brokerage firm is on the list of approved brokers.

When selecting brokers to conduct securities transactions on behalf of client portfolios, investment and trading teams consider many factors, in the context of the over-riding responsibility to seek best execution, including without limitation:

- The execution ability of the broker with reference to the specific trade;
- Trading expertise and prompt access to large blocks of securities;
- Willingness of the broker to commit its own capital to facilitate trading; and
- Expertise with access to relevant markets and security types.

Research and Soft Dollar Benefits

Soft dollars are the benefits provided to an asset manager by a broker-dealer due to the commissions generated from financial transactions executed by the broker-dealer for client accounts or funds managed by the asset manager. GPI realizes that brokerage commissions are the property of our clients. As an adviser, we have an ongoing responsibility to ensure the quality of all transactions effected on behalf of clients, including seeking to obtain best execution and minimizing transaction costs (market impact plus commissions). GPI does not use soft dollars but does permit sub-advisers to GPI's pooled funds and other clients over which it exercises discretionary authority to do so. GPI monitors the use of commissions generated from trades by the sub-advisers in the accounts of its clients for compliance with applicable laws and appropriateness of any soft dollar practices as they relate to the clients.

The sub-adviser may cause the account of a client to pay commissions to dealers that provide research, analysis, advice and other information services and may cause the client's account to pay such dealers commissions for effecting transactions in excess of commissions other dealers may have charged, as permitted by applicable law. There is a potential conflict of interest because (i) the sub-adviser may direct transactions involving client commissions to a dealer in return for other goods or services and (ii) such goods or services may be used for the benefit of clients other than the client whose commission paid for the goods or services.

GPI manages that conflict by reviewing the sub-adviser's policies and procedures on an annual basis and when there is any material change thereto to verify that they are in compliance with all applicable laws. A copy of the sub-adviser's current policy is provided to GPI annually at each sub-adviser's performance review.

Brokerage for Client Referrals

GPI does not receive client referrals from any broker-dealer due to the Firm selecting or recommending that broker-dealer to clients.

Directed Brokerage

GPI's policy is to not utilize directed brokerage unless the following conditions are satisfied: (a) directed brokerage is requested in writing by the client (a copy of the request must be provided to the compliance staff and must be maintained in the client's file); and (b) the client is provided with written disclosure regarding: GPI's inability to negotiate commissions, inability to necessarily obtain volume discounts or best execution, the possibility of disparity in commission charges; and the potential conflicts of interest arising from brokerage firm referrals.

B. Order Aggregation and Allocation

GPI maintains standards that are directed toward ensuring fairness in the allocation of investment opportunities among client accounts, whether providing investment advisory or discretionary management services.

The regulatory concern is that an adviser may unfairly favour some accounts over others. This concern is most acute when a security is unusually attractive at the time of purchase and/or difficult to obtain, or it is unattractive, or difficult to dispose of, at the time of sale. This is especially true for GPI's portfolios which focus on investments in instruments that are often thinly traded and/or are of limited availability.

In circumstances where GPI engages one or more third-party managers in respect of a client account, each applicable third-party manager's allocation of orders policy will govern trade management, aggregation, and allocation. GPI will review each manager's allocation policy prior to entering into the applicable agreement and no less frequently than annually thereafter while such agreement is in force to ensure that the manager's policy is satisfactory to GPI.

GPI reviews each manager's allocation of orders policy when there is any material change thereto to verify that such policy remains in compliance with all applicable laws. A copy of the manager's current allocation of orders policy is provided to GPI annually at each manager's performance review.

When GPI directly initiates client trades, GPI's policy is to ensure fair treatment of all clients over which GPI has discretionary authority in situations where two or more such clients participate simultaneously in a buy or a sell program involving the same security. GPI owes a duty to each client and, therefore, the Firm has an obligation to treat each client fairly. Transactions for clients shall have priority over personal transactions so that the personal transactions of GPI and/or its employees do not negatively impact clients' interests.

GPI shall exercise diligence and thoroughness in making an investment action on behalf of each of its clients. GPI must have a reasonable and adequate basis for such actions, supported by

appropriate research and investigation. GPI will manage each client's portfolio within the investment guidelines and restrictions set for that client.

Orders follow a pro rata allocation protocol per client account based upon target weighting as determined by the portfolio managers at the time of order entry – the belief being that in most instances a pro rata allocation will ensure fairness. However, the policy recognizes that no rigid formula will always lead to a fair and reasonable result, and that a degree of flexibility to adjust to specific circumstances is necessary. Therefore, under certain circumstances, allocation on a basis other than strictly pro rata based on order size is permitted if it is believed that such allocation is fair and reasonable. The overriding principle to be followed in applying the following guidelines is to be fair and reasonable to all clients participating simultaneously in a buy or sell program of the same security, considering each client's investment objectives, portfolio manager policies and avoiding the appearance of favoritism or discrimination among clients.

It is part of GPI's policy to aggregate or bunch client orders when it is determined that it is in the best interests of clients.

As a portfolio manager, GPI and its employees shall conduct themselves with integrity and honesty and act in an ethical manner in all dealings with clients. GPI shall not knowingly participate or assist in the violation of any statute or regulation governing securities and investment matters.

C. Clients May Impose Reasonable Restrictions

Clients should be aware that the need to carefully review an account guideline or relevant portfolio restriction (including an applicable law) could in some cases create a potential opportunity cost. GPI can choose, as a prudential matter, to limit certain client accounts from trading in a specific instrument while it reviews and interprets relevant law or contractual limitations or, where necessary, obtains client consent. This delay could cause some client accounts to miss investment opportunities. In certain situations where GPI is unable to confirm with confidence that a specific client account is permitted to invest in a specific opportunity, or where client discussion and consent is needed, but cannot practically be arranged in a timely manner, GPI could be unable to proceed with the investment for that client account, even if other clients do participate.

D. Accounts for Persons Associated with GPI

GPI can, either directly through a separate account or indirectly through a pooled investment vehicle, manage proprietary accounts of GPI or its related persons, including employees. GPI will treat these accounts in the same manner as accounts of non-related persons and will not favor one type of account over the other. GPI periodically reviews its treatment of proprietary accounts to ensure that it does not favor them over non-proprietary accounts.

ITEM 13: REVIEW OF ACCOUNTS

A. Periodic Client Account Reviews

Client portfolio holdings, sub-advisers, and third-party managers are reviewed on a continuous basis by the investment team. Client portfolios are reviewed and compared to the Investment Policy Statement on a periodic basis.

B. Other than Periodic Client Account Reviews

Certain factors could trigger additional review of a client's account. The frequency, interval, and scope of these reviews depend upon many factors, including but not limited to:

- Changes in sub-adviser or third-party manager lineup;
- Changes in market conditions;
- Re-balancing of assets to maintain proper asset allocation;
- Contributions or withdrawals of cash from an account;
- Change in the investment restrictions, investment objectives, or Investment Policy Statement;
- Client requests such as tax-loss harvesting; and/or
- Questions regarding performance or structure.

Clients should contact GPI if any changes occur in their investment objectives which could affect the services the Firm provides.

C. Client Reporting

Standard Client Reporting

At no additional charge to clients, GPI provides periodic statements to clients setting out the value and composition of the account on a periodic basis (which shall be quarterly unless otherwise agreed with the client) and, also provide such other reports and information as required under applicable law. Valuation levels for the assets of the account in the periodic statements provided by GPI shall reflect the Firm's good faith effort to ascertain fair market levels (including accrued income, if any) for the assets reasonably believed by GPI to be held for the account based on pricing and valuation information believed by the Firm to be reliable. Clients should understand that variations in market conditions will mean that the prices shown in periodic statements and any other reports do not necessarily reflect realizable values.

Performance Reporting Services

As disclosed above, GPI offers additional reporting beyond the account statements provided under Investment Advisory Services or pooled fund investments ("Performance Reporting Services"). See Item 5 above for more information about these services.

ITEM 14: CLIENT REFERRALS AND OTHER COMPENSATION

A. Economic Benefits for Providing Services to Clients

GPI does not receive an economic benefit from any party who is not a client, for providing investment advice or other advisory services to our clients.

B. Compensation to Third Parties for Client Referrals

GPI does not participate in referrals relationships with financial planners or other firms.

ITEM 15: CUSTODY

A. General Statement about Custody

Custody occurs when an adviser or related person directly or indirectly holds client funds or securities or may gain possession of them. GPI does not have direct custody over client funds or securities. Custody is maintained by a custodian selected by the client. Our clients work with various broker-dealers, banks and other qualified custodians who provide periodic statements of all securities and funds held. Clients should receive at least quarterly statements from the qualified custodian that holds and maintains investment assets. We urge clients to carefully review statements, which represent official custodial records, and compare them to the account statements or reports that we could provide.

B. Direct Fee Debit

We have adopted policies and procedures to safeguard client assets, including assets maintained in client accounts where GPI personnel have the authority to deduct advisory fees. If GPI is granted the authority to directly deduct fees from a U.S. client's account, we will perform a specific due inquiry to ascertain that the qualified custodian sends an account statement, at least quarterly, to each client for which the qualified custodian maintains funds or securities.

C. GPI Reports and Custodian Statements May Differ

GPI statements and reports could vary from custodial statements based on differences between accounting procedures, reporting dates, or valuation methods for certain securities. If you have any questions on the information provided by the custodian or GPI, please contact us.

ITEM 16: INVESTMENT DISCRETION

Under GPI's Discretionary Management Services, we retain the discretion to hire and terminate sub-advisers and re-allocate across sub-advisers and/or pooled funds. However, when client accounts are managed by third-party managers or sub-advisers, GPI does not retain discretion over decisions specific to the selection and amount of securities to be bought or sold in client accounts, the timing of transactions, or the broker-dealer to be used for the purchase or sale of securities. Third-party managers and sub-advisers retain such discretion.

If GPI manages underlying portfolio securities directly, GPI retains discretion over the selection and amount of securities to be bought or sold in client accounts, the timing of transactions, and the broker-dealer to be used for the purchase or sale of securities without obtaining prior consent or approval from the client. However, these purchases or sales and the selection of the broker-dealer may be subject to specified investment objectives, guidelines, or limitations previously set forth by the client and agreed to by GPI. Discretionary authority will only be authorized upon full disclosure to the client. The granting of such authority will be evidenced by the client's execution of the Engagement Letter containing all applicable limitations to such authority. All discretionary trades made by GPI will be in accordance with each client's investment objectives and goals.

ITEM 17: VOTING CLIENT SECURITIES

A. Voting Policies and Procedures

When client assets are managed by sub-advisers or third-party managers, such sub-advisers or third-party managers retain proxy voting authority. GPI evaluates sub-advisers' and third-party managers' proxy voting policies as part of our initial and ongoing manager due diligence process. Any special client requests or arrangements relative to proxy voting will be detailed in the client's Engagement Letter.

When GPI has been directly delegated proxy voting authority on behalf of a client, proxy voting is a key part of our engagement process as it provides an important way for us to convey our views to boards and management. Voting responsibly is part of our fiduciary duty, and we make our voting decisions independently, in accordance with our custom Proxy Voting Guidelines. Our voting guidelines provide an overview of the corporate governance principles we support. Proxy Voting Guidelines are updated on an annual basis to ensure we remain at the forefront of corporate governance and responsible investment.

GPI subscribes to a proxy consulting service and a voting service. The consulting service provides professional analyses and recommendations for all proxies issued by the companies held within certain portfolios. The voting service votes proxies as specifically directed by GPI. We monitor the services provided by the proxy consulting service to evaluate whether it has the capacity and competency to adequately analyze proxy issues and make recommendations in an impartial manner, and in the best interests of our clients. From time to time, GPI reviews its proxy voting policies, and the services provided by the proxy consulting service to determine whether the continued use of the service and the recommendations are in the best interests of clients.

Where a conflict, or potential conflict exists between the interest of a client and the interest of GPI or its affiliates or related persons, proxies are voted in accordance with investment considerations and investment merits, without regard to any other business relationship that could exist between GPI and the portfolio company.

There will be occasions where the applicable investment team determines that the best interest of the client could require a vote divergent from the recommendation of the proxy consulting service. On such occasions, the applicable investment team will document the reasons for the voting decision.

GPI maintains the following records relating to proxy voting analysis and decisions:

- Proxy statements received for client securities;
- Records of votes cast on behalf of clients;
- Records of client requests for proxy voting information and the response provided by GPI;
- Documents that record the basis for decisions on voting matters, and any supporting materials; and
- Records related to GPI's due diligence and oversight of the proxy consulting service.

There could be situations in which GPI decides in the best interests of its clients to deviate from its proxy policies and procedures. If this occurs, the compliance staff will document in writing the reason for the deviation.

Clients can obtain a copy of GPI's voting policies and procedures as well as information on how proxies were voted for their account(s) by contacting us at (416) 840-8001.

B. When GPI Could Decline to Vote Proxies

GPI could decline to vote in special situations, including cases where an issue is not relevant to the proxy policy's voting objective or where GPI believes it is not possible to ascertain what effect a vote could have on the value of an investment (e.g., social issues) or where costs are prohibitive. If this occurs, the compliance staff will document in writing the reason for the decision not to vote.

C. When Clients Retain Voting Discretion

Clients that choose to vote their own securities will receive proxy solicitations from their custodian and/or transfer agent. Clients may contact us with any questions about or seek GPI's insight relative to a specific proxy solicitation.

D. Class Action Suits and Other Legal Proceedings

Unless otherwise arranged pursuant to an agreement with a client, GPI is not obligated to, and typically does not, file claims or make decisions on a client's behalf in legal proceedings (including bankruptcies and class actions) relating to securities held or formerly held in a client's account. If GPI receives a class action notification or proof-of-claim form, it will forward such materials to the client if we have been instructed to do so by the client. If a client instructs GPI to forward such materials to the client's custodian, the client should (i) ensure that the custodian is capable of filing, and has the proper authorization to file, proofs of claim on the client's behalf, and (ii) determine whether and how to file a request for exclusion from a specific class action settlement.

ITEM 18: FINANCIAL INFORMATION

A. Prepayment of Fees

GPI is not permitted to, and does not, collect fees in advance. All client fees are charged in arrears.

B. Financial Condition

GPI has no financial obligation that impairs its capacity to meet contractual and fiduciary commitments to clients.

C. Bankruptcy History

GPI has not been the subject of a bankruptcy proceeding.

ITEM 19: REQUIREMENTS FOR STATE REGISTERED ADVISERS

Not applicable.