

DORCHESTER WEALTH MANAGEMENT COMPANY

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**PERSONALIZED
PORTFOLIO
MANAGEMENT**

**BUILDING WEALTH
FOR OUR CLIENTS
FOR OVER 85
YEARS**

This brochure provides information about the qualifications and business practices of Dorchester Wealth Management Company (DORCHESTER). DORCHESTER is a registered investment adviser. Registration of an Investment Adviser does not imply any level of skill or training. The oral and written communications of an Adviser provide you with information about which you determine to hire or retain an Adviser. If you have any questions about the contents of this brochure, please contact us. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority. Additional information about DORCHESTER is also available on the SEC's website at www.adviserinfo.seec.gov. You can search this site by a unique identifying number known as a CRD number. The CRD number for DORCHESTER is 221519.

March 15, 2016

2. MATERIAL CHANGES

In this Item 2, Dorchester Wealth Management (Dorchester) is required to identify and discuss all material changes since the last filing of Form ADV, or to include these changes in a separate document accompanying this Brochure.

While numerous changes were made throughout the brochure, none of the changes included in this update are deemed to be material. This Brochure reflects changes since the initial Brochure of April 30, 2015. Additional information about Dorchester's advisory services or Focus is described in Item 4 and Item 10 of this Brochure.

Currently, our Brochure may be requested by contacting Isabella H. Wehrli, Chief Compliance Officer at 514-861-5841 or by e-mail isabelle.wehrli@dorchesterwealth.com. We will provide you with our Brochure, at any time, without charge.

Brochure Date: March 15, 2016

Date of last annual updating amendment to our Brochure: April 30, 2015

Additional information about Dorchester is also available via the SEC's web site
www.adviserinfo.sec.gov

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4. ADVISORY BUSINESS

History, Principal Owners, Assets under Management

Dorchester's history dates back to 1928 with the founding of Hodgson Robertson & Company in Montreal, and is one of Canada's longest serving independent investment counselling firms. Until April 1st, 2015 the firm operated under the name Dorchester Investment Management, at which point with our partnership with *Focus Financial Partners* the advisory business was rebranded as Dorchester Wealth Management Company (Dorchester). There has been no change to the key personnel responsible for the advisory services and management of Dorchester; however, the new successor reflects new ownership by Focus Canada Holdings, LLC which is a wholly-owned subsidiary of Focus Operating, LLC, a Delaware limited liability company ("Focus"). For more information, please see "Item 10 – Other Financial Industry Activities and Affiliations."

Pursuant to a Management Agreement between Dorchester and DWM Partners Inc., the Management Company, the key personnel provide management, supervision, oversight and operational support to Dorchester. The primary management team of Dorchester and DWM Partners Inc. includes Robert Bard, President and Director; Isabella H. Wehrli, Director, Secretary and Chief Compliance Officer; A. Bruce Gill, Director; Brian T. Howard, Director; David V. Sheridan, Director; Eric Gibouleau, Director.

Dorchester is registered with l'Autorité des marchés financiers du Québec, the Alberta Securities Commission, the Ontario Securities Commission, the British Columbia Securities Commission, the Manitoba Securities Commission, the New Brunswick Securities Commission, the Nova Scotia Securities Commission, and the Securities and Exchange Commission in the United States.

As of December 31, 2015, the combined amount of client investments managed by us on a discretionary basis were about \$825 MM in Canadian dollars (or approximately \$600 MM US dollars.)

Dorchester does not act as a broker, custodian, issuer or underwriter of securities. Dorchester's primary objective is to provide customized investment management services to high-net-worth individuals, investment holding companies, trusts, estates and registered retirement funds in separately managed accounts. Services include investment management, asset allocation, security selection and discretionary trading of equities, fixed income and other instruments and active portfolio management review. Dorchester works with each client to establish an appropriate investment policy based on the client's objectives, circumstances, time horizon and risk tolerance.



Tailored Investment Advice

At Dorchester, we believe that understanding, objectivity and availability are the essential keys to delivering the highest quality personalized service.

Understanding investment objectives and client requirements is perhaps the most important component of personal service within the investment counselling business. We recognize that each client has different investment objectives and requirements based on their own personal attitudes and preferences towards risk, liquidity, tax issues, and performance expectations. We take the time to listen and understand these personal goals and requirements before developing an appropriate investment policy. Clients, at any time, may impose restrictions on investing in certain securities or types of securities.

As an independent investment adviser, Dorchester's reputation has been built on its ability to provide unbiased investment counsel. A customized portfolio management strategy is developed through an objective and complete understanding of each client's personal goals and requirements. Each client is different and we need to listen intently and objectively to both our clients needs and wants before we can implement a strategy that suits their personality and meets their long term objectives.

Dorchester's partners and portfolio managers take pride in making themselves (the decision makers) available to our clients. Whether it be in a thorough scheduled quarterly review, or a quick phone call to discuss any issue of importance, we are always available to discuss any aspects of the portfolio. We are and throughout our long history have been a client centric firm.

Private Pooled Fund under Canadian Law

Dorchester is also the investment adviser for a Canadian based Private Pooled Fund, constituted under a Master Trust Agreement, which is offered pursuant to Prospectus Exemptions solely to Canadian residents who are clients of Dorchester Wealth Management, subject to minimum investment in certain jurisdictions (Canadian Residents: Personal, Corporate, and Registered Accounts (RRSPs, RRIFs, TFSAs)). There are no US investors. Dorchester is the Trustee of the trust. The Custodian is National Bank Correspondent Network (a wholly owned division of the National Bank of Canada).

Strategy of the Fund

The Fund principally invests in equity securities of North American Companies, diversified across industry sectors, investing in small, mid and large capitalization equities, employing a disciplined value-based investment approach. Other factors are described in the Term Sheet, including but not limited to the use of leverage, short positions and fees.



5. Fees & Compensation

Investment Management Fees

Fees charged by Dorchester are outlined in the client's written Investment Management Agreement. Fees are negotiable and will differ amongst clients based on a number of factors, including, but not limited to portfolio size, amount of assets held in related accounts, and investment policy. Fees are billed quarterly in arrears, based on the market value of assets under management. Clients may elect to be invoiced directly or can authorize Dorchester to debit fees directly from their managed account. Accounts initiated or terminated during a calendar quarter will be charged a prorated fee. Fees vary and are always at or lower than 1.25%. In certain circumstances, fees may be waived. Once a fee schedule has been signed by a client, it cannot be changed without prior written notice to the client.

Dorchester's fees are exclusive of brokerage commissions, transaction fees, and other related costs and expenses which shall be incurred by the client. Clients may incur certain charges imposed by custodians or brokers such as wire transfer fees and other fees and taxes on brokerage accounts and securities transactions. Mutual funds (that may have been transferred in and maintained within the portfolio) and exchange traded funds also charge internal management fees, which are disclosed in the respective fund's Trust Agreement. Such charges, fees, and commissions are exclusive of and in addition to Dorchester's investment management fees. Dorchester does not accept typical mutual fund remuneration such as sales charges (whether front load or DSCs) or trailer fees.

Upon termination of management services, any partial period unbilled will be charged (note: all fees are in arrears rather than in advance).

Custodian Fees

Dorchester does not hold cash or securities on behalf of its clients. Securities and cash are held at a custodial agent, usually a major trust company, bank or broker. Depending on the client's custodian and its services, a custody fee may be charged by the custodian. Dorchester does not receive any part of the custodian fees.

Pooled Fund Fees

The Fund's Series A Management Fees are 1.25%.

The Manager receives from the Fund a monthly management fee equal to one-twelfth of 1.25% of the applicable Series Net Asset Value on the last valuation date of each month.

The private Pooled Fund's Performance Fee

As disclosed in the Master Trust Agreement, the Manager shall be entitled to receive from the Fund, on an annual basis, a performance fee equal to 20% of the increase, if any, in the Series Net Asset Value for the Fund's financial year, after the first 5% of returns attributable to the series. In determining the increase in the Series Net Asset Value, negative returns in a financial year of the Fund will be carried forward. The performance fees shall accrue on each Valuation Date as Series Expenses of the series of Units.

Brokerage & Transaction Costs

In the course of managing portfolios, Dorchester will place orders to buy and sell securities with investment dealers involving brokerage costs or commissions to the client. In deciding where to place these orders, Dorchester will take into consideration the cost to the client of executing the trade and the broker's ability to execute the trade in a timely manner at the best price. Dorchester is not affiliated with any investment dealer/broker and all transactions are conducted at arm's length. In connection with client accounts held at custodians, a client may incur custodian fees and/or transaction charges, wire transfer and electronic fund fees plus applicable taxes. Such charges, are exclusive of and in addition to the Dorchester fees and Dorchester will not receive any portion of these costs.

6. PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT

Dorchester does not charge any performance-based fees (fees based on a share of capital gains on or capital appreciation of the assets of a client). Dorchester is, however, the adviser to a private Pooled investment vehicle which is available only to Canadian clients (no US investors). Dorchester receives a performance-based fee as summarized above and disclosed in the Fund's Master Trust Agreement.

7. TYPES OF CLIENTS

Dorchester provides discretionary portfolio management services to high net worth individuals (personal, registered or corporate accounts), Estates, Trusts and non-profit organizations. These accounts are managed as separately managed accounts on a segregated basis.

8. METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS

Dorchester manages portfolios in accordance with the client's investment objectives and risk tolerance outlined in the Investment Management Agreement (IMA). As determined by the IMA Dorchester's client portfolios will have an appropriate mix of cash, fixed income, and equities. Clients understand that investing in securities involves risk of loss that they should be prepared to bear. It is the client's responsibility to promptly instruct Dorchester in writing of any changes or modifications in the client's investment objectives or any material changes in the client's circumstances that might affect the manner in which the account should be managed.

Generally speaking, risks can be classified as market-related or security-specific:

Market-related Risks

- **Market Risk.** Investments are subject to the risk of a general market decline in response to changing conditions in the domestic or global economy. Market fluctuations as a result of macroeconomic and political conditions can be unpredictable and beyond anyone's ability to forecast.



- **Currency Risk.** Portfolios that hold foreign securities will be affected by fluctuations in the currency exchange rates.
- **Interest Rate Risk.** Interest rate changes directly affect the value of fixed-income securities. For example, an increase in interest rates will result in a decline in market value of most bond holdings. A decrease in interest rates will result in a decline in market value of certain preferred shares.
- **Inflation Risk.** Inflation reduces the future purchasing power of funds and the real return on investments.

Security-related Risks

- **Equities versus bonds.** Equity or stock investments generally carry a higher level of risk than bonds because equities rank below bonds in the event of a corporate balance sheet impairment. In addition, dividends, unlike interest payments on bonds, can be cut or eliminated and with equities, unlike bonds, there is no commitment to repay the capital invested.
- **Fixed-income security risk.** This is the risk that the issuer may default and may be unable to make timely principal and interest payments on the security. Short-term Canadian and American government debt is generally considered of the highest quality, with the degree of risk increasing as term is extended or credit quality is reduced.
- **Common stock risk.** The price of a company's stock is influenced by its business potential and level of profitability, the number and calibre of its competitors, the effect of potential or actual regulation on its business operations, and the market's perception of the company's future. The failure of a new product, labour difficulties, high debt levels, and fluctuating foreign exchange rates are but a few of many specific risk factors that may contribute to a particular company's level of business risk.

In managing our clients' portfolios, we adhere to basic principles in a disciplined way.

These basic principles are:

- **Diversification** – We believe in a broad range of diversification and do not invest by placing big bets on any particular outcome. No matter how attractive the prospects are for a given company, a given industry, or a given country, it is difficult to know for sure to what extent the positive outlook is already reflected in current prices. Unforeseen negative surprises can and do occur. We believe in a broad degree of diversification and do not believe in placing big bets on a particular outcome. The goal is to manage risk and by being diversified we are able to reduce exposure to single stock / industry / country risk.
- **Value** – Our focus is to uncover investment opportunities in great companies at reasonable prices. Great companies at reasonable prices may also mean great companies which are currently out of favor. Uncovering value may not produce immediate positive results, yet through discipline and a long term focus we find ourselves rewarded by investing in great companies. As a result, buying securities when they are undervalued and, conversely, not jumping on the bandwagon, takes no small amount of patience and discipline.
- **Quality** - The vast majority of our portfolios are comprised of larger capitalization, high quality securities. Strong balance sheet, free cash flow, a track record of paying and growing dividends and corporate management whose interests are aligned with



shareholders are all of key importance. We do not speculate, rather we look at ourselves as partners in the companies we invest in. This is true in the equity component and also on the fixed-income side where we do not believe in lowering our quality standards in order to reach for some additional yield. We will, from time to time, take a smaller position in unique opportunities that present themselves that are more junior or speculative in nature where the risk/reward ratio appears especially attractive.

- **Simplicity** - We believe in structuring portfolios and buying securities that are not only understandable to us, it is equally important that they are understandable to, and appropriate for, our clients. Consequently, while leverage and sophisticated hedging techniques may have their place in the management of hedge funds and large institutional portfolios, we do not view most of these strategies as being appropriate for our clients.

Equity & Fixed Income Strategy

Equity Strategy

At Dorchester, we believe sound fundamental analysis and careful security selection are essential to achieving consistent above average results within Canadian, American and International equity markets.

As proponents of value investing we see ourselves as students of Benjamin Graham's investment style, a style shared with one of our industries most successful investors, Warren Buffet.

Through constant screening and analysis, we endeavor to build diversified portfolios of quality, large and mid-cap companies run by capable and motivated management. Our ongoing research effort includes regular communication with senior analysts from within the investment community and in house meetings with company management.

Portfolios are continually monitored at Dorchester, and we tend to take a long-term view, but should a company unadvisedly change strategy or fail to meet our expectations, our sell discipline prompts swift action.

Fixed Income Strategy

The fixed income section of our portfolios is created with security of principal and income as primary considerations. High quality bonds provide diversification, reduce volatility, and generate income. To maximize total return without taking unnecessary risks we invest in high-quality short to intermediate term bonds. We have chosen to invest in high quality bond issues, as we often see that sacrificing credit quality does not adequately compensate investors for the excess risk taken. Our bond holdings are predominantly very marketable and provide flexibility for shifts in policy.

Our individually managed accounts allow us to tailor each account to our client's specific goals and objectives. One of the more important aspects to our management style is our



sensitivity to tax issues. Insight into our clients' tax status is an essential component needed to make appropriate fixed income investments and maximize the total portfolio's after tax return. Where appropriate, we do make use of value-added income vehicles such as convertible debentures and preferred shares.

The firm adds value in fixed income portfolio management in a number of ways. First, we consider key macroeconomic and political issues, money flows, currency markets, inflation trends and the factors driving Central Bank policy to assist in drawing conclusions about duration and bond term. Second, we monitor credit spreads across industries, sectors and issuers and control the weights invested in Federal, Provincial, and Corporate debt to take advantage of appropriate yield pick-up complemented by switch opportunities between comparable credits that improve yield. Third, the fixed income market yield curve structures are analyzed in order to identify overdone sentiment swings or variances that provide trading opportunities or assist with improving the timing of buy and sell decisions. It is also worth noting that we have access to wholesale pricing when we buy and sell on behalf of our clients and over time the elimination of unnecessary retail spreads clearly enhances returns.

Finally, our equity research and the understanding of the general health of the economy, the relative strength of various sectors and the financial soundness of the specific issuer clearly assist in adding value.

Notwithstanding the experience and care that Dorchester brings to the investment process, it is the nature of the investment business that portfolios will fluctuate in value. Dorchester shall discharge its duties in good faith in what it deems to be in its clients' best interest and shall exercise the degree of care, diligence, and skill that a reasonably prudent person acting in a like capacity and familiar with such matters would exercise in similar circumstances, but client portfolios are exposed to market risk and other risks, and may experience losses.

While Dorchester seeks to manage accounts so that risks are appropriate to the strategy, any investment includes the risk of loss and there can be no guarantee that a particular level of return will be achieved. Clients and other investors should understand that they could lose some or all of their investment and should be prepared to bear the risk of such potential losses. Those risks include:

- **Market Risk.** No assurance can be given that Dorchester's trading strategies will be profitable or will not incur losses. Securities' prices are volatile and may be subject to wide and sudden fluctuations in market value, with a resulting fluctuation in the amount of profits and losses. The market value of the instruments in a portfolio may go up or down in response to the prospects of individual companies, particular sectors or governments and/or general economic conditions throughout the world due to increasingly interconnected global economies and financial markets.
- **Equity Securities Risk.** Equity securities are subject to changes in value and their values may be more volatile than other asset classes. The value of equity securities varies in response to many factors. These factors include, without limitation, factors specific to an issuer and the industry in which the issuer securities are subject to stock risk. Historically, global stock markets have experienced periods of substantial price volatility and may do so again in the future.



- Fixed Income Securities Risk. Debt issuers and other counterparties of fixed income securities or instruments may default on their obligation to pay interest, repay principal or make a margin payment, or default on any other obligation. Additionally, the credit quality of securities or instruments may deteriorate (e.g., be downgraded by ratings agencies), which may impair a security's or instruments liquidity and decrease its value. Additionally, when interest rates increase, fixed income securities or instruments will generally decline in value.
- Liquidity Risk. Canadian clients may hold a portion of their total assets in nonpublic, restricted or illiquid securities which do not have an active secondary market and are not priced with market quotes.

9. DISCIPLINARY INFORMATION

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to the evaluation of Dorchester or the integrity of Dorchester's management. There are no legal or disciplinary measures at Dorchester that are material to clients or prospective clients.

10. OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

Dorchester is an independent investment adviser. The firm does not act as a broker or custodian and has no ownership connection with any other financial institution. This independence enables us to take a completely objective approach to investment opportunities so that all portfolios are professionally managed according to the objectives of the clients.

Focus Canada Holdings, LLC and Focus Operating, LLC

The Registrant is part of the Focus Financial Partners, LLC ("Focus") network. As such, Dorchester is a wholly-owned subsidiary of Focus Canada Holdings, LLC, which is a wholly-owned subsidiary of Focus Operating, LLC. Focus also owns other registered investment advisers, broker-dealers, pension consultants, insurance firms, and other financial service firms (the "Focus Partners"). The Focus Partners provide wealth management, benefit and investment consulting services, serving individuals, families, employers, and institutions. Some Focus Partners also manage or advise limited partnerships, private funds, limited liability companies or investment companies as disclosed on their respective Form ADV, Schedule D.

Dorchester has no business relationship with any Focus partner firms and has therefore no conflict of interest with Focus or any Focus Affiliates regarding services that Dorchester provides to its clients. Dorchester's clients are not solicited to invest in any other Focus Partners' advisory services, and generally Focus Partners do not recommend securities, services, or other investment products of other Focus Partner Firms, unless so disclosed on their respective Form ADVs and with the clients' informed consent, nor are any transactions executed through another Focus Partner's affiliated broker dealer. Further, the Focus Partners do not market their services or share client information amongst each other without prior client consent. Management of other Focus Partners



are not involved in the management of Dorchester. Additional information about Focus can be found at: www.focusfinancialpartners.com.

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

Dorchester, its principals, and its employees are bound by the firm's written Code of Ethics and Business Conduct and its Compliance Manual. All principals and employees must acknowledge, on an annual basis, that they have read, understood, and are adhering to the terms and conditions of both documents. Among other things, the code requires Dorchester and its employees to act in clients' best interests, abide by all applicable regulations, avoid insider trading and front-running, and pre-clear and report personal securities transactions. Aspects of these documents which are of particular relevance to clients are the following:

Dorchester will not invest in the securities of any company in which one of the Partnership's principals or employees is an officer or director unless this fact is disclosed to its clients and their prior written consent to the investment is obtained.

It is understood that Dorchester acts as investment manager on behalf of a variety of clients with different investment objectives and that action taken with respect to one or more of its clients may differ from actions taken with respect to the accounts of other clients. The Code of Ethics is designed to assure that the personal securities transactions, activities and interests of the principals and employees of Dorchester will not interfere with (i) making decisions in the best interest of advisory clients and (ii) implementing such decisions while, at the same time, allowing employees to invest for their own accounts. Principals and employees of Dorchester and members of their families may from time to time, buy, hold, or sell securities in their own accounts which are also being bought, held, or sold in client accounts. However, principals and employees may not participate in partially filled IPOs. Employee trading is continually monitored under the Code of Ethics, and to reasonably prevent conflicts of interest between DORCHETER and its clients. All trading activity in the accounts of Dorchester's principals, employees, or members of their immediate families must be pre-approved by the firm's Compliance Officer to ensure that the interest of the firm's clients is in no way being compromised.

In the context of having different investment objectives and individual circumstances, clients shall receive fair and reasonable treatment in the placing and allocation of orders, including initial public offerings (IPOs), and in all other aspects of the management of their accounts. When orders for more than one account are entered as a block transaction and executed at the same price, each client will be given the same execution price and the brokerage commission will be allocated pro-rata. When orders entered as a block trade are executed at varying prices, Dorchester will ensure that a weighted average execution price is calculated. In the case of a particularly illiquid security or heavily oversubscribed IPO where an allocation cannot be made on a board lot basis, a pool of clients for whom the purchase or sale of the security was contemplated will be created and a random selection will be made to ensure that every client, large or small, over time, receives equitable treatment in filling orders.

It is Dorchester's policy not to trade for its own account.

Dorchester's clients or prospective clients may request a copy of the firm's Code of Ethics by contacting the Chief Compliance Officer.

12. BROKERAGE PRACTICES

In the course of managing portfolios, Dorchester will place orders to buy and sell securities with investment dealers involving brokerage costs or commissions to the client. In deciding where to place these orders, Dorchester will take into consideration the cost to the client of executing the trade and the dealer's ability to execute the trade in a timely manner at the best price. In addition, Dorchester may ask certain dealers from time to time to set aside part of the commission on transactions to pay for research services which Dorchester believe may aid in the investment decision making for client portfolios. In such cases, the commission involved may be higher than the cost of execution only. In weighting the relative importance of these factors, Dorchester will be guided by what it deems to be in the best long-term interest of its clients. Dorchester is not affiliated with any investment dealer and all transactions are conducted at arm's length.

Dorchester will block trades where possible and when advantageous to clients. This blocking of trades permits the trading of aggregate blocks of securities composed of assets from multiple clients' accounts at one custodian. Block trading may allow Dorchester to execute trades in a more timely and equitable manner. Clients that use a broker as their safekeeping agent will be unable to participate in aggregated orders and will be precluded from receiving the benefits, if any, from an aggregation which other clients may receive. Also, Dorchester will generally execute aggregated order for non-directed clients before executing orders for clients at a broker.

Where block trades occurs, all participating clients shall receive an average share price and share equally any trading costs not directly attributable to their account. If an aggregated trade order is partially filled, all participating clients will receive a pro rata share of the fill unless such distribution would result in minimal distributions to clients in which case those clients may be excluded from the allocation. In the event that transactions for employees or principals are aggregated with client transactions, conflicts can arise with partial fills. As such, any block trades including employees or principals, where there is a partial fill, Dorchester's client accounts will be filled first.

Despite different objectives, it is conceivable that the private Pooled Fund invests in the same security or securities as Dorchester invests for its client accounts. In such circumstances trades will be executed at the same price, each client and the private Pooled Fund will be given the same execution price and the brokerage commission will be allocated pro-rata. When orders entered as a block trade are executed at varying prices, Dorchester will ensure that a weighted average execution price is calculated.

Dorchester does not direct client transactions to particular broker-dealers in return for client referrals.

Any trade errors will be rectified to make the client whole as if the error did not occur. Dorchester has the responsibility to effect orders correctly, timely and in the best interest



of clients. In the event any error occurs in the handling of client transactions, Dorchester seeks to identify and correct any errors as promptly as possible without disadvantaging the client or benefitting Dorchester in any way.

13. REVIEW OF ACCOUNTS

On a regular and ongoing basis, Dorchester reviews transactions in client accounts.

Communication

Regular communication between the client and the portfolio manager is essential for fulfilling expectations and for building trusted long term relationships. The partners and portfolio managers at Dorchester are directly accessible to the clients and meetings to address individual needs occur as often as required.

Reporting

Clients receive regular statements (monthly or at least quarterly) showing all security positions, cost and market values, expected annual income, portfolio yield, as well as asset mix and foreign content percentages. Individual equity holdings and weightings are categorized by industry group. Clients also receive our Economic and Market Commentary on a quarterly basis.

Clients also receive monthly statements from their qualified custodian, reflecting all securities, cash balances and transactions.

14. CLIENT REFERRALS AND OTHER COMPENSATION

Dorchester does not compensate any person who is not a supervised person for referrals of clients who are U.S. residents. With respect to clients who are resident in Canada, prior to investment with us, clients are informed in writing of the details of any referral arrangement and provide written confirmation.

15. CUSTODY

Dorchester does not hold cash or securities on behalf of its clients. Securities and cash are held at a custodial agent, usually a major trust company, bank or broker. Clients generally receive monthly statements from the custodian that holds and maintains client's investment assets. Dorchester recommends that clients carefully review such statements and compare the official custodial records to the account statements that is provided by Dorchester. Dorchester's statements may vary from custodial statements based on accounting procedures, reporting dates, exchange rates or valuation methodologies of certain securities. The private Pooled Fund is Canadian and there are no U.S. investors.

Dorchester generally directly debits client investment management fees from the client's respective custodial account, pursuant to the client's written authorization in the Investment Management Agreement.

16. INVESTMENT DISCRETION

Clients sign an Investment Management Agreement whereby they grant Dorchester the discretionary authority to manage their investment portfolio(s). In this regard, Dorchester is authorized to place orders to buy and sell securities and to take any other action deemed fitting for the proper management and administration of the account.

Dorchester will manage the Portfolio in accordance with the client's investment objectives and risk tolerance outlined in the Investment Management Agreement. It shall be the client's sole responsibility to promptly advise Dorchester in writing of any changes or modifications in the client's investment objectives or any material changes in the client's circumstances that might affect the manner in which the account should be managed.

17. VOTING CLIENT SECURITIES

Clients' rights as shareholders fall under the Securities Regulation Policy and Dorchester reserves the right to vote proxies on a roll-up (i.e. block) basis on behalf of its clients as required on routine matters and extraordinary shareholder meetings. The principals at Dorchester will decide on the course of action on a case-by-case basis by following a policy that it deems to be in the best interest of its clients. At the time of opening the account with Dorchester and the custodian, clients have a choice to either accept or reject the receiving of shareholder information and proxies. At any time in their relationship with Dorchester, upon written request to the Chief Compliance Officer, clients may obtain information about how their securities were voted.

Dorchester has not identified any material conflicts of interest in connection with past proxy votes. Such a conflict could exist, if a client is a senior executive with a publicly traded company and other clients hold securities issued by that company.

18. FINANCIAL INFORMATION

Dorchester has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to clients, and has not been the subject of a bankruptcy proceeding.