



Terra Cotta Investment Counsel Inc. Conflicts of Interest Disclosure Statement

ENHANCED CONFLICTS OF INTEREST DISCLOSURE

Securities legislation in Canada requires Terra Cotta Investment Counsel Inc. (“TCIC”) to make certain disclosures regarding conflicts of interest. This statement is to inform you of the nature and extent of conflicts of interest that might be expected to arise between TCIC and its clients.

It is important for you to be informed about how we identify and respond to conflicts of interest in order to minimize their impact.

MATERIAL CONFLICTS OF INTEREST

A “conflict of interest” occurs whenever the personal interests of TCIC or its Representatives, potentially conflict with those of a client, or in a situation where TCIC, or its Representatives, has an obligation to more than one party whose interests are different. A conflict of interest can also exist where monetary or non-monetary benefits are made available to TCIC, or its Representatives, as incentives.

Conflicts of interest may be large enough to be material (in which case they are addressed as described in this document) or small enough to be immaterial (in which case no further action is taken to address them). In determining the materiality of a conflict of interest, TCIC will consider whether the conflict may be reasonably expected to affect the decisions of its client in a particular situation or the recommendations and/or decisions TCIC makes on behalf of its client.

TCIC addresses material conflicts of interest in the best interest of our clients. This is done by placing the interests of clients first, ahead of the personal interest of TCIC and any other competing considerations. As such, TCIC takes reasonable steps to identify, disclose, address any existing material conflicts of interest or foreseeable material conflicts of interest (i.e., between us and a client and between each individual acting on our behalf and a client).

Representatives acting on behalf of TCIC also are required to identify potential conflicts of interest and bring them to the attention of TCIC. Representatives will also disclose any relevant information that could be a foreseeable conflict of interest to TCIC or the Representative. Where an Representative is uncertain whether a foreseeable or real conflict of interest exists, the matter is directed to the Chief Compliance Officer. TCIC’s Chief Compliance Officer will determine appropriate action to ensure any conflict is addressed in the best interest of the client.

TCIC, whose office is located in Toronto, Ontario is a portfolio manager and exempt market dealer registered in the provinces of Alberta, British Columbia, Manitoba, Ontario and Saskatchewan. TCIC is in the business of providing discretionary investment advisory services to its clients, and as an Exempt Market Dealer, investing in private placements for suitable clients.

Each of the private placements and investment products are reviewed by the Investment Committee. The Investment Committee reviews and advises on investment products, including conflict of interest matters. TCIC has policies and procedures to identify, disclose and address actual or foreseeable conflicts of interest matters related to these products.



TCIC sells securities of unrelated and related issuers, which under Canadian Securities Legislation is a proprietary product. A proprietary product is defined as a security of a connected issuer or related issuer of a registered firm, or where a registered firm (or an affiliate), is the investment fund manager or portfolio manager of the issuer. Where a registered firm sells a proprietary product, there is conflict of interest with clients as the firm may directly or indirectly benefit from the sale of the security beyond a typical agency relationship between a dealer and an issuer. This could lead to a representative selling you an unsuitable investment or overlooking risks of the investment.

To address these conflicts of interest, TCIC and Representatives acting on its behalf, must deal with their clients fairly, honestly and good faith; this is a requirement of Canadian Securities Legislation. This includes conducting a suitability determination on any private placements or investment products recommended to clients. Ensuring suitability of investments involves conducting due diligence on clients through a meaningful interaction and collecting know your client information. TCIC also conducts deep due diligence on all issuers, including the related issuers, to understand the risks, fees and costs, features and benefits of the securities they offer. The Representatives working on behalf of TCIC, apply their professional judgement and experience to ensure that any private placement or investment product recommended is suitable for the client and puts the clients interest first. Finally, all trades are approved by compliance staff.

TCIC identifies these conflicts of interest to clients prior to making a recommendation to invest in these securities through relationship disclosure information. TCIC provides disclosure about issuers through an issuer's offering documentation and within the issuer's profile on the TCIC platform.

TCIC receives a commission fee from issuers when an issuer's offering is successfully sold to investors through its platform. An offering is deemed successful if it meets the threshold of a minimum amount raised during the time of the offering. If no minimum amount is in place for an offering, TCIC receives a commission on each individual investment. There may be times where TCIC also charges an issuer due diligence and administrative fees for processing an offering. TCIC is not required to list an issuer's securities on its platform in receiving due diligence or administrative fees.

TCIC undertakes best practices in collecting due diligence information on the issuers and the securities it considers making available for purchase by qualified investors on its platform. Not all issuers which solicit TCIC to sell their securities are accepted to enter into an agreement with TCIC to sell their securities. If TCIC and an issuer enter into an agreement, acceptance of an issuer and their securities on its platform is determined by multiple considerations during a due diligence review. If an issuer is not approved by TCIC's Investment Committee, they are given an opportunity to improve their offering in the interest of potential investors before an offering is made available on the TCIC platform. TCIC knows that not all investments are suitable for all investors and provides products which may be suitable for a variety of investor types.

All employees of TCIC are prohibited from trading for their own account any security in which they have inside or nonpublic information. Employees must obtain approval from the Chief Compliance Officer before purchasing a security offered on the platform for their own account.

RELATED COMPANIES

TCIC is a subsidiary of Terra Cotta Financial Group ("TCFG"). TCFG has a number of subsidiaries involved in different areas within the financial services industry including financial planning, life insurance and providing financing to businesses in need of capital. These companies offer services that are complementary to the investment advising services provided by TCIC and allows it to provide full intergenerational wealth management. In addition, TCIC is related to a securities issuer which could cause a conflict of interest.



Terra Cotta Private Wealth Inc. offers financial planning and life insurance. It has contracts with most of the major insurance companies in Canada.

Gambit Wealth Inc., formerly Terra Cotta Wealth Management Inc. serves a wide-range of entrepreneurs, business owners, executives, and professionals. Gambit Wealth Inc. has independent contracts with majority of the major life insurance companies. Gambit Wealth Inc. has a referral agreement with TCIC to provide discretionary management of client portfolios. TCIC may pay a referral fee to Gambit Wealth Inc. in relation to prospects that become clients of TCIC. Gambit Wealth Inc. and TCFG share some common ownership and management between the two companies. Referral details will be disclosed to the clients at time of account opening.

Terra Cotta Strategic Capital Inc. ("TCSC ") is a corporate business consulting arm of TCFG. It sources new emerging companies looking for capital and capital structuring advice. It consults on both private debt and private equity needs of early stage companies. TCIC through their EMD, may create a new private placement investment to take to market or offer shares of the issuers that have received consulting services from TCSC.

The Portfolio Managers of Terra Cotta Investment Counsel Inc. are related/connected issuers to Albany Avenue Music LP which makes it a proprietary product and raises a conflict of interest with clients. A person or company is connected to another person or company, if, due to its relationships with such person or company, a prospective purchaser of securities of the person or company might question the other person or company's independence from the first person or company. Albany Avenue Music LP was created to provide private clients access to a skilled music management team, with an established reputation and extensive experience in the music industry. The Fund's investment objective is to acquire high quality, income producing catalogs mainly of internationally successful music artists. Investments in Albany Avenue Music LP will be made dependent on each client's suitability.

OUTSIDE BUSINESS ACTIVITIES

TCIC has developed policies and procedures governing the outside activities of employees to which they must adhere. Further, TCIC has implemented a notification and pre-approval process to restrict any outside activity that would interfere or give the appearance of interfering with an ability of the employee to act in the best interests of, or perform work for, TCIC and its clients.

NON-PUBLIC INFORMATION

TCIC and its affiliates may be privy to certain confidential or material non-public information which we are prohibited by Canadian Securities Legislation from using for the benefit of TCIC or its clients. In addition to the investments held in your account, TCIC or its affiliates also hold and may manage the assets of other clients. TCIC may give advice and take action in the performance of our duties for other clients that may differ from advice given, or in the timing and nature of action taken, with respect to you or your account.

In the above cases, TCFG operates its different businesses separately so that information is limited to the specific business involved. TCFG also has internal information barriers designed to ensure that confidential or undisclosed material information is not shared outside certain areas.



MANAGED ACCOUNTS

The compensation of the TCIC representative managing your account may be higher or lower depending on the type of investment chosen for you. TCIC has the discretion to exercise rights associated with securities in your account and may receive fees for exercising these rights. Finally, the TCIC representative may give advice and take action in the performance of their duties for other clients that may differ from advice given to you, or in the timing and nature of action taken with respect to you or your account.

TCIC and its representatives on its behalf and their family members, may have an interest in securities held in your account.

FAIR ALLOCATION AMONGST CLIENTS

TCIC has adopted trading policies which are designed to ensure fair allocation of securities amongst client accounts. TCIC may aggregate orders for a number of client accounts for the purchase of a particular security. A conflict of interest can arise when selecting which clients' accounts to participate in the allocation. In general, a participating client will receive a percentage of the executed portion of the order based upon its percentage of the entire order (rounded to the nearest whole trading lot when possible, 100 or 1,000 shares). This rule applies to all clients that are participating in the execution on the same trading terms (i.e., price limits, approximate time of entry, etc.). All allocations will be made at the average execution price. The basic purpose of this process is to ensure fair treatment of all clients and to avoid the appearance of favoritism or discrimination among clients. There may be times, however, where strict application of this process does not lead to a fair and reasonable allocation. In such circumstances, allocation by a method other than this rule will be permitted where such allocation produces a fairer and more reasonable result. As an overlying control, all order executions must satisfy the clients objectives and suitability/restrictions.

FEES

TCIC typically charges its clients a fee for its advisory services calculated as a percentage of the market value of the client's account. In instances where TCIC receives an EMD fee in participation of a private placement, the specific product will be excluded from management fee calculations.

REFERRAL ARRANGEMENTS

TCIC has in place referral arrangements whereby the referrer refers clients to TCIC for a fee. Details of the referral arrangement, including the fee paid by TCIC to the referrer and the nature of any existing or reasonably foreseeable conflicts of interests that may arise from such referral are disclosed to the clients being referred.

OTHER CONFLICTS OF INTEREST

From time to time, other conflicts of interest may arise. TCIC will continue to take appropriate measures to identify and respond to such situations fairly and reasonably and in the best interests of its clients.



This document is kept current and is posted on our external website at www.terracottawealth.ca or you may contact us for the most recent version.

Acknowledgement of receipt

Investor/Authorized Signature

Date

Investor/Authorized Signature

Date