



Clients Investment Mandate

INVESTMENT POLICY STATEMENT (“IPS”)

When the Client and the Firm enter into an Investment Management Agreement, the Client appoints the Firm as a discretionary portfolio manager to invest the assets held in the Client Account according to an investment mandate. The principal terms of this investment mandate are described in this Investment Policy Statement. The Client has reviewed and agrees fully to this Investment Policy Statement.

1. Account Type For This IPS

The “Client Account” means the assets held in the custodial account that the Client has established with an unaffiliated third-party Custodian, and to which the Client appoints Authentic Asset Management Inc. (the “Firm”) as a discretionary portfolio manager to invest said assets.

The Firm will have the authority to execute investment trades for the Client Account but does not have the authority to withdraw money, securities or other property from it. Operating Charges that the Client agrees to pay the Firm are debited automatically from the Client Account according to a Custodian Direction provided by the Client, unless otherwise specified by the Client.

This IPS describes the investment mandate that the Client agrees to invest in.

This IPS may be suitable for any Client type (individual, joint, corporation, partnership).

In terms of account type, this IPS is for a cash (long-only) account. A different IPS would be required for a margin account, which is the account type required to utilize the Firm’s full capabilities and to access the breadth of investment products otherwise available (derivatives, short sales, leverage, etc.).

From a tax perspective, it may be considered suitable for non-registered accounts. A different IPS may be suitable for registered accounts.

The base currency of the Client Account is assumed to be in Canadian Dollars (C\$) for accounting purposes.

2. Investment Objectives

The principal investment objectives are capital preservation and growth.

The target return of the Client Account is approximately 5% per annum net of all operating charges, with lower volatility than the Canadian equity market over a market cycle.

To support the principal investment objective above, the following investment objectives are considered applicable:

- **Preservation of Capital:** To seek maximum safety and stability of principal by focussing on securities and investments that carry a low degree of risk;
- **Growth:** To increase the principal value of investments over time by assuming a higher degree of risk, rather than seeking current income. Investor assumes higher degree of risk;
- **Hedging:** To potentially take currency positions in order to hedge or offset some or all of the foreign exchange exposure associated with holding non-Canadian dollar denominated investments.

The Client believes that environmental, social and corporate governance (ESG) issues may affect the performance of investment portfolios. As such, the Client is amenable to the Client Account being managed with respect to the principles of responsible investing, at the discretion of the Firm. The Client understands that such an investment approach constrains the universe of investable assets and could negatively affect investment returns.

3. Risk Tolerance

In the context of “risk” vs. return, “risk” may be defined as the magnitude of changes (both increases and decreases), in the market value of a portfolio.

In financial terms, this is often referred to as the volatility of returns over time. It is generally the downward movements in the value of a portfolio that causes concern. For the Client, the extent of any downward movement that is considered acceptable is a function of both financial and emotional risk tolerance. Financial risk refers to the dollar or percentage amount of decline that can be accepted, given the Client’s needs for capital preservation, income and inflation protection. Emotional risk refers to the extent of any decline that can be accepted given personality and previous experience with investments. Our understanding is that a decline of 25% of the value of your account (net of withdrawals) can be financially and emotionally tolerated by you.

It is understood that preservation of capital and portfolio growth are at two ends of the spectrum with respect to risk, with the former implying low risk investments and the latter implying higher.

As such, the Firm may invest the Client Account in a combination of higher risk and lower risk products to seek to meet the investment objective. As a result, variations in returns must be expected at any point in time.

To support the principal investment objective above, the following risk tolerances are also considered applicable:

- **Time Horizon:** The intended investment time horizon of the Client Account is long term, meaning five or more years. This time horizon has a direct effect on the amount of risk the Client Account can withstand, and on the potential return it can generate. As a general guide, the longer the time horizon, the more risk can be taken in the portfolio;
- **Liquidity:** There are no specific liquidity needs in terms of upcoming requirements for income, tax payments, gifts, or other expenditures;
- **Unique Preferences:** There are no unique preferences or constraints that will affect ongoing investment decisions.

4. Investment Guidelines

4.1 Investment Universe

The Firm may invest and trade the Client Account in a limited range of products globally, including but not necessarily limited to equities, fixed income, cash, foreign currencies, and also funds. These products may be used for trading and investment, with foreign exchange hedging possible for risk management purposes.

It is anticipated that investment is primarily in liquid products and markets, such that, while there is no guarantee, the fair valuation of the products in the Client Account will be readily determinable by the Custodian. Although the Client Account may invest from time to time in securities that are not investment grade, are illiquid and/or even non-marketable securities (meaning securities which are not traded on a securities exchange or an organized inter-dealer market), including distressed securities or other instruments that trade at deep discounts or high yields because of a lack of liquidity or securities with transfer restrictions attached to them, such securities are not expected to be a significant proportion of assets.

Permissible investments for the Client Account include but are not limited to the following products:

a) Cash and Equivalents

- Commercial paper, certificates of deposit, guaranteed investment certificates;
- Time deposits, collateralized deposits, deposit notes and bankers' acceptances;
- Repurchase agreements;
- Money market mutual funds.

b) Equities

- Common stock, preferred stocks and warrants listed on any global exchange, including ADRs and other comparable securities;

- Convertible securities;
- Private Placements in private companies;
- Investment trusts such as REITS;
- Funds (mutual funds, pooled funds, ETFs and ETPs);

c) Fixed Income

- Government debt of any nation or underlying state/province and/or agencies whose debt is backed by such governments, including emerging market nations;
- Municipal debt;
- Corporate debt from any public or private company including those with less than BBB credit rating and/or those categorized as high yield securities;
- Mortgage-backed securities, asset-backed securities, including equipment trusts and collateralized bond obligations;
- Convertible securities;
- Fixed-income investments may be fixed or floating rate;
- Funds (mutual funds, pooled funds, ETFs and ETPs).

d) Derivatives

Not permissible.

e) Currencies (Foreign Exchange)

The Client Account may be exposed to multiple foreign currencies through investment in foreign denominated products. Spot, forward and/or derivative foreign exchange transactions may be undertaken to manage credits or debits generated by foreign securities, or futures trading, to convert such credits or debits back into the Client Account base currency, or to hedge or speculate on the future development of foreign exchange rates.

f) Commodities

Not permissible.

g) Funds

The Client Account may also be invested in both regulated and unregulated investment funds and other collective investment schemes that could be either closed or open ended, including but not limited to mutual funds, pooled funds, ETFs and ETPs, and REITS.

h) Other Investments

This IPS is limited to investments that can be held in the name of the Client Account at the custodian. Should interesting investment opportunities emerge outside the scope of this mandate, they may be communicated by the Firm to the Client for their consideration. Any desire to proceed would first require a new or amended Investment Management Agreement.

4.2 Short Sales

Not permissible.

4.3 Securities Lending

The Broker-Dealer/Custodian of the Client Account may lend securities in any account.

The Firm may direct securities lending transactions to enhance portfolio returns if the Client Account has such a facility with appropriate measures in place with the Broker-Dealer/Custodian to provide collateral on such loans that comply with all applicable regulatory requirements.

4.4 Investment Restrictions

The Firm generally adopts the following investment restriction for Client Accounts:

- Not more than 20% of the Client portfolio's gross assets may be invested in the securities of any one issuer, other than securities issued by a government or any government-related entity.

The percentage limit above applies to an investment at the time it is made. Where any limit is breached, the Firm will ensure that prompt corrective action is taken except where the breach is due to appreciation or depreciation, changes in exchange rates, or by reason of the receipt of rights, bonuses, benefits in the nature of capital or by any reason of any other actions affecting holders of that investment.

The Firm may adopt other or alternative restrictions without the consent or prior notification of Clients, although the Firm will provide Clients with prompt notification of such changes.

4.5 Leverage and Borrowing Policy

Under no circumstances does the Firm itself lend money, extend credit, or provide margin to a Client or Client Account.

5. Prohibited Investments

The following prohibitions will apply to the Client Account:

- The Firm will not invest in any reporting issuer, in which the Client has explicitly issued directions not to invest.
- The Firm will restrict a particular Client from investing in a security where it determines that the Client is an insider or has a material conflict of interest which has been brought to the attention of the Firm.

6. Asset Allocation, Rebalancing, Taxation

There is no set asset allocation applicable to the Client Account. For example, an allocation of 60% in global equities and 40% in cash, may or may not be pursued. The Client Account may be fully invested in equities, or the Account may be 100% in cash, subject to market conditions and the discretion of the Firm on behalf of the Client. Furthermore, excess cash will not necessarily be invested in short-term securities.

There is no automatic portfolio rebalancing when new money is added to the Client Account. The Firm will review the Client Account and determine the best allocation of the new money to maintain the portfolio characteristics deemed most appropriate for market conditions at the time.

The focus of the Firm in the discretionary management of the Client Account is the principal investment objective of capital preservation and growth.

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7. Client Account Risks

The Client and the Client Account are subject to certain material risks, including those risks disclosed in the Investment Management Agreement (“IMA”) and the Relationship Disclosure Statement (“RDS”) which the Client agrees to. Particular attention is drawn to the sections in the RDS referring to investment related risks, and to conflicts of interest.

Notwithstanding the above, the Client agrees to accept various risks relating to the Client Account as disclosed, acknowledged and agreed, directly with the Broker-Dealer/Custodian.

8. Acknowledgement and Signature

I, the Client, acknowledge that I have read and understood all information provided in this Investment Policy Statement, that I intend Authentic Asset Management Inc. to rely upon it, and that I intend to be bound thereby. I agree that this IPS accurately reflects my desired investment mandate and that it reflects my

investment objectives and risk tolerance.

I accept the risks associated with the Firm managing my Client Account and acknowledge that there is no guarantee that the Firm will meet my investment objectives and achieve the targeted investment returns.

I acknowledge that the foregoing information and all other information provided by me is true and correct and agree to notify Authentic Asset Management Inc. by email of any material changes therein. I authorize Authentic Asset Management Inc. to confirm the accuracy of the information as it deems necessary.

I also understand and agree that my electronic signature is the equivalent of a manual written signature. Typing my name below in the Signature line is equivalent to my handwritten signature.

The Client

Per*

Name

Title

Date (dd/mm/yyyy)

Each party agrees that any electronic signatures appearing on this Agreement or such other documents are the same as handwritten signatures for the purposes of validity, enforceability, and admissibility.