

# BRANT SECURITIES

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**ESTABLISHED  
1919**

**April 2017  
Relationship Disclosure**

## **Purpose of this document**

This Relationship Disclosure Document contains important information concerning our relationship with you. It contains information about us, the services and products that we offer, risks, the nature of the account(s) you have with us, the manner in which they are operated, fees you may be paying and how they are calculated, how we assesses the suitability of your investment, the reports that help monitor your financial assets, conflict of interest, statement of policies, National Bank Financial handling of orders, complaint handling procedures and a checklist of documents that will be provided to you.

## **Delivery of this Document**

The Relationship Disclosure Document will be delivered to you at the time you open your account(s) with us. If there is a material change to the information contained in this document, we will provide you with an updated document on a timely basis.

## **Who We Are**

We are a full service investment dealer, and are registered in the Provinces of Ontario, British Columbia, Alberta, Nova Scotia, Prince Edward Island and New Brunswick. We are members of the following organizations: The Investment Industry Regulatory Organization of Canada (IIROC) and The Canadian Investor Protection Fund (CIPF).

## **The Services and Products Brant Offers**

### **Services**

Brant provides **advised and managed accounts** to its retail clients.

### **Products**

We offer the following investment products:

- Stocks, Rights, and Warrants
- GICs and Treasury Bills
- Bonds, Strip Bonds and Debentures
- Mutual Funds
- Derivatives

Your advisor can explain these investment products to you, as well as how they work, their risks and possible returns, and whether they are appropriate for you.

## **Risks**

### **Volatility Risk**

The market prices of the securities held in a portfolio can be volatile. On any given day the market price of an investment can advance or decline, sometimes materially. The time duration of such advances and declines can last for an extended period of time.

### **Liquidity Risk**

You may not be able to sell your securities if there are not enough buyers in the market when you want to sell. This can happen even if the company whose securities you own is still profitable and viable.

### **Credit and Default Risk**

The company or institution whose securities you own may reduce or stop dividend or interest payments. The market price of your security may also fall significantly as a result of this action. The government or company whose fixed income security you own may not be able to repay your principal at maturity.

### **Foreign Currency Risk**

If you hold securities that are traded in a foreign currency, you will be paid in that currency when you sell. If the foreign currency has declined in value relative to the Canadian dollar you may suffer a loss when you exchange the currency in Canadian dollars. If Brant cannot hold an account in the foreign currency i.e. RRSP's, you will be forced to convert your investment to Canadian dollar at the time you buy and sell these securities.

### **The account(s) you have and how they operate**

We offer our clients one or more of three basic account types and your Investment Advisor will work with you to determine the right account(s) and best services for you.

### **Advisory Account Commission Based**

Your Investment Advisor is responsible for providing suitable and unbiased investment recommendations to you that meet the standard of care expected of a trained investment professional based on the KYC information that you provide to us. You (or your authorized representative) direct(s) all trading and is (are) responsible for all investment decisions in your account.

### **Advisory Account Fee Based**

Your Investment Advisor is responsible for providing suitable and unbiased investment recommendations to you that meet the standard of care expected of a trained investment professional based on the KYC information that you provide to us. You (or your authorized representative) direct(s) all trading and is (are) responsible for all investment decisions in your account.

### **Managed Accounts**

These are also referred to as “ non-advisor” or “ discretionary accounts” where your Investment Advisor independently exercises his or her authority ( uses his or her discretion) to make investment decisions within the framework of your overall directions.

### **The fees you may be paying and how they are calculated**

Your investment advisor before entering your order to buy or sell a security or investment product will disclose verbally to you all fees, charges, commissions, trailers, mark ups, mark downs associated with that investment product. Also we will provide you on account opening with our Fee schedule detailing our other fees and charges.

We offer you a choice of commission and fee based accounts:

#### **Commission-based account**

Brant charges a commission for each trade made in your account, based on either a flat dollar amount or a percentage of the value of the securities purchased or sold. The commission is negotiated between you and your investment advisor before the trade is executed in your account. The commission is also disclosed on your trade confirmation.

#### **Fee-based account**

Brant charges a fee that will be applied monthly or quarterly and charged against your account. It is calculated as a percentage of assets held in your account at month or quarter end.

#### **Embedded Commissions and Fees**

These fees and commissions do not appear on trade confirmations and they are the least transparent method of payment. The most common of these are Deferred Sales Commissions (“DSC”) on mutual funds and Annual Service Fees on mutual funds.

BSL may receive compensations from the buying or selling of mutual funds, limited partnership units, tax shelter securities, Canada and Provincial saving bonds commissions and trailers from these third parties.

Fees and commissions for mutual funds are fully disclosed to clients in each mutual fund prospectus and are further disclosed as part of each mutual fund's Management Expense Ratio ("MER"). A comparison of an F Series versus DSC Series for the same mutual fund quantifies the embedded amount of fees and commissions. Please ensure that you read the prospectus of the mutual fund that you are buying for all charges, commissions, fees, trailer fees, mutual fund manager fee and early redemption fees. If you need assistance in determining this amount, your Investment Advisor will be pleased to assist you.

In addition to DSC and Service Fees, New Issues and Principal Trades have embedded commissions. Brant does conduct Principal Trading as part of its business model. If such a trade were to occur, you will be notified via your trade confirmation with the message "PRINCIPAL". If such an event occurs, please speak with your Investment Advisor to determine the embedded cost. When you buy certain fixed income products, our Carrying Broker, NBCN Inc may act as principal. BSL does not share in any price mark-up charged by NBCN Inc. Embedded New Issue commissions are disclosed in each new issue prospectus. If you are unable to determine the amount of commission disclosed in the prospectus, please speak with your Investment Advisor.

### **Interest charge**

If your accounts are in a debit position, we will deduct an interest charge from these account(s). The interest rates are available upon request.

### **Foreign Exchange**

Exchange rates are available upon request.

### **How Brant assesses the suitability of your investments**

We will assess whether a purchase or sale of a security is suitable for you prior to making a recommendation to, or accepting trade instructions from you. We will also assess the suitability upon the occurrence of the following:

- If securities are transferred or deposited into your account;
- If there is a change in your investment advisor; and,
- If there is a material change in your KYC information.

If during the suitability review we identify any concerns, we will discuss them with you and may be required by our regulators to document our discussion and, if we

are strongly concerned with your decision to maintain unsuitable or proceed with investment, we may refuse to execute the transaction or to terminate our relationship.

In order to ensure that the holdings in your accounts are suitable for you as time passes, we will review the suitability of your investments in your accounts on an annual basis and when required to one of the reasons described above.

Brant will not review the investment held in your accounts in the event of a major market correction or any other factors not described above. However, your investment advisor is ready to discuss the effect of market fluctuations on your portfolio with you when you request.

### **Know Your Client (KYC) Information**

Your KYC information is about you, your personal circumstances and current financial situation and includes, but not limited to your:

**Age;**

**Annual Income:** the approximate annual income of you and your spouse combined;

**Net Worth:** calculated as your fixed assets and liquid assets less liability;

**Investment Objectives:** – what you would like to achieve from your account; and,

**Risk Tolerance:** the degree to which you are willing to accept a fluctuation in value of your investments.

We will explain in more detail these concepts: Investment Knowledge/Experience, Investment Objectives, Investment Time Horizon and Risk Tolerance.

### **Investment Knowledge/Experience**

Your investment advisor needs to understand your level of investment knowledge and experience in order for him to make suitable investment recommendations.

Investment knowledge and experience encompass an understanding of the characteristics of various types of securities, experience in investing in those securities, and experience holding investment in various market cycles. Your level of investment knowledge and experience may change over time.

Investment knowledge and experience levels are described as follows:

**Sophisticated**

You have traded in most types of investment products including knowledge of alternative investments (options, private equity, hedge funds) speculative and short selling strategies and an appreciation of the risks and rewards involved in trading these securities.

**Good**

You have either traded in or have some knowledge of the basic characteristics of investment securities, as well as basic understanding of the degree of risk and reward inherent in these types of securities.

**Limited**

You have had some investment experience but may not have a full understanding of the basic characteristics of the various types of securities and the degree of risk associated with these securities.

**Poor/none**

You have very limited or no knowledge of the basic attributes of investment securities

**Investment Objectives**

Your investment objectives are subject to the risk you are able and willing to take.

Your investment objectives are to allocate the following (approximate) percentages of the assets held in my account(s) with our firm to:

**Liquidity (M)** the ability to quickly and easily convert to cash

**Safety (X)** you want to preserve the initial principal in the account

**Income (B)** you want to establish a source of periodic income

**Growth (G)** your investment objective is capital growth

**Speculative (S)** you want to invest in high risk securities and/ or trading strategies

You can chose to have specific investment objectives and risk tolerance for each account held at Brant.

## **Time horizon**

The investment time horizon plays an important role in setting return objectives and defining liquidity constraints. Investment time horizon should be determined by considering when you will need to access some or all of the money in your accounts.

It should be indicated by one of the following ranges:

Year

<b>0-1</b>	<b>Year</b>
<b>1-3</b>	<b>Years</b>
<b>3-5</b>	<b>Years</b>
<b>5-10</b>	<b>Years</b>
<b>10 +</b>	<b>Years</b>

When Brant recommends an order to you or accepts an order from you or your legal representative, we will review each order or strategy in the context of your KYC described above.

Our understanding of your KYC is critical in helping us in recommending the proper assets allocation for your account(s).

**The reports that help monitor your financial assets, their performance, and the fees & charges you may pay to Brant or to third parties**

## **Confirmations**

We will provide you with written trade confirmations of the details of every purchase and sale in your accounts by mail on the day the transactions are completed. Please review your trade confirmation as soon as you receive it.

## **Account statements**

We will mail you a statement for the month of March, June, September and December and for any month in which a transaction has occurred in your account.

Every confirmation, statement or other communication sent by NBCN Inc and Brant shall be deemed to have been acknowledged as correct by you unless we have received written notice to the contrary within 25 days of month end.



## **Performance**

You can request from your investment advisor a special performance report regarding your accounts held at Brant. This service is provided free of charge to you. This report will provide you with the position cost and account activity information and the percentage return of your account(s) for investment purchased after January 1, 2006.

## **Performance Benchmarks**

Investment benchmarks are a standard against which the performance of a security, mutual fund or portfolio can be measured. Generally, broad market stock and bond indexes are used for this purpose. There are dozens of indexes that be used to gauge the performance of any given investment including the S&P/TSX Composite, the S&P 500 and the Dow Jones Industrial Average. When evaluating the performance of your investments, it is important to compare it against an appropriate benchmark. Given the importance of having the correct comparison and the diverse nature of our client portfolios, Brant will not include benchmarks on the monthly statements we send to our clients.

## **Future reporting enhancement**

We regularly look at ways to improve the reporting and documents we provide to you to make them more informative, clearer and useful to you. As part of our service commitment, we will keep you posted on the timing of changes and how to interpret new report formats. Please speak with your investment advisor or visit us at [www.brantsec.com](http://www.brantsec.com) for updated information.

## Client Fee Schedule

### Registered Plan Annual Administration

The annual administration fee for your registered account (s) is automatically deducted from your account in October. The Trustee for your Registered Plan is Natcan Trust Company.

### Annual Fees (per account)

RRSP, RRIF, RESP, LIRA, RDSP and LIF	\$125
TFSA	\$ 50
Full Deregistration	\$125
Partial Deregistration	\$ 50
Unscheduled RRIF withdrawal per request	\$ 25
Ineligible fund custody per month per security	\$ 10
Account transfer out per account full or partial	\$135
CCPC holdings per issuer/transaction	\$200
CCPC holdings - annual fee per security	\$100
Deposit/Withdrawal at Custodian (DWAC) per issuer	\$ 75

### Certificates and DRS Handling

Security Registration per Certificate	\$100
Rush Security Registration per Certificate	\$250
Security Registration per U.S. Certificate	\$100 (USD)
Rush Security Registration per U.S. Certificate	\$250 (USD)
Securities Borrowing (Negotiated)	
Transfer of Securities requiring special handling	Cost + \$200

### Funds Issuance

Cheques and EFT	No Charge
Certified Cheque (per cheque)	\$ 15
NSF Cheque (per returned item)	\$ 25
Stop Payment (per stop item)	\$ 25
Bank Wire In (per wire)	\$ 10
Wire Transfer out Domestic (per wire)	\$ 25

### **Address Unknown, Inactive & Unclaimed Accounts**

The above accounts will be charged an annual fee of \$ 125 per account that will be automatically deducted from your account in October.

### **Minimum Account Fees**

Brant Securities Limited reserves the right to charge a minimum account fee. The account holder will be notified of the minimum asset level and the fee amount, no less than 60 days prior to the charging of the fee.

### **Miscellaneous Fees**

Any miscellaneous fees for service provided by other financial institutions will be charged through at cost. Details are available upon request.

All fees are subject to sales taxes where applicable. For further information, please contact your Investment Advisor.

## **Conflicts of Interest**

### **General Description**

Actual, potential and perceived conflicts of interest exist in almost all human interactions. Our relationship with you is no different. For instance, Brant Securities Limited (“BSL”) is a “for profit” business and has a responsibility to maximize economic returns for our shareholders. As well, BSL has various other stakeholders, all of whom rely on BSL to operate profitably in order to honor the interests of those stakeholders as expected under the *Business Corporations Act (Ontario)* (“OBCA”) and pursuant to securities industry financial compliance regulations. We believe the best way to achieve our goals is to provide you with trusted advice and personalized financial solutions that help you achieve your financial goals. Our objective is to serve your financial goals, which is our best way to retain your continued patronage and, in turn encourage you to recommend our services and products to others.

We have prepared these summaries as part of our commitment to conflict of interest management practices, and also to help you better understand conflict issues that may arise. In addition to our objective to serve your financial goals in alignment with our business interests, Canada has comprehensive and extensive securities regulatory rules and regulations, many of which are directed at protecting client and investor interests, including dealing with conflicts of interest. We suggest that you refer to the websites and publications of the provincial securities commissions through the Canadian Securities Administrators (“CSA”) and Investment Industry Regulatory Organization of Canada (“IIROC”) for more information on how Canadian securities regulations address conflicts of interest in order to safeguard the investing public.

### **Description of Member Firm**

BSL is what is referred to as an “introducing broker” (“IB”) investment firm. Our client accounts are held in a custody arrangement with our “carrying broker” (“CB”), National Bank Correspondent Network (“NBCN”). All investments shown on our/your client statements are held by NBCN in segregation from the accounts of other brokerage firms. NBCN executes, settles, and reports all your trade activity to you and provides BSL (and consequentially to you) with a contractual indemnity assuring you that the investments shown on your statements are held by them as custodian. If, under any circumstance, any trade activity for your account is not reported on a trade confirmation and your monthly statement, immediately report such omission to BSL Head Office Compliance since such an event is a violation of our operating policies and procedures. We provide a broad range of service in corporate finance, investment management, and retail client services and products. We recognize that by definition some of these activities are more susceptible to

conflicts of interest than many other commercial activities since we may periodically represent both sides of a transaction, namely, the buyer and the seller. As an IB we will have fewer cases of such conflicts of interest than an “integrated” firm. In fact, our business model choice to be an IB was significantly driven by our purposeful choice to reduce potential conflicts of interest with our retail investing clients. Nonetheless, conflicts of interest may still arise despite the intentions of our strategic planning to limit them.

You can learn more about our firm at [www.brantsec.com](http://www.brantsec.com)

**The general types of conflicts of interest which can arise are:**

Conflicts of interest between you and us;  
Conflicts of interest between you and our other clients; and,  
Conflicts of interest between us and our related and associated companies.

**Description of Role of an Investment Dealer**

As an investment dealer, we are a financial intermediary. It is common practice in the brokerage industry that sometimes we may be the party on the other side of the transaction (referred to as a “principal” trade) where we own the security we sell to you, or buy the security from you for our own account. However, as an IB our business model is to act primarily as an agent. We simply facilitate transactions between you as our client and a third party on the other side of the transaction. Through such an “agency” trade we have no ownership interest in the security traded. This financial intermediary role for our retail clients is BSL’s primary line of business. To a lesser extent we offer corporate finance services to advise an issuer of securities on how to best raise funds by selling securities, while contemporaneously recommending that our clients buy those same securities. In such issuer advisory service arrangements, we offer our services to the issuer on a “best efforts basis” where we do not guarantee the issuer that we will sell any amount of such securities to our clients.

**Management of Conflicts of Interest**

In general, we deal with and manage relevant conflicts as follows:

**Avoidance:** This includes avoiding conflicts that are prohibited by law as well as conflicts that cannot effectively be addressed;

**Control:** We manage acceptable conflicts through means such as physically separating different business functions and restricting the internal exchange of information; and,

**Disclosure:** By providing you with information about conflicts, you are able to assess independently their significance when evaluating our recommendations and any actions you and we may agree to take.

The following information is intended to assist you in understanding and assessing material potential and actual conflicts of interest, including how we address them. This is an overview of a complex subject. Despite that, we believe the simplest control is the most effective — your continued satisfaction and patronage. ***If you ever have any questions or concerns, whether they involve conflicts of interest or any other matter, do not hesitate to say so and ask your Advisor for an explanation and more information. If you are not satisfied with the response you receive contact BSL Compliance at our Head Office.***

### **General Information**

We encourage you to be proactive and understand the issues relating to conflicts of interest. As previously recommended in this document, refer to the websites and publications of the provincial securities commissions through the Canadian Securities Administrators (CSA) and Investment Industry Regulatory Organization of Canada (IIROC) for more information on how Canadian securities regulations address conflicts of interest to safeguard the investing public.

We document our core values, mission statement and standards, including general standards for how we deal with conflicts of interest in our internal policies and procedures. You should refer to the BSL Statement of Policies that appears on the New Account Application (“NAA”), which alternatively is often referred to as a New Client Application Form (“NCAF”); and our Statement of Policies which appears on our website at [www.brantsec.com](http://www.brantsec.com). You can also obtain a copy of any of these documents from your Advisor on request.

## Possible Conflicts and How They Are Managed

Conflict of Interest	Address By	How Conflicts Will Be Addressed
<b>Ongoing Conflict of Interest</b>		
We earn compensation by selling products and services to you for which you pay us.	Disclose Control	We endeavour to be fully transparent in disclosing fees and commissions, and to fully inform you in advance when possible, so that you know what you will be paying. Please see our “Fee Transparency Statement” and “Fee Schedule” which are available on our website at <a href="http://www.brantsec.com">www.brantsec.com</a> . Choice, on a disclosed basis, is your most viable method to control how you pay us. We offer a wide variety of pricing options to choose from, including Traditional Transaction Commission, Fee Based, and Embedded Fees/Commission as disclosed in the “Fee Transparency Statement”. Work with your Advisor to choose the method that suits you best.
Different products and services have differing levels of compensation.	Disclose  Avoid	Our compensation is disclosed to you and we offer pricing alternatives intended to reduce the conflicts associated with commission-based pricing. We are required by industry regulations and firm policy only to make “suitable” investment recommendations. We may choose not to offer a complex product that carries a high commission.
We would like you to use more of our services and buy more of our products.	Avoid  Control	We do not engage in “tied selling”, where purchase of one service is conditional on buying another as well. Such tied selling is prohibited by regulation. We have policies and procedures prohibiting recommendations solely for the purpose of generating revenue for us without any benefit to you.
If you have a managed account, we have discretion or control over transactions in your account	Control	When we have discretionary power to manage your account for you, regulations require that we disclose to you and obtain

		your specific approval to buy securities of either related and connected companies or issuers for whom we are offering securities as syndicate agent
<b>Conflict of Interest May Occur</b>		
Our compensation, organizationally and individually, may involve commissions based on sales volume	Disclose	We offer fee-based and managed accounts, as well as similar products such as no-load mutual funds, which have pricing structures designed to reduce commission incentives.
We would like you to use more of the services offered by an external organization or group; and/or buy more of the products offered by an external organizations or groups.	Control Disclose Avoid	Where we use referral arrangements, we disclose and manage them according to regulatory standards. We have policies and procedures, against which we monitor our advisors' activities, prohibiting recommendations solely for the purpose of generating revenue for us without any benefit to you.
We may receive compensation from securities issuers and other third parties based on products we sell to you, such as "trailer fees" on mutual funds and commissions and "trailer fees" on segregated funds and insurance policies	Disclose	We disclose to you the situations and type of third party compensation we may receive. Please refer to our website at <a href="http://www.brantsec.com">www.brantsec.com</a> under Fee Transparency Statement Securities regulations require issuers to provide specific disclosure in the offering document (e.g. prospectus) of such arrangements and the compensation we will receive.
We may be compensated in other ways as a result of the business you may do with us, including interest spreads on uninvested cash deposits with us and foreign exchange spread when you convert currencies.	Disclose	Various forms of other compensation we may receive are disclosed to you. Please refer to our website.
We may sell you securities which we own ( <b>called principal trades</b> ) and profit by doing so.	Disclose	We will tell you whether we acted as principal or agent for each transaction on the trade confirmation. In the case of fixed-income securities {which our CB will sell as principal} our CB is required to provide you with a stated yield to maturity so you can assess the competitiveness of our pricing.
We may sell you securities of companies that are related or		We are required by regulation to disclose this when we make a recommendation to



<p>connected to us</p> <p><b>Atlanta Gold Inc</b>  <b>Barkeville Gold Mines</b>  <b>Monarca Minerals Inc</b>  <b>Bonterra Resources Inc.</b></p>	<p>Disclose</p>	<p>you.</p> <p>All of our related and connected parties are disclosed in the Brant Securities Limited Statement of Policies. Please ask your advisor for the most current version or you can find it on our website at: <a href="http://www.branstec.com">www.branstec.com</a>.</p> <p>We inform you whether a transaction involved a related or connected security on the trade confirmation.</p> <p>Our advisors receive the same commission compensation payout as a percentage of gross revenue regardless of the product originator.</p>
<p>We have discretion or control over transactions in your account if it is a <b>managed account</b> or <b>pooled investment fund</b>.</p>	<p>Control</p> <p>Disclose</p> <p>Avoid</p>	<p>Regulations require that we disclose and obtain your specific approval to purchase securities of related and connected entities when we have discretionary power to do so.</p> <p>Regulations require that we disclose and obtain your specific approval to purchase securities for issuers for whom we are offering securities as a syndicate agent when we have discretionary power to do so.</p> <p>We are required by securities legislation to prohibit transactions where the individual advisor may have an interest or have influence or control.</p>
<p>We may need to select which clients will be offered certain securities if availability is limited</p>	<p>Control</p>	<p>We have a “fair allocation” policy for managed accounts and pooled investment funds.</p> <p>For non-discretionary accounts, individual advisors make the determination based on individual client relationships and suitable trade considerations.</p>
<p>We are paid by issuers of securities when we advise on or underwrite a new issue which we may recommend to you.</p>	<p>Control</p> <p>Disclose</p>	<p>We have structurally segregated our institutional corporate finance and retail advisory businesses, which prevents the sharing of non-public information by our institutional corporate finance business (with the relationship with the issuer) with our retail advisory businesses (with the relationship with clients like you).</p>

		The offering documents provide full disclosure of all relationships we may have with the issuer.
When we advise on or underwrite a new issue, we are acting for the issuer that wants to obtain the highest price while recommending the investment to purchasers who are interested in obtaining the lowest price.	Control	We operate our corporate finance and retail advisory businesses separately and all relationships and other material facts about our relationship with the issuer are described in the offering documents. When the offering is a Non Brokered Private Placement for sale to Accredited Investors, BSL performs no due diligence. BSL will receive a finder's commission paid by the issuer.
If you hold an applicable security, we may be paid by issuers, offerors or others to solicit your proxy or vote in their favor with respect to takeover bids, corporate reorganizations, solicitation of proxies and other corporate actions.	Disclose	Securities regulations require specific disclosure of such arrangements and the compensation we will receive in documents such as information circulars, takeover bid circulars and issuer bid circulars.
As a result of business relationships with issuers of securities, we may know confidential information that we cannot disclose to you when we recommend the securities to you, even if that information might lead us not to recommend buying the securities.	Control	We operate our corporate finance and retail advisory business separately so that such information is tightly controlled and not shared by corporate finance with our retail advisory businesses. Our internal information barriers are designed to ensure regulatory requirements are complied with and retail advisory employees do not have access to any non-public information that may be available to our corporate finance businesses.
We may have access to commercially sensitive or inside information.	Avoid	We may decline to provide a service to avoid insider trading provision in securities legislation. We have specific procedures for responding to conflicts of interests that involve inside information and for complying with insider trading provisions.
BSL does not produce its own research on securities. BSL distributes investment research that is produced by third parties.	Control	Industry regulations provide for formal and required standards of practice to produce and distribute research. If BSL begin to produce its own securities research, we will comply with all regulations. If we do produce our own

		<p>research, you will find the standards that our analysts are required to comply with at <a href="http://www.brantsec.com">www.brantsec.com</a></p> <p>IROC regulations govern the distribution of third party research and BSL has written procedures to address such requirements.</p>
We engage in trading of securities for our own account( called proprietary trading)	Control	<p>We maintain information barriers between our corporate trading activities and retail advisory business.</p> <p>Firm and employee trades are identified as such and client trades are given priority to firm and employee trades in accordance with industry “ client priority” regulations</p>
Your advisor or representative may make permitted personal investments in private companies that manufacture investment products.	Control	Your advisor or representative must declare and have approved by us any such private investments before they are made. If such personal investments have been approved, your advisor or representative will and we will disclose such an investment to you in writing.
We may receive compensation by trading destinations, including electronic communication networks, market makers and exchanges in connection with trades on markets we direct to such destinations through affiliates or directly.	Control	Industry regulations dictate our best price and best execution obligations to you. If we have ownership interests in marketplaces, we will disclose our ownership to you.
Individuals registered with us may also be registered with BSL’s related Insurance Agency and provide insurance services to you or other clients from that firm.	Control	These relationships are subject to legislative and industry requirements that impose restrictions on dealings between related firms and/ or individuals that are dually registered with each related registered firm. Such restrictions are intended to minimize the potential for conflicts of interest and address privacy concerns resulting from these relationships.
Individuals may serve on board of directors or take on other activities	Avoid	Securities legislation prohibits an individual from serving as a director of

<p>that could take time or attention away from your account.</p>		<p>another registered firm that is not an affiliate of our firm. When an advisor or representative sits on a board of directors of a charity or undertakes other community activities in any substantive way, they are subject to regulatory guidance on the disclosure and approval of outside business activities.</p>
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Note: Potential relevant conflicts may arise from: (i) gifts and entertainment from third parties with which BSL has active or potential business relationships;(ii) directorships with other firms or other organizations; (iii) connections to outside political or charitable activities (iv) other outside of BSL activities; and (v) interest in the business of a supplier, contractor, competitor etc. These types of potential conflicts are monitored and supervised by BSL on an internal basis and, if appropriate, will be disclosed to clients.

## Statement of Policies

Securities laws of certain jurisdictions of Canada require securities dealers and advisors, when they trade in, or advise with respect to, their own securities or securities of certain other issuers to which they, or certain other parties related to them, are related or connected, to do so only in accordance with particular disclosure and other rules. In certain provinces and territories, these rules require dealers and advisors, prior to trading with or advising their customers or clients, to inform them of the relevant relationships and connections with the issuers of the securities. Clients and customers should refer to the applicable provisions of those securities laws for the particulars of these rules and their rights or consult with a legal advisor.

### General

Under certain circumstances Brant may deal with or for you in securities transactions where the issuer of the securities or the other party to the transaction is Brant Securities Limited or a party having an ownership or business relationship with us.

Since these transactions may create a conflict between our interests and yours, Brant is required by securities laws to disclose to you certain relevant matters relating to the transactions. This Statement contains a general description of the required disclosure.

### Important Concepts

#### “Related Issuer”

A party is related to us if, through the ownership of or direction or control over voting securities or otherwise, we exercise a controlling influence over that party or that party exercises a controlling influence over us.

#### “Connected Issuer”

A party is connected to us if, due to indebtedness or certain other relationships, a prospective purchaser of securities of the connected party might question our independence from that party.

### Required Disclosure

We must make certain disclosures where we act as your broker, advise you, or exercise discretion on your behalf with respect to securities issued by us, by a related party or, in the course of an initial distribution, by a connected party. In these situations, we must disclose either our relationship with the issuer of the

securities, or that we are the issuer. We must also make a disclosure to you where we know or should know that, as a result of our acting as your broker or advisor, or of our exercising discretion on your behalf, securities will be purchased from or sold to us, an associated party or, in the course of an initial distribution by a connected party.

The following is a list of the time and manner in which these disclosures must be made:

Where we underwrite securities, the required disclosure will be contained in the prospectus or other document being used to qualify those securities;

Where we buy or sell securities for your Account, the required disclosure will be contained in the confirmation of trade that we prepare and send to you;

Where we advise you with respect to the purchase or sale of securities, the disclosure must be made prior to our giving the advice; and,

In addition, where we exercise discretion under your authority in the purchase or sale of securities for your managed Account, we may not exercise that managed Account discretion for the types of transactions described above.

We may, from time to time, be deemed to be related or connected to one or more issuers for the purpose of the disclosure and other rules of the securities laws referred to above. We are prepared to act as an advisor, dealer and underwriter in the ordinary course of our business to, and in respect of, any such related or connected issuer and in connection therewith to provide the full range of services customarily provided by us to and in respect of securities of the other issuers. In any such case, such investment dealer and other services shall be carried on by us in the ordinary course of our business as an advisor, dealer or underwriter in accordance with our usual practices and procedures and in accordance with all applicable disclosure and other regulatory requirements.

**Brant Securities Limited or its directors, officers, partners, salespeople or other employees may, from time to time, recommend that you trade in, or provide to you advice about, a security issued by these listed persons or companies. If you wish further information concerning the relationship between Brant Securities Limited and these listed persons or companies, or if you have any questions, please contact our Chief Compliance Officer at (416) 596-4595 or 220 Bay Street, Suite 300, Toronto, Ontario M5J 2W4, fax: (416) 596-4546.**

**List of Connected Issuers:**

**Atlanta Gold Inc.  
Barkeville Gold Mines  
Monarca Mineral Inc  
Bonterra Resources Inc.**

**List of Related Issuers:**

## **National Bank Financial Handling of Orders**

There are a variety of marketplaces on which orders to trade listed securities can be placed and executed. National Bank Financial (NBF) provides this guidance to inform clients about the types of orders offered by NBF and how such orders will be handled. Since 2006 Alternative Trading Systems (ATS) have operated in Canada, providing an alternative marketplace for the trading of securities. Until the introduction of ATS, trading was solely on traditional exchanges, such as the Toronto Stock Exchange (TSX) and the TSX Venture Exchange (TSXV). A multiple market environment brings many benefits to investors such as the potential for improved pricing and liquidity as well as technological and market structure innovation. However it also brings a certain level of complexity and challenges that were not present in a single market environment. Under the Canadian regulation, NBF has an obligation to secure the best price and the best execution for its clients orders. To do so, NBF employs certain automated systems coupled with its understanding and expertise in trading and market structure to provide clients with an execution that meets their requirements.

### **Best Price**

During regular market hours NBF achieves best price execution by using automated systems that will source the best price for the execution of a client order from the multiple Canadian marketplaces. All available markets are considered during the sourcing process including both visible markets and markets that offer no pre-trade transparency (Dark Pools).

### **Hours of Operation for Trading in Listed Canadian Securities**

#### ***Hours of Operation***

Most Exchanges and ATS's in Canada offer trading between the hours of 9:30 A.M and 4:00 P.M., Eastern Standard Time (EST), Monday through Friday, not including statutory Canadian holidays. Client orders placed during normal business hours will be transmitted to the NBF trading staff or trading systems and executed based on the instructions of the client and in accordance with the hours of operation on the market where the order is placed.

Clients who place orders with their Investment Advisors or through on-line systems when Canadian markets are closed should be aware that such orders will be held by NBF until the opening of trading the following business day and entered into a market place in the manner described in this document.

***Extended Hours Trading – CN Member firms must call the NBCN Traders in Toronto***

Some marketplaces provide additional order execution facilities outside of their normal trading hours. Clients should consult the web sites of the marketplace where they intend to trade or speak to their Investment Advisor if they wish to execute outside of normal business hours. Please be advised that price determination and liquidity may vary from market to market during these trading sessions.

**Standard Handling of Orders**

Marketplaces typically operate according to a schedule of trading sessions or market states. The following points are intended to clarify how NBF will process the described client orders during these sessions.

***Pre Open Sessions – CN Member firms must call the NBCN Traders in Toronto***

Clients who choose to participate in a pre-open session, either passively or actively, should be aware of the following:

A pre-open session is typically held where a market supports an opening auction;

Typically only a very small percentage of the daily trading volume of a security is executed in the pre-opening period. Duration orders such as GTC or GTD (see below) entered the day prior will roll into the pre-open session the next day and be available for trading;

Orders entered into pre-open sessions are held until the opening auction is executed. Buy and Sell order prices may overlap, which in-turn helps drive the price discovery of the opening auction; and,

In a multiple markets environment there is no standard opening price set across all markets which trade securities. Furthermore, not all market places open at the same time which may impact the price and volume executed for a client order entered in the pre-opening time period. **Price discrepancies between markets may occur.**

For these reasons automated order handling systems may not be relied on for best price or best execution of client orders. If a client chooses to enter an order in the pre-open session then, unless otherwise directed by the client NBF, will select a marketplace where, bases on its analysis and experience, it feels the client will secure the best execution. Duration orders that have rolled over from the night before into the Pre-open will be considered to be passively participating. If a client does not want to passively participate in the Pre-open session they should enter Day orders only or cancel unfilled duration orders at the end of each day.



### ***Opening Auction – CN Member Firms must call the NBCN Traders in Toronto***

For marketplaces that support an opening auction, e.g. TSX, TSXV, Alpha and Pure trade allocation and imbalance/price volatility management methodology may differ.

Markets that do not support an opening auction typically open “shotgun” style at a predetermined time. Please consult each specific marketplace for more information.

### **Post-open/Continuous Auction**

Where markets support an opening auction, unfilled orders from the auction will rollover to the Post-open market session of the market that they were entered upon unless specified as Market on Open (MOO) orders. Market and Limit orders received by NBF during the Post-open session will be sent through an automated system that will route the order to the best market available at the time of receipt. Any unfilled portion of the order will be directed to a default booking market determined by NBF and remain on that market until the order is filled, modified, cancelled or expires

### **Order Execution**

In a multiple marketplace environment, certain types of orders may have specific handling implications. Unless otherwise specified, orders will be handled in accordance with the description provided in this document.

### ***Market Order***

A market order is an order to buy or sell a security at whatever prices are available in a marketplace to help ensure a complete and full fill. NBF cautions clients from entering market orders given the different treatment that market orders receive in a multiple market environment. Please consult each specific marketplace for more information. NBF will route market orders through its automated system that examines each available marketplace and enters the order in the market that secures the best price.

### ***Limit Order***

A limit order is an order for a security at a specific minimum sale price or a maximum purchase price set by the client. If a limit order is not immediately executable, NBF will book limit orders to a market that in its judgment offers the best chance of execution. These orders will remain in that market until the order is filled, cancelled or expired.

In a multiple market environment, Clients should be aware that once their limit order is booked on a market place it is possible for the security to trade in other markets without the client's booked order participating.

### ***Duration***

Duration refers to the lifespan of the order within a trading system. Different markets may offer different duration values and options. For market specific details please refer to the web site of the market in questions. Below are a number of the most commonly used duration types.

### ***Day Orders***

A Day order instructions the receiving marketplace to automatically expire the order if it is not executed in the same trading day.

### ***Good Till Cancel Orders – CN Member Firms - order entry systems GTC is for 56 days***

Good Till Cancelled Orders (GTC) specify that the order remains active until the client cancels the order, or until the order exceeds its set duration and thus expires. NBF will only allow the entry of orders with a 30 calendar-day maximum GTC.

It is the client's responsibility to ensure they know what the date of expire will be and to contact their Investment Advisor on or before the order's expiry date should they will the order to be re-instated.

### ***Good Till Date Orders***

Good Till Date Orders have an order duration that specify that the order remains open until it is either filled or until it expires at a specified date.

### ***Special Terms Orders (STO) – CN Member Firms must only use GTC***

For NBF STO are orders with specific terms which cannot be traded in the regular marketplace. STO orders will only post to the special terms market on which they are entered. Please note that the use of special term orders can delay or decrease the chance of execution, as the receiving market must ensure the "special terms" of the order are satisfied prior to executing the order.

## **Market-on-Close Orders (MOC) – CN Member Firms must call the NBCN Traders in Toronto**

Market on Close is an order designation which specifies that the entire order is to be executed at the official closing price of the marketplace it is entered upon. Not all markets support this order type in their system.

### **Disclosure of Marketplace**

An order executed on more than one marketplace or alternative marketplaces will be reported to the client using a trade confirmation that will generally read ”**Traded on Multiple Markets**”

All orders executed on more than one marketplace or ATS in Canada will receive confirmation(s) listing the transactions on the different marketplaces.

### **Relationship with Alpha Trading Systems Limited Partnership**

Alpha Trading Systems Limited Partnership (Alpha) is an ATS operating in Canada offering a broad range of trading services and options. As part of NBF’S regulatory obligations to secure best execution for all client orders, NBF is a subscriber to Alpha and our automated trading systems probe its available liquidity on all orders.

NBF is a limited partner of Alpha and a shareholder of Alpha Trading Systems Inc., the general partner of Alpha, and also has representation on the Board of Directors of Alpha.

## **Complaint Handling Procedures**

Written client complaints can be submitted by mail to the Designated Complaints Officer (DCO) of Brant Securities Limited attention Hervé Guibert, Suite 300, 220 Bay Street, Toronto, Ontario M5J 2W4. You can also reach our DCO via e-mail at [herve@brantsec.com](mailto:herve@brantsec.com) or by phone at (416) 596-4595.

The DCO will send you an acknowledgment letter within five business days of the receipt of your complaint. In this acknowledgement letter, the DCO may request additional information in order to investigate your complaint. The DCO will also send you a brochure entitled "An Investor's Guide to Making a Complaint". You will also receive this brochure at the time of your account opening.

The DCO will provide you with a substantive response within (90) calendar days of the receipt of your complaint. If the DCO is unable to respond to your complaint within the above time frame, he will provide you with a written explanation.

In his final decision letter, the DCO will provide you with a summary of your complaint, the results of his investigation, an explanation of his final decision, and the other options you may have for seeking compensation, if you are not satisfied with his response.

If you are dissatisfied with Brant's final response you have received, you may contact the following organizations:

Ombudsman for Banking Services and Investment (OBSI)  
Investment Industry Regulatory Organization of Canada (IIROC)

Or you may choose to go to Arbitration or pursue legal action.

### **Checklist of documents to be provided to you**

Copy of your New Client Application Form (NCAF)  
Relationship Disclosure Document dated April, 2017  
Strip Bonds and Strip Bond Packages Information Statement–Brochure dated June 2014  
An Investor's Guide to Making a Complaint - Brochure dated September 2011  
Canadian Investor Protection Fund (CIPF) - Brochure dated January 2012  
Introducing Carrying Broker Disclosure Statement – Brochure dated August 2010  
Options Agreement (if applicable)  
Welcoming letter from the President