



Regent Capital Partners Inc.

Relationship Disclosure Document

1 OUR RELATIONSHIP WITH YOU

1.1 Overview

This Relationship Disclosure Document ("RDD") is intended to clearly define and document your relationship with Regent Capital Partners Inc. You should ensure that you read, understand and agree with what is set out in this document as we use it to ensure that you understand the relationship we have with you, including the products and services we provide to you.

Canadian securities laws require securities dealers and advisors to disclose information that a reasonable investor would expect to know about the client's relationship with the dealer or advisor. This information includes any material conflicts the dealer or adviser and their representatives may have with a client. These laws require dealers and advisers to provide this disclosure to clients prior to making any trades or providing any investment advice. Clients are encouraged to raise any questions or concerns that they may have with their dealing representative or Advisor.

1.2 Registration

Regent is registered in the category of Investment Dealer with the securities commissions in BC, Alberta, Ontario, Quebec, New Brunswick and Nova Scotia. The principal regulator of Regent is the Ontario Securities Commission ("OSC"). Regent is a member of IIROC and the Canadian Investor Protection Fund ("CIPF").

Regent provides full-service wealth management and investment services to its retail clients in Canada. Regent provides its clients with:

- ✧ superior wealth preservation and growth strategies
- ✧ experienced Investment Advisors who instill trust and integrity
- ✧ independent advice.

1.3 Advisory (or Non-Discretionary) Account Relationships

In all your Advisory (or non-discretionary) accounts our relationship with you is a non-fiduciary relationship. In this situation, you are the ultimate decision-maker and must provide your specific instructions or authorization for each securities transaction in your account. It is the Advisor's responsibility to obtain from you all the necessary account opening information and forms. Once we have opened an account for you then your Advisor will make investment recommendations based on the information, we have gathered from you and market conditions. Your Advisor is responsible for advising you of the features and risks of any investment we recommend, for ensuring the investment is suitable for your account, and obtaining your consent and instructions for that investment. You are under no obligation to accept your Advisor's recommendations.

You are required to monitor your account to ensure that all activity in your account has been authorized by you and that it is consistent with your objectives and within your tolerance for risk. We will send you a trade confirmation for each transaction that takes place in your account on the first business day after the transaction. Upon receipt of this confirmation it is your responsibility to ensure that you are aware of the transaction, that you understand the risks and features of the investment, and that you have agreed to the purchase (or sale). If you do not agree with any activity in your account, or you have questions or concerns regarding the activity, you are required to contact your Advisor.

After the end of each month where there has been activity in your account, we will send you a statement of account. If there is cash or securities in your account but there has been no activity, we will send you a statement at least quarterly, unless you have requested in writing that we provide you a statement monthly regardless of activity in your

account. It is your responsibility to review this account statement within 30 days and ensure that you understand, accept, and have authorized all activity in your account. It is also your responsibility to ensure that the entire portfolio of securities in your account(s) reflects your objectives and risk tolerance. If there are transactions that you do not recognize, securities that you do not understand, or if the portfolio does not appear to reflect your investment objectives and risk tolerances, please contact your Advisor right away. You may also contact our Compliance Department, by calling our main office number: (416) 867-4550.

1.4 Account Types We Offer

Regent offers two types of Advisory investment accounts:

- 1) **Transactional Account** - where you are charged a commission for each trade.
- 2) **Fee-Based Account** – where you are charged a flat fee and a fixed charge per trade.

1.5 Suitability

Your Advisor is responsible for ensuring that any investments or recommendations made for you are suitable. Also, if you deliver securities to us or transfer your portfolio to us, we are responsible for determining whether those securities are suitable for you. If those new assets are not suitable for you then your Advisor is responsible for informing you of that.

We base the suitability of investments on the information you provide to us at account opening and when you update your account. In making a suitability assessment, we will consider the following information you have provided to us: your financial situation, investment objectives, risk tolerance, time horizon, and investment knowledge.

Your Advisor is responsible for reviewing your portfolio and making sure that it continues to agree with the above information. This assessment must be done:

- when a recommendation is made for you.
- when a trade is accepted for your account.
- when you deposit securities to your account or when a security transfers into your account from another institution.
- when a new advisor takes over your account; and
- when there is a material change to the account information you have provided to us.

Please note that we will not automatically review your portfolio for suitability in the event of a significant market disruption. If you have any questions or concerns about how we assess suitability please speak to your Advisor.

1.6 Accurate Information and Changes

Regent is committed to providing you with high quality advice and services aimed at assisting you in meeting your financial objectives. In order to achieve this, you need to provide us with accurate information regarding your investment objectives, time horizon, risks tolerance and financial circumstances. You need to promptly advise us if there are any significant changes to any information previously provided to us. Based on your information, we will provide investment advice and recommendations intended to help you achieve your investment goals.

You are required to notify us of changes to your contact information including but not limited to address, phone and email. If your contact information should become stale and we are unable to contact, you with the information we have on file we will make reasonable commercial efforts to contact you. During this period, each account you hold with us will be subject to additional reasonable administrative fees to cover the costs associated with maintaining and operating this account.

1.7 Statements, Confirmations and Notices

Your account number will appear on all account statements, trade confirmations (if applicable) and tax receipts we send you. Account statements, trade confirmations (if applicable), notices and other communications we send you by prepaid first-class mail are deemed to be given and received on the fifth day after we mail them.

Any notices or information we give to you in person, by fax or electronically, are deemed to be given and received on the day we send them.

Depending on the level of activity in your account, we will send you an account statement either monthly or quarterly, unless you have requested in writing that we send you a monthly statement regardless of activity. We will assume your account statements are complete and accurate, unless you tell us otherwise within 30 days of the date printed on them or the day, we deem you to have received them, whichever is earlier.

Records of your statements, confirmations, and notices will be maintained by Regent for a period of seven years from the date of initial issuance.

1.8 Communications with You

You acknowledge that Regent may rely on any notice or communication via facsimile or email from you or purporting to be from you or your authorized representative. We retain the sole discretion to refuse to act on any facsimile or email.

You acknowledge and agree that to the extent that it is relevant to the establishment of the account, or to the business relationship, Regent may obtain factual or credit information about you at any time from your employer, any personal agent, credit bureau, financial institution or any other person. You further acknowledge and agree that a facsimile, electronic copy or photocopy of the New Client Application Form and any other forms or agreements completed in connection with any account held at Regent, shall be binding upon you and have the same effect as the original version of those documents.

1.9 Ratification

You are responsible for checking your account statements and each trade confirmation to ensure the trade activity complies with your instructions. You must let us know if you believe there is an error or omission, or if you otherwise do not agree with the information shown on such records. If, for example, you did not authorize a transaction described on your trade confirmation or account statement or, alternatively, if you authorize a transaction that is not shown on a trade confirmation or account statement, you must notify us immediately. You will be deemed to have ratified the transactions and holdings in your account if you do not inform us of any unauthorized transactions, errors or discrepancies in writing within 30 days from the date of the trade confirmation or account statement. Any legal action by you must be commenced within two years from the date the transaction, act or omission first occurred.

We will assume any other notices we send you in writing, by telephone, personal computer system, or any other electronic or telecommunication device, are complete and accurate, unless you tell us otherwise within five days of receiving them.

1.10 Investment Protection

Regent is a member of the Canadian Investor Protection Fund ("CIPF"). CIPF protects your account within certain limits. These limits are described in the CIPF brochure available on request from your Advisor. Neither the Canada Deposit Insurance Corporation, the Quebec Deposit Insurance Board nor any other government deposit insurer insures any cash or securities held in your account.

1.11 Client Complaints

Upon the opening of your new account with Regent Capital Partners Inc. you will be provided with a copy of IIROC's "An Investor's Guide to Making A Complaint"

Where you have a complaint regarding the servicing of your account(s), we ask that you promptly raise your concern with your Advisor or alternatively the Designated Complaints Officer or our Regent website: www.regentcp.ca Where you are alleging misconduct in the handling of your account, including but not limited to theft, fraud, breach of confidentiality, misappropriation or misuse of funds or securities, forgery, unsuitable investments, misrepresentation, unauthorized trading or other inappropriate financial dealings, you or a person authorized to act on your behalf should raise your dissatisfaction directly with our Designated Complaints Officer. Regent commits to providing an initial acknowledgement of your complaint (apart from service complaints) within five business days. Regent may insist that you provide or clarify your complaint in writing. Where we have embarked upon an investigation of the merits of your complaint, we will provide you with a substantive response within 90 calendar days, barring exceptional circumstances. Should you be dissatisfied with our response, we will provide you with alternative options of recourse that are available to you.

Regent Capital Partners Inc. Designated Complaints Officer can be reached at the following number: (416) 867-4550.

1.12 Regent Employees – Outside Business Activities

Regent is engaged in various market activities including the provision of consulting and advisory activities with various private and public companies in several industries. Regent Capital Partners Inc. employees may at times hold positions of responsibility in these private or public companies including, officer, director or other senior position. In situations such as these we will disclose to you, prior to you making any trades through us in these securities, our relationship with such companies. We will also disclose such relationships in the subscription agreement or in a press release.

2 ACCOUNTS AND SERVICES, WE OFFER

2.1 Products and Services

Regent is one of Canada's foremost independent investment dealers. Our commitment to service excellence coupled with our extensive product offering provides clients with options tailored to fit their financial goals and investment interests. Regent is regulated by the Investment Industry Regulatory Organization of Canada ("IIROC").

Our products and services include:

- Cash Accounts
- COD (Cash on Delivery) Accounts
- Fee-Based Accounts
- Registered Retirement Savings Plan Accounts
- Tax-Free Savings Accounts
- Registered Education Savings Plan Accounts
- Joint Accounts
- Margin Accounts
- Foreign Exchange
- Estate Accounts
- Registered Income Plan Accounts

2.2 Cash Accounts

When you open a regular cash account, you are expected to make full payment for purchases with full delivery of securities for sale on or before the regular settlement date (unless mutually agreed). The regular settlement date is prescribed as the following number of business days after the transaction date:

- Government of Canada treasury bills – same day as the transaction.
- Other Government of Canada loans maturing up to three years – 2 business days after the transaction.
- Options – next day after the transaction.
- New Issues – the contracted settlement date as specified for that issue.
- Certain Mutual Funds may have a different settlement period, as set out in the fund prospectus; and
- All other securities – 2 business days after the transaction effective September 5, 2017.

In the event that you do not make full payment on or before the settlement date in your cash account, we will charge you interest on the overdue balance and take other remedial action as we see fit without further notice to you.

2.3 Fee-Based Accounts

When you open a fee-based account, you will be charged a flat fee per trade plus a monthly fee calculated as a percentage of the value of the assets in your account(s) which may include cash. Our Advisors are paid a fee for ongoing service of your account. We may receive compensation or earn revenue in other forms which may be in addition to, or in substitution for, direct payments by you. For example, we may receive periodic trailer fees from a mutual fund company or an issuer of securities regardless of whether you pay a fee or an up-front commission. For further information on fee-based accounts and whether this type of account is suitable for you, please speak with your Advisor.

2.4 COD Accounts

The term COD refers to Cash on Delivery. When you open a COD account, you must have an existing arrangement with a financial institution that is acceptable to us, to act as your single custodian and clearing agent. You must arrange with your custodian to make full payment and to take delivery for your security purchases, and to make full delivery of securities to us for any sales, on or before the settlement date. In the event that you do not make full payment on or before the settlement date in your COD accounts, we will charge you interest on the overdue balance and take other remedial action as we see fit without further notice to you. Please see the “Remedies” section of this document.

2.5 Registered Retirement Savings Plan Accounts

A Registered Retirement Savings Plan (RSP) is a type of investment account that allows you to save for retirement, on a tax deferred basis. It allows you to invest in a wide variety of investments. With this plan, your investments are tax-deferred. You will receive monthly reporting plus complete administration and safekeeping. We also offer you the ability to open a US\$ component of an RSP plan which will allow you to hold U.S. securities and settle trades in U.S. dollars.

2.6 Tax Free Savings Accounts

A Tax-Free Savings Account (TFSA) is another type of registered plan investment account, with additional advantages. A TFSA has lower annual contribution limits than an RRSP account but you are not taxed on capital gains or income, even when you withdraw money from the account. It is a great way to save for your short or long-term goals because it lets your savings grow – tax-free. We also offer you the ability to open a US\$ component of a TFSA plan which will allow you to hold U.S. securities and settle trades in U.S. dollars.

2.7 Registered Education Savings Plan Accounts

A registered education savings plan (RESP) is a contract between a subscriber and a promoter (banks, trust companies and scholarship funds) and is a tax-deferred way to save for a beneficiary's post-secondary education. Contributions made by the subscriber are not tax deductible but earnings on such contributions are held in a tax-exempt trust. Contributions may be eligible for Canada Education Savings Grant (CESG) payments. Investment earnings on contributions and CESG payments grow tax-free until they are distributed and included in the recipient's income and taxed accordingly.

2.8 Registered Retirement Income Plan Accounts

A Registered Retirement Income Plan (RRIF) is a type of investment account that is opened when an investor with an RRSP account turns 71 years old. This type of account has certain restrictions such as limits on how much you can withdraw in any year. For RRIF accounts that have a market value of five thousand dollars or less, we are authorized to issue a cheque for the balance of the account and then close the account. You acknowledge that this payment may be greater than the minimum and applicable withholding taxes will apply.

2.9 Joint Accounts

Except for residents of Quebec, each owner of a joint account is jointly and severally liable with each other owner, in his or her individual capacity, for the performance of all obligations of the owners as though each were the individual owner of the account. We are entitled, but not obligated, to act on the instructions of any single owner without inquiring as to the purpose or propriety of the instructions or the rights or interests of any other owner of the joint account, even if the instructions involve the delivery of any or all securities and monies held in the account to one owner personally. Specifically, each owner severally, in his or her individual capacity:

- authorizes us to act on the instructions issued by any one owner from time to time in respect of the joint account as though such instructions had been issued jointly by all owners of the joint account.
- releases us from any obligation to give separate notice to all owners of the joint account before or after acting on instructions issued by any one-off them.
- agrees to confirm and ratify the instructions received by us from any one owner: and
- to indemnify us against and promptly pay on demand all debit account balances, fees, commissions and expenses, and all losses arising from any transaction in the account as a result of us acting on those instructions.

This authorization, ratification and indemnity are a continuing one. We may, at our sole discretion, insist on receiving written instructions or a letter of authorization signed by all owners of the joint account.

2.9.1 Survivorship Election

In the Province of Quebec, the applicable law requires that all joint accounts be opened as Tenants in Common. In other jurisdictions, on opening a joint account all owners of the account must elect whether the account will be:

- Joint with Rights of Survivorship; or

- Tenants in Common.

If you elect “Joint with Rights of Survivorship” each owner of the joint account will have an undivided ownership interest in the whole account. In the event of death of any of the owners, the entire interest in the joint account shall be vested in the survivor(s) on the same terms and conditions therefore held, without in any manner releasing any of the owners of the joint account, or their estates, from the liability provided for in the Terms and Conditions governing Joint Accounts.

If you elect “Tenants in Common” each owner of the joint account will have an individual ownership interest in a specific percentage of the account. In the event of death of any of the owners, the interests in the account as of the close of business on the date of death (or on the following business day if the date of death is not a business day) shall be valued based on the closing market value of the securities on that day without in any manner releasing any of the owners, or their estates, from the liability provided for in the Terms and Conditions governing Joint Accounts. Any taxes, costs, expenses or other charges becoming a lien against or payable out of the account as the result of the death of the decedent, or through exercise by his or her estate or representative of any rights in the account shall, so far as possible, be deducted from the interest of such decedent.

2.9.2 Joint Account Communications

We will direct all written communications to the most recent address we have on file for the client identified on the New Client Application Form and such communication shall be deemed to be communication with all owners of the joint account. If one of the owners dies the surviving owners must immediately notify us in writing. Until we receive such notice, we may carry out orders and treat the account as though all owners were living. Before or after this notice, we may ask you for certain documents and take other steps as we deem necessary.

2.10 Margin Accounts

If you apply for the use of margin in your Account(s), the margin terms are an agreement between you and Regent and NBIN Inc. (“NBIN” or “Carrying Broker”), as our agent for trading, clearing and settlement of transactions with you. The liabilities and obligations you owe in relation to your use of margin are owed both to Regent and to NBIN, in its capacity as our Carrying Broker.

The use of margin (or “leverage”) may not be suitable for all investors. Using borrowed money (whether through a margin account or any other method of borrowing) to finance the purchase of securities involves greater risk than using cash resources only. The purchase of securities using borrowed money magnifies the gain or loss on the cash invested. This effect is called leveraging. If you borrow money to purchase securities, you are responsible for repaying the loan and paying interest as required even if the value of the securities purchased with borrowed money declines. In the case of a margin account, you are also required to satisfy any margin calls as required by the terms of the margin facility granted to you.

NBIN may, in its sole discretion, grant the use of margin upon condition that we may, at any time and from time to time, at our sole discretion and without notice to you:

- require you to provide security in excess of margin required by applicable law.
- reduce or cancel any use of margin made available to you.
- refuse to grant any additional use of margin to you; or
- cancel any open order for the purchase or sale of any securities if we think the margin or deposit in any of your Accounts is inadequate.

2.11 Foreign Exchange

Foreign exchange rates, fees and costs are subject to market fluctuation which could increase your risk of holding securities denominated in foreign currencies. If you make a trade involving a security which is denominated in a currency other than the currency of the account in which the trade is to settle, a conversion of currency may be required. The foreign currency conversion rate that appears on your trade confirmation, where applicable, or account statement includes our spread based revenue (“spread”) for performing this function. The foreign currency conversion rate and our spread will depend on market fluctuations as well as the amount, date and type of foreign currency transaction. Foreign currency conversions take place at such rates as are available to our retail clients for currency conversions of a similar amount, date and type. In all such transactions and at any time a conversion is made or requested by you, you acknowledge that Regent will act as principal with you in converting the currency at rates established or determined by us or parties related to us. Regent and parties related to us may earn revenue on the currency conversion, in addition to the commission applicable to such a trade, based on the difference between the applicable bid and ask rates for the currency and the rate at which the rate is offset either internally, with a related

third party or in the market. Conversion of currency, if required, will take place at the trade date unless otherwise agreed.

Regent does not offer foreign currency accounts other than US dollars for registered plans except for Registered Education Savings Plans which are only available in Canadian dollars. As a result, any transactions in such accounts involving foreign currency will be automatically converted by us into the currency of the account as described above.

We perform foreign currency transactions in respect of your account where we are required to trade in securities denominated in a currency other than the currency of your account. In performing foreign currency transactions, we may act as agent or principal. We may, at our discretion, reject a foreign currency transaction request. We convert foreign currencies into Canadian dollars, U.S. dollars or other currencies on the day we carry out your transaction. We may use a different day for:

- transactions on which you and we agree; and
- other transactions we deem necessary.

2.12 Estate Accounts

An estate account is opened to hold the estate assets and eventually distribute the balance among the heirs. Certain documents are required when opening an estate account including a death certificate and will. Please contact your Investment Advisor for complete details on what documents are required to settle the estate. We reserve the right to seek guidance from external legal counsel on complex estate matters. The fees associated with obtaining that guidance will be passed onto the estate account.

3 INTRODUCING AND CARRYING BROKER DISCLOSURE

Regent Capital Partners Inc. (the "Introducing Broker") advises you of the appointment of NBIN Inc. ("NBIN" or "Carrying Broker"), as our agent for trading, clearing and settlement of transactions for your account. As Regent's agent, NBIN will:

- issue and receive cheques and deliver and receive securities on our behalf with respect to all transactions directed to the Carrying Broker.
- be responsible for issuing the receipt, the delivery, and the safekeeping of funds and securities received through the Introducing Broker.
- be responsible for issuing confirmation slips and the statements of accounts for all transactions directed through the Carrying Broker.
- if the Introducing Broker opens a margin account for you, the Carrying Broker will loan you money for the purpose of purchasing or holding securities subject to the terms of this Booklet and your New Client Application Form, applicable regulatory margin requirements, and the Carrying Broker's and/or the Introducing Broker's margin policies which may be more stringent than regulatory minimums. The Carrying Broker will bear full responsibility for all client regulatory capital required by the Investment Industry Regulatory Organization of Canada ("IIROC").

NBIN is a separate legal entity and does not control, audit or otherwise supervise the activities of Regent or its employees.

Regent is responsible for:

- the servicing and supervision of your account in accordance with applicable law and our own policies and procedures.
- approving the opening of your account and obtaining the necessary account documentation in accordance with applicable law and our own policies and procedures.
- providing you with any investment advice, investment recommendations and/or investment management services.
- the acceptance, and in some circumstances, the execution of securities orders.
- exercising due diligence regarding the facts about any orders for the purchase or sale of securities for your account.
- ensuring that any money or securities intended for your account are correctly identified and forwarded to the Carrying Broker, NBIN; and

- supervising the activities of the individual or individuals who service your account, for resolving any complaints regarding the handling of your account and, in general, for the ongoing relations that we have with you.

4 REFERRAL FEES

From time to time, referral fees may be received from or paid out by Regent to another party who may or may not be related to us. We will provide you with the details of our referral arrangements prior to, or at the time the referral is made.

5 TRADING ACKNOWLEDGEMENTS

5.1 Fair Allocation Procedures

We are required to have policies and procedures that provide reasonable assurance that we will ensure fairness in the allocation of investment opportunities among our clients. Trade allocation must be determined on a basis that is fair, reasonable and equitable for all clients. Your Investment Advisor is responsible for selecting investments on behalf of your account(s) and for ensuring such investments are suitable for you. In determining suitability, your Investment Advisor will consider your stated investment objectives and risk tolerance, your level of investment knowledge, your investment time-horizon, your legal ability to participate in a particular investment, and the cash available in your account. These are the main factors but there may be other factors that affect the suitability of an investment that are specific to you.

We will review and monitor this policy at least annually but more often if necessary, to ensure it continues to be effective.

6 BENCHMARK DISCLOSURE

A benchmark is a standard point of reference used to evaluate the performance of a client's account. Typically, benchmarks are market indices (e.g. S&P TSX 60 Index) or a blend of market indices that are representative of the investment strategy being used in your account. However, in some circumstances a benchmark can be a specified rate of return or the return of another investment option. A good benchmark should be specified in advance, be reflective of the investment objectives and options for your accounts, be measurable and investable.

A benchmark should be established prior to the period of investing to ensure that comparisons are not being completed with the benefits of hindsight. A benchmark should accurately reflect the investment objective or options for the account as it would not be reasonable to compare the performance of an account that was invested in fixed income to an equity benchmark. Since the account was not intended to be invested in equity markets the comparison would not be appropriate.

Although a market index is measurable, it is not possible to invest directly into the index and a market index does not include any costs, commissions, management fees or administrative costs of investing which must be taken into consideration when evaluating the performance of the account. In these circumstances, the use of an exchange traded fund that tracks the index but is also reflective of the costs of investing could be considered in the place of a market index.

When comparing a benchmark return to account's performance it is important to ensure that the time periods being measured are the same. As well, the rates of return of a benchmark and an account may be different due to calculation methods. Benchmarks are typically calculated using a time weighted rate of return whereas the return for your portfolio will be a dollar weighted or internal rate of return. Each of these calculations treat deposits and withdrawals differently which will impact the performance results.

6.1 Performance Reports

Regent will send you both an Annual Performance Report and an Annual Fee Report for the previous calendar year. The Annual Account Performance Report will include information that will help you understand the performance of your account, such as the value of your account at the start of the year and at the end of the year, the annual percentage return on your account for 1, 3, 5 and 10 years, position costs and account activity information from July 15, 2015 or the account opening date, where information is available. The Annual Account Fee Report will include information that will help you understand the costs associated with the investments in your account.

Regent may have to revise this statement depending on what type of information is on their Performance Reports.

Checklist of documents provided to you on account opening, you will be provided with a copy of:

Client Account Agreement

Relationship Disclosure Document (including an updated RDD when there is a significant change to the relationship disclosure information)

Service Charges and Fees

IIROC "How IIROC Protects Investors"

IIROC "An Investor's Guide to Making a Complaint"

Carrying Broker Disclosure Statement

CIPF brochure