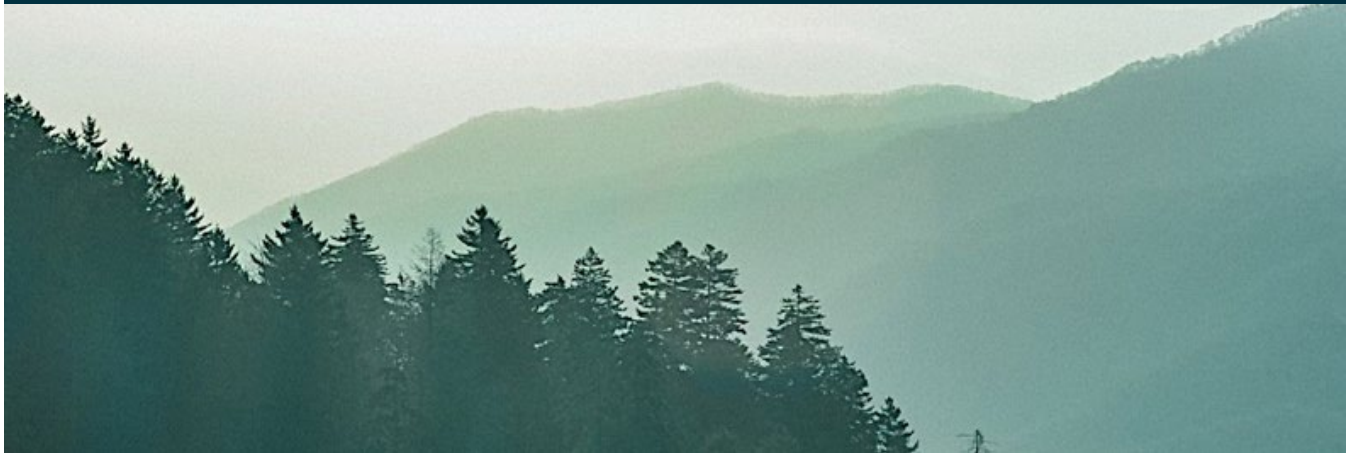




NORTH GROWTH
MANAGEMENT



CLIENT RELATIONSHIP DISCLOSURE

DECEMBER 1, 2023

In accordance with Canadian securities legislation, we are required to provide you with information regarding your relationship with North Growth Management Ltd. (“North Growth”).

North Growth is a Vancouver-based boutique investment management firm focused exclusively on U.S. and Canadian equity mutual funds. We are the investment fund manager, portfolio advisor and exclusive distributor of the North Growth U.S. Equity Fund, the North Growth Canadian Equity Fund, Series N and the North Growth Canadian Money Market Fund (collectively, the “Exempt Funds”). The Exempt Funds are offered by North Growth directly to qualified investors in BC, Alberta, Manitoba, Ontario, Quebec and New Brunswick under exemptions from the prospectus requirements of securities laws.

North Growth also is the trustee, investment fund manager and portfolio adviser of the North Growth U.S. Equity Advisor Fund and the North Growth Canadian Equity Fund, Series D and F (collectively, the “Prospectus Funds” and together with the Exempt Funds, the “North Growth Funds”), which are offered to all investors in each of the provinces and territories of Canada under a simplified prospectus exclusively through third-party dealers.

Client accounts at North Growth may only hold units of our Exempt Funds and we do not distribute or offer investment advice to clients on any other investment products including the Prospectus Funds. This client relationship disclosure applies to our relationship with clients in respect of the Exempt Funds and not the Prospectus Funds.

Client Accounts

North Growth exclusively offers clients its Exempt Funds through regular and registered (RRSP, RRIF, TFSA) self-directed investment accounts. With a self-directed investment account, account holders are responsible for making their own investment decisions in consultation with our portfolio managers and representatives. You will maintain control over all of your investment decisions and any changes to your account holdings will require your authorization.

All of our client accounts are limited to holding units of our Exempt Funds and cannot have a cash balance. The minimum initial investment is \$150,000 and the minimum subsequent investment is \$10,000. There are no fees or commissions payable with respect to client accounts.

The North Growth Funds do not issue physical certificates. Your North Growth Fund units are held in trust on your behalf by North Growth in our electronic book of records system. Your subscription proceeds and all other assets of the North Growth Funds are held by RBC Investor & Treasury Services in trust accounts on behalf of each North Growth Fund.

Fees and Compensation

North Growth does not charge any operational or transactional fees related to your account and does not receive any compensation for distributing the North Growth Funds.

However, North Growth receives all-inclusive management fees of 1.00% from each of the North Growth U.S. Equity Fund and the North Growth Canadian Equity Fund, Series N, and 0.25% from the North Growth Canadian Money Market Fund for the investment fund management services it provides to the Exempt Funds. The management fees are calculated daily and paid monthly.

The cost to you of the Exempt Funds' investment fund management fees is indirect because the fees are paid out of the Exempt Funds' assets instead of being paid directly by you and as a result have the effect of lowering the return you receive on your Exempt Fund investment.

North Growth receives all-inclusive management fees of 0.70% from each of the Prospectus Funds. The Prospectus Funds also pay dealers a 0.30% ongoing service fee known as a "trailing commission" on Series D units of the Prospectus Funds. No trailing commission is paid on Series F units of the Prospectus Funds, but purchasers of Series F units may be required to pay their dealers under a "fee-for-service" program.

Risks to consider when making an investment decision

Before making an investment decision it is important that you consider your investment needs and objectives as well as your investment risk profile. Some common types of investment risk to take into consideration, including risk factors that may apply to the North Growth Funds, are explained below.

CAPITALIZATION RISK

The share price of smaller capitalization companies is usually more volatile than that of more established larger capitalization companies. Smaller companies may be developing new products that have not yet been tested in the marketplace or their products may quickly become obsolete. They may also have limited resources, including limited access to funds or unproven management. Smaller companies may trade less frequently and in smaller values than shares of large companies. They may have fewer shares outstanding so that a sale or purchase of shares will have a greater impact on the share price. The value of shares in small capitalization companies may rise and fall dramatically.

CONCENTRATION RISK

If a mutual fund concentrates its investments in a relatively small number of securities or in certain industry sectors, the value of the portfolio is likely to vary more in response to changes in the market value of these securities or industry sectors. The Exempt Funds may concentrate investments in a relatively small number of securities.

CURRENCY RISK

When a mutual fund buys foreign securities, they are purchased with foreign currency. Exchange rates between the foreign currency and the Canadian dollar can affect returns. For example, the North Growth U.S. Equity Fund invests primarily in securities denominated in U.S. dollars and their value is affected by changes in the rate of exchange between the Canadian and U.S. dollar. When the value of the Canadian dollar falls in relation to the U.S. dollar, then the value of the U.S. investments rises. When the value of the Canadian dollar rises, the value of the U.S. investments falls.

INTEREST RATE RISK

Changes in the general level of interest rates will have a significant influence on the value of investments in bonds or other fixed income securities.

LARGE UNITHOLDER RISK

A mutual fund may have unitholders owning significant percentages of the total units of the fund ("large unitholders"). Certain actions of large unitholders may have an impact on the fund. For example, if a large unitholder makes a large redemption request, the fund may be forced to liquidate some of its portfolio securities to pay the redemption price. Such a sale of portfolio securities may trigger capital gains or losses and transaction costs which can reduce the returns of the fund.

LIQUIDITY RISK

Liquidity risk is the possibility that investments in a Fund cannot be readily converted into cash when required. The value of securities is subject to greater fluctuation if they are not traded regularly.

MARKET CAPITALIZATION RISK

The Exempt Funds have no restrictions with regards to the market capitalization of their investments. If a mutual fund becomes more highly concentrated in stocks with smaller market capitalization, liquidity risk will increase.

MARKET RISK

The value of equity securities is affected by changes in general market conditions. Changes in market conditions are influenced by corporate developments, changes in interest rates, changes in the level of inflation and other political and economic developments and global events. Equity securities in certain companies or companies within a certain industry may fluctuate differently because of changes in outlook for those individual companies or the particular industry.

SERIES RISK

The North Growth Canadian Equity Fund has more than one series of units. Each series has its own fees and expenses which the Fund tracks separately. If, for any reason, the Fund cannot pay the expenses of one series using its proportionate share of the Fund's assets, the Fund will be required to pay these expenses out of the other series' proportionate share of assets. This could lower the investment return of the other series.

SPECIALIZATION RISK

Mutual funds may adopt various specialization strategies to enhance returns. This may involve investing in specific sectors, geographies or using specific investment styles. The Exempt Funds are managed according to North Growth's own particular "growth at a reasonable price" investment style.

Specialization allows a mutual fund to focus on a specific investment approach, which can boost returns if the particular sector, country or investment style is in favour. However, if the particular sector, country or investment style is out of favour, the value of the mutual fund may underperform relative to other investment strategies.

TAX POLICY RISK

A mutual fund may be affected by changes in the tax legislation that affect the entities in which the fund invests or the taxation of the fund.

In order to comply with the *Income Tax Act* (Canada), unitholders may be required to provide identity, residency and citizenship information to the Exempt Funds, which may be provided by the Exempt Funds to the Canada Revenue Agency ("CRA") as part of our annual tax filing program.

U.S. TAXPAYER RISK

Under U.S. withholding tax and reporting requirements, commonly referred to as the *Foreign Account Tax Compliance Act* ("FATCA"), the Exempt Funds may be required to collect identity, citizenship, residency and other information about certain investors and directly provide that information to the CRA in order to avoid a 30% U.S. federal withholding tax on certain payments of U.S. source income, U.S. gross proceeds and certain other amounts made to the Exempt Funds.

Canada and the U.S. signed an Intergovernmental Agreement for the Enhanced Exchange of Tax Information ("IGA") under the Canada-U.S. Tax Convention to increase the amount of information exchanged between the CRA and the U.S. Internal Revenue Agency ("IRS") in a manner that is consistent with Canada's privacy laws and is designed to meet the objectives of FATCA. Under the IGA and amendments to the Tax Act that took effect June 19, 2014, you may be required to provide North Growth with certain identifying information, including a U.S. federal tax identification number ("TIN"), or face penalties. North Growth may be required to provide that information to the CRA along with information about your investment in an Exempt Fund unless your investment is held within a registered plan. If you are a U.S. taxpayer (including a U.S. citizen or green card holder who is resident in Canada), the CRA is expected to provide that information to the IRS.

Conflicts of Interest

North Growth exclusively offers its proprietary North Growth Funds for which it also acts as investment fund manager and portfolio adviser. Any material conflict of interest that exists or is reasonably foreseeable between North Growth or its employees and you will be addressed in your best interest or avoided if the conflict cannot be so addressed, and will be disclosed to you in writing. When faced with a potential conflict of interest, North Growth will exercise the prudent judgment of a reasonable person, uninfluenced by considerations other than the best interests of the client and its fiduciary obligations to the North Growth Funds as manager, portfolio advisor and distributor, as applicable.

Risks of using borrowed money to purchase securities or make other investments

Using borrowed money to finance the purchase of securities, including mutual fund units, involves greater risk than using cash resources only. If you borrow to purchase securities, your responsibility to repay the loan and pay interest as required by its terms remains the same even if the value of the securities purchased declines.

Client Reporting

Our clients receive transaction confirmations whenever they make a purchase or redemption of an Exempt Fund. North Growth sends account statements on a quarterly basis and for each month in which a client has made an Exempt Fund transaction. Monthly statements are also provided when requested. All clients are sent a report on charges and other compensation and an investment performance report annually.

In addition, North Growth sends clients a monthly newsletter that includes Exempt Fund performance results, as well as an annual report summarizing annual Exempt Fund performance.

Investment Suitability

North Growth must determine that any investment action we take or recommend for you is suitable for you and puts your interest first. We base our determination on the information we collect from you in order to fulfill our “know your client” (KYC) obligation and our thorough knowledge and understanding of the Exempt Funds.

When considering investing in equity funds we strongly suggest that you think in terms of at least a 5-year time horizon.

Know Your Client Requirements

North Growth is required to take reasonable steps to establish your identity and whether you are an insider of a reporting issuer and to ensure that we have sufficient information about your personal circumstances, investment needs and objectives, financial circumstances, investment knowledge, investment time horizon and risk profile to meet our suitability determination obligation. If the client is an entity, we must also establish the nature of the entity’s business and the identity of certain individuals who are beneficial owners of or exercise control over the voting rights or affairs of the entity. We are also required to collect information and verify your identity under anti-money laundering and anti-terrorist financing laws. We must take reasonable steps to obtain from individual clients the name and contact information of a trusted contact person (TCP) and your consent to contact the TCP to confirm or make inquiries about any of the following to assist us in protecting your investments:

- your current contact information if we are unable to reach you for an urgent matter or after an extended period of time;
- if we have concerns about possible financial exploitation affecting you or your account;
- if we have concerns about your ability to make financial decisions; or
- the name and contact information of any legal representative you may have.

If North Growth reasonably believes that a client is vulnerable and financial exploitation of that client has occurred, is occurring, has been attempted or will be attempted, or that a client does not have the mental capacity to make decisions involving financial matters, we may place a temporary hold on that client’s account(s). If we place a temporary hold on a client’s account(s) we will provide notice of the temporary hold and the reasons for it to the client as soon as possible after the temporary hold is placed or continued.

Our account opening forms are tailored to collect or facilitate the collection of all this information.

The Use of Benchmarks

We don't use benchmarks to assess the performance of your account.

With respect to our Exempt Funds, North Growth does not believe that there is a good way of predicting potential future relationships between an Exempt Fund's net assets and any given index. However, we do recognize that benchmarks may provide a useful tool to which unitholders can compare the performance of their investment in the Exempt Funds. North Growth has selected the S&P/TSX Composite Index for benchmark comparison with the Canadian Equity Fund, Series N, and the S&P 500 Composite Index for benchmark comparison with the U.S. Equity Fund; these are the broadest representations of equity performance in their respective markets. Performance of our Exempt Funds is provided on our website www.northgrowth.com and in our monthly newsletter and annual reports.

Your role in our relationship

In order for us to provide you with the best service and investment experience possible, it is important that you actively participate in our relationship.

In particular:

- Please keep us fully informed regarding your personal and financial circumstances and promptly inform us of any changes that could reasonably result in a change to the types of investments suitable for you;
- Carefully review all documents we provide you regarding your account and the Funds;
- Regularly review your portfolio holdings and performance; and
- Ask questions regarding your account and investments with us. Please do not hesitate to call or e-mail us.

What to do if you have a complaint

FILING A COMPLAINT WITH US

If you have a complaint about our services or products, contact our Chief Compliance Officer:

North Growth Management Ltd.
Suite 830, One Bentall Centre
505 Burrard Street, Box 56
Vancouver, BC V7X 1M4

604-688-5440
chrislee@northgrowth.com

You may want to consider using a method other than e-mail for sensitive information.

TELL US

- What went wrong
- When it happened
- What you expect, for example, money back, an apology, account correction, etc.

WE WILL ACKNOWLEDGE YOUR COMPLAINT

We will acknowledge your complaint in writing as soon as possible, typically within five business days of receiving your complaint. We may ask you to provide clarification or more information to help us resolve your complaint.

WE WILL PROVIDE OUR DECISION


We normally provide our decision in writing within 90 days of receiving a complaint. It will include

- A summary of the complaint
- The results of our investigation
- Our decision to make an offer to resolve the complaint or deny it and an explanation of our decision

IF OUR DECISION IS DELAYED

If we cannot provide you with our decision within 90 days, we will:

- Inform you of the delay
- Explain why our decision is delayed, and
- Give you a new date for our decision



In addition, the independent dispute resolution service offered by the Ombudsman for Banking Services and Investments (OBSI) may be available to you at our expense by notifying the OBSI that you wish to have your complaint considered by it. Visit www.obsi.ca or call 1-888-451-4519.

IF YOU ARE NOT SATISFIED WITH OUR DECISION

If you are not satisfied with our decision, the OBSI's dispute resolution service may be available to you at our expense by notifying the OBSI within 180 days of your receipt of our written decision that you wish to have your complaint considered by it. Visit www.obsi.ca or call 1-888-451-4519.

IF YOU ARE A QUEBEC RESIDENT

You may consider the free mediation service offered by the Autorité des marchés financiers. Visit <http://lautorite.qc.ca/en/general-public/> or call 1-877-525-0337.



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MANAGEMENT



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