

Schedule B

CONFLICT OF INTEREST DISCLOSURE STATEMENT

June 2021

This statement is to inform you of the nature and extent of conflicts of interest that might be expected to arise or that exist between Nicola Wealth Management Ltd. (“Nicola”, “we” or “us”) and its clients and investors in Nicola Investment Products (“you”). We believe it is important that you are fully informed regarding these conflicts. As well, Canadian securities laws require us to take reasonable steps to identify and respond to existing and potential material conflicts of interest, and in certain circumstances, to provide you with certain information regarding these conflicts or avoid them altogether. We may also be required to obtain your prior consent before we engage in certain types of transactions. This disclosure statement contains important information regarding certain conflicts of interest that we have identified and clarifies other relationships. This statement contains both general disclosure and specific conflict situations that currently exist and will be reviewed annually and updated accordingly as required. Please read it carefully. A current copy of this statement can be obtained in hard copy upon request and is available for viewing and download on our internal client web portal.

WHAT IS A CONFLICT OF INTEREST?

A conflict of interest can be found in a myriad of situations and may include any circumstances where: a) the interest of different parties, such as the interests of a client and those of an advisor are inconsistent or divergent; b) an advisor may be influenced to put their interests ahead of the clients, c) monetary or non-monetary benefits available to an advisor, or any potential situations which may compromise the trust that a reasonable client has in their advisor. Conflicts can also include the following situations: a) where there are personal interests in transactions involving Nicola or competing with Nicola; b) directorship in public companies; c) ownership of more than 10% in a public company where Nicola or one of our Investment Products invests; d) using Nicola’s name in connection with political, charitable or outside business activities; e) an interest in a supplier, contractor, customer competitor or other company in which Nicola has invested; and (f) accepting significant gifts, entertainment or other benefits from clients, or other persons and entities with whom we have business relationships.

As a registered firm, Nicola and its advisors must determine if a conflict exists and whether a conflict is material. All real and potential conflicts of interest need to be immediately shared with our Chief Compliance Officer who will determine the appropriate course of action taking into account the relevant circumstances and facts of the situation. Clients will be notified of any matters that reasonably could be expected to impair Nicola’s ability to make unbiased and objective decisions.

GENERAL DISCLOSURE ON CONFLICTS OF INTEREST

The Nicola Products

Nicola has formed a group of pooled mutual fund trusts (the “Nicola Funds”) that we manage. As of the date of this statement, we have also formed five limited partnerships: Nicola Canadian Real Estate Limited Partnership, Nicola U.S. Real Estate Limited Partnership, Nicola Value Add Real Estate Limited Partnership, Nicola Private Equity Limited Partnership and Nicola Infrastructure and Renewable Resources Limited Partnership (collectively, the “Nicola Limited Partnerships”). We may in the future set up funds, limited partnerships, trusts, and/or other entities (“Future Nicola Investment Products”). If you have a managed account with us, we will purchase Nicola Products on your behalf, as they are the primary investment vehicles used by Nicola for managed accounts, but only where we believe they are in your interests according to the investment parameters outlined in your applicable client agreement documents. If you have an advisory account with us, we also recommend the Nicola Products where we believe such recommendations are in your interests according to the investment parameters outlined in your applicable client agreement documents.

Additional disclosure regarding an investment in the Nicola Funds, the Nicola Limited Partnerships, and/or Future Nicola Investment Products (collectively, the “Nicola Products”) is contained in the following documents:

- (a) forms of disclosure documents, together with all amendments and supplements, describing, among other things, material aspects of the Nicola Funds, the Nicola Limited Partnerships and any Future Nicola Investment Products that have been or may be created;
- (b) the forms of Subscription Agreement for units of the Nicola Limited Partnerships and each of the limited partnership agreements governing the Nicola Limited Partnerships; and
- (c) any additional documents required by Nicola to be signed by a subscriber for securities of one or more of the Nicola Products including, but not limited to, Agreements to be Bound, Acknowledgements and Consents and Disclosures of Risks,

To the extent permitted by securities regulation, some of the Nicola Products invest in other Nicola Products – further details are provided in the specific disclosures portion of this statement below.

We Earn Compensation from Various Sources

We will inform you of all forms of compensation in advance so that you know what you will be paying. These include fees associated with your account as well as management, performance and other fees associated with the Nicola Products. Your account fees are set out in your account documentation and the fees associated with the Nicola Products are contained in the disclosure documents.

Allocation of Investments to Nicola Products

Nicola Products have varying management, administration and other fees and the allocation decisions made by Nicola for your account may affect the amount of such fees paid depending on the balance of Nicola Products in your Account. We are not obligated to use third-party investment products (being those products that Nicola does not manage) when choosing or recommending investments for you, Nicola will act at all times in compliance with your client account agreement and applicable securities regulation and only choose or recommend investments Nicola considers to be suitable for you.

Nicola Fund Fees and Expenses

Nicola is the manager of the Nicola Funds. In addition to the portfolio management fee Nicola receives directly from you in accordance with your applicable account agreement, the Nicola Funds also pay Nicola, in its capacity as Manager of the Nicola Funds, management and, in some cases, performance and other fees. These fees are paid by investors in the Nicola Funds indirectly and are not rebated to the investors. These fees differ from Nicola Fund to Nicola Fund. The fees for each Nicola Fund are set out in the disclosure documents. Investors in our Nicola Funds will be given 60 days advance notice of any increase in our fees. A summary of the current fees paid by the Nicola Funds are set out below.

Each of the Nicola Funds pay for its own expenses. Each Nicola Fund also pays an amount equal to the actual expenses incurred by Nicola in respect of each such Fund including, but not limited to (a) legal, audit, transfer agency, custodial and safekeeping fees and operating costs and expenses; (b) costs and expenses relating to the issue, redemption and change of units of such Nicola Fund (other than any redemption charges which are the responsibility of the unitholders of such Nicola Fund); and (c) costs and expenses of financial and other reports, including disclosure documents, which expenses include a proportionate allocation (based on assets under management for each Nicola Fund) of Nicola's overhead costs in respect of fund administration departmental costs (salaries, rent, electricity, etc.). Nicola has an inherent conflict of interest when allocating expenses which are for its own account, and expenses which are for the accounts of the Nicola Funds. Nicola has a duty, to act honestly and in good faith when allocating expenses. The expenses allocated to the Nicola Funds have a direct relationship to the daily operation of those Funds. Nicola attempts to be fair and reasonable to the Nicola Funds, as if a result of arm's length bargaining. All expenses charged to the Nicola Funds are directly linked to the services being performed for them, whether by Nicola or by third party service providers.

Nicola Limited Partnership Fees and Expenses

Nicola and its affiliates provide management, administrative, development, mortgage procurement and other services to the Nicola Limited Partnerships and are paid management, performance, development, mortgage procurement and other fees for such services. A summary of the current fees paid by the Nicola Funds are set out in the specific disclosure portion of this statement below. These fees are paid by investors in the Nicola Limited Partnerships indirectly and are not rebated to the investors. These fees differ from Nicola Limited Partnership to Nicola Limited Partnership.

Each of the Nicola Limited Partnerships pays for its own expenses. Each Nicola Limited Partnership pays an amount equal to the actual expenses incurred by Nicola in respect of each such Limited Partnership including, but not limited to (a) legal, audit, transfer agency (if applicable), custodial and safekeeping fees and operating costs and expenses; (b) costs and expenses relating to the issue, redemption and change of units of such Nicola Limited Partnership (other than any redemption charges which are the responsibility of the unitholders of such Nicola Limited Partnership); and (c) costs and expenses of financial and other reports, including disclosure documents, which expenses include a proportionate allocation (based on net asset value of each Nicola Limited Partnership, time of staff devoted to the applicable Partnership, etc.) of Nicola's overhead costs in respect of partnership administration departmental costs (salaries, rent, electricity, etc.). Nicola has an inherent conflict of interest when allocating expenses which are for its own account, and expenses which are for the accounts of the Nicola Limited Partnerships. Nicola has a duty, to act honestly and in good faith when allocating expenses. The expenses allocated to the Nicola Limited Partnerships have a direct relationship to the daily operation of those Funds. Nicola endeavors to be fair and reasonable to the Nicola Limited Partnerships, as if a result of arm's length bargaining. All expenses charged to the Nicola Limited Partnerships are directly linked to the services being performed for them, whether by Nicola or by third party service providers.

Future Nicola Investment Products Fees and Expenses

When we form future Nicola Investment Products which are related to us, it is likely that Nicola and/or its affiliates will receive management, administration, development, mortgage procurement or other fees or compensation in respect of such Nicola Products. Further particulars regarding future Nicola Investment Products, including potential conflicts of interest and fees payable will be set out in an updated version of this conflicts of interest statement.

Performance Fees

Some Nicola Products include performance fees as part of the compensation paid to us. Performance based fees may create an incentive for us to engage in investment strategies and select investments that are more speculative and riskier than would be the case in the absence of such performance based fees. However, Nicola will manage the Nicola Products in compliance with its legal and contractual duties, including making investments that comply with the fundamental investment objective and investment strategies specified for each Nicola Product.

Related Party Transactions

In this statement:

“Responsible Person” means:

- (a) Nicola;
- (b) a partner, director or officer of Nicola;
- (c) each of the following who has access to, or participates in formulating, an investment decision made on behalf of the Purchaser, or advice to be given to the Purchaser:
 - (i) an employee or agent of Nicola;
 - (ii) an affiliate of Nicola;
 - (iii) a partner, director, officer, employee, or agent of an affiliate of Nicola

“Related Person” has the meaning given to that term under B.C. Instrument 81-513 – Self Dealing, and in certain circumstances includes directors, officers, and substantial shareholders of Nicola.

Every person that purchases securities of a Nicola Product, whether by Nicola on behalf of managed accounts or advisory accounts or otherwise, is required in their account agreements to acknowledge and agree that:

- (a) one or more of the Nicola Products may from time to time, and subject to applicable law, purchase securities of a fund, limited partnership or other issuer in which a Responsible Person or an associate of a Responsible Person is a partner, officer or director (each such issuer being called a “Related Party”). This would allow, for example, one Nicola Product (managed by Nicola) to purchase Units of another Nicola Product (also managed by Nicola). It would also allow a Nicola Product to purchase units of one or more limited partnerships of which a director or officer of Nicola is a director or officer of the general partner(s) or the manager of the limited partnership;
- (b) each of the general partners of the limited partnerships whose units are from time to time purchased by Nicola Clients is a wholly owned subsidiary of Nicola;
- (c) investments by one or more of the Nicola Products in Related Parties or in certain other limited partnerships, corporations, trusts or other entities (together with the Related Parties, the “Affiliated Entities”) may result in all or a portion of any asset management, incentive/performance, acquisition, administration, development, origination or other fees charged by such entities ultimately being received by Related Persons (the “Affiliate Fees”).

Nicola will ensure that any investment by a Nicola Product in an Affiliated Entity does not result in a duplication of management fees or other fees ultimately received by Related Persons – see “Avoidance of Fee Duplication” below.

Account agreements entered into between Nicola and its clients provide blanket consent to Nicola causing one or more of the Nicola Products to purchase securities of one or more Related Parties and/or make investments in Affiliated Entities resulting in the payment of Affiliate Fees to Related Persons. Similarly, subscription agreements entered into by purchasers who do not have fully managed accounts with Nicola also provide such blanket consent.

A current summary of the Nicola Products that are invested in other Nicola Products is set out at the end of this statement.

Avoidance of Fee Duplication

Nicola will ensure that any investment by a Nicola Product in another Nicola Product does not result in a duplication of Affiliate Fees.

In the case where a Nicola Product invests in another Nicola Product, the Nicola Product making the investment will subscribe for Class “N”, “N-O” or “N-A” Units of the other Nicola Product. Class “N” Units do not have a management or performance fee associated with them. Class “N-O” and “N-A” Units do have management/performance fees associated with them and will only be subscribed for by a Nicola Product in circumstances where the subscribing Nicola Product does not charge a management or performance fee in respect of such investment. Class “N”, “N-O” and “N-A” Units do not have any right to vote at meetings of the unitholders. Where a Nicola Product

invests in a Nicola Product that does not have Class "N" Units or some other mechanism for backing out Affiliate Fees, the subscribing Nicola Product will deduct the amount of the investment in the Nicola Product from the subscribing Nicola Product's assets under management before calculating the management fee for the applicable Nicola Product. Class "N", "N-O" and "N-A" Units may only be issued to Nicola Products and are not available for purchase by any other Person or entity.

The summary of the Nicola Products that are invested in other Nicola Products set out at the end of this statement includes a summary of the type of Units subscribed for by each Nicola Product.

Investments by Nicola and its Related Parties in Nicola Products

Nicola, its Related Parties and/or an affiliate of Nicola from time to time invest in Nicola Products and may have substantial holdings in them, which may result in a conflict of interest between other investors in such Nicola Products and Nicola, its Related Parties and/or its affiliates in terms of priority of redemptions, timing of distributions, etc. Nicola will act in good faith in accordance with its fiduciary obligations to its clients, and the obligations set out in the governing legal documents of the Nicola Products. Where a Related Party, a Nicola Product and/or one or more of Nicola's clients are engaged in the purchase or sale of the same securities of a Nicola Product, the transaction will be effected on an equitable basis and in compliance with securities regulation.

Personal Investing and Trading

There is the possibility that a Nicola Related Party may trade in securities in such a way as to appear to be gaining an advantage over a client or Nicola Product, or may invest in the same investments that our clients or the Nicola Products invest in. Trading of securities by Nicola's personnel creates a perceived or potential conflict of interest that the Nicola personnel may benefit from opportunities at the expense Nicola's clients. Nicola has established personal trading guidelines, as well as a process for pre-clearing, monitoring and recording personal trading activity. All members of the Nicola Portfolio Management Team are subject to our personal trading policies which require trades in certain securities or other investments where potential conflicts of interest could arise to be reviewed and approved by compliance prior to execution. If any proposed trades or investments could potentially be a conflict with our clients or the Nicola Products, the client's and Nicola Products' interest will take priority. Personal trading activity should be kept to a reasonable level. Day trading in personal accounts should be avoided as such activity may distract from providing proper service to Nicola clients.

Fairness in Allocation of Investment Opportunities

In order to obtain best price and execution on trades for clients, Nicola often bunches, or groups trades together. In these cases, the allocation of investment opportunities among client accounts is managed on the basis of suitability for each managed account with regard to the:

- Type of proposed transaction
- The investment merits of the security
- Substance of the existing portfolio, and
- Investment objectives of the client.

Where a limited amount of securities is available, we will allocate based on the above criteria and may also prorate to accounts based on the amount of capital managed or based on some other allocation methodology agreed upon to achieve a fair result. Nicola has incorporated this policy into its internal written procedures.

Pricing and Account Errors

A potential conflict of interest may exist in the event of a pricing error or other type of unitholder account error, due to the time, processing cost and reimbursement of investors involved. We use third party service providers to calculate net asset values of our Investment Products and to record unitholder transactions. We have a policy that establishes the standard for the correction of discrepancies in the calculation of net asset value in a consistent manner in accordance with industry guidelines. We rely on our service providers to process corrections in accordance with our policy and we monitor them in the performance of their duties.

Soft Dollar Arrangements

Nicola does not receive any products or services from any trading firms through whom we place client or Nicola Investment Product trades, other than order execution and access to research. We select our trading firms based on a variety of factors, including best execution, and product availability. We do not make use of brokerage commissions charged to your account to access any other products or services provided by any of our trading firms (other than trade execution and access to research). The availability and access to research and brokerage services may create a conflict between the interests of the client in obtaining the lowest cost execution and our interest in obtaining such services. When client brokerage commissions are used to obtain research, we receive a benefit because we do not have to produce or pay for the research.

Competing Activities

Although Nicola has various legal obligations to you and to the Nicola Products, situations may arise where the interests of Nicola and its partners, directors, officers, employees and agents and their respective affiliates and associates (“Related Parties”) could conflict with the interests of you or one or more of the Nicola Products. Some of the Related Parties are not limited or affected in their ability to carry on other business ventures for their own account, or for the account of others, and may be engaged in the development of, investment in, or management of businesses that may compete with Nicola’s business or with the business of the Nicola Products. Investment in the Nicola Products does not carry with it the right of any of the Nicola Products or of any investor in them to invest in any other venture of the Related Parties or Nicola or to any profit from or interest in them. Nicola’s Related Parties may have a conflict of interest in allocating their time and attention between your account and the Nicola Products and other businesses or projects in which they may become involved. The Related Parties are, however, required to devote as much time and attention as is required for the effective management of Nicola’s business, your account, other clients’ accounts, and the Nicola Products. If a Nicola Related Party wishes to undertake other outside business activities, these must be approved by Nicola and be disclosed to appropriate regulatory authorities before such activities are undertaken to ensure that there are no conflicts of interest or that any conflicts of interest are managed. Further, Nicola selects investments for the Nicola Products pursuant to legal obligations under management agreements which require Nicola to manage with the degree of care, diligence and skill that a reasonably prudent manager in comparable circumstances would exercise.

Ownership and Management of General Partners of Nicola Limited Partnerships

Each of the general partners of the Nicola Limited Partnerships (the “General Partners”) is a wholly-owned subsidiary of Nicola. Each of the directors and officers of the General Partners is a Nicola Related Party. The Nicola Limited Partnerships do not have independent management and rely upon their respective General Partners, Nicola and other service providers, to manage the business of the Nicola Limited Partnerships, and to provide managerial skill and advice. Conflicts could arise in the event of a dispute between Nicola and any General Partner or any service provider, or a breach of any obligations of Nicola, a General Partner or a service provider, to one or more of the Nicola Limited Partnerships. However, the General Partners and Nicola owe legal obligations to the Nicola Limited Partnerships they manage through the applicable partnership, management and services agreements and under applicable securities legislation.

Services provided by Other Nicola Affiliates

Nicola or certain of the Nicola Limited Partnerships (or their General Partners) may retain or otherwise deal with Nicola Crosby Real Estate Services Inc. (“NCRES”) for real estate brokerage services. NCRES is an affiliate of Nicola (Nicola beneficially owns 49% of voting shares, with option to acquire other 51%, and owns 100% of participating shares). Kevin H. Meikle, a shareholder of Nicola, is (and other Related Parties may in the future be) a licensed realtor, and managing broker with NCRES. Any commissions or fees, which may include sales or leasing commissions, paid to NCRES will be industry standard fees for the services provided by NCRES.

Nicola Wealth Development Management Ltd. (“Nicola Developments”) will in certain circumstances act as development manager for select real estate projects of the Nicola Canadian Real Estate Limited Partnership, Nicola U.S. Real Estate Limited Partnership and Nicola Value Add Real Estate Limited Partnership (collectively, the “Nicola Real Estate LPs”). Nicola Developments is wholly-owned by Nicola. Development fees charged by Nicola Development will be provided at least a 15% discount to market rates. These fees are in substitution of, and not additional to, rates that would be charged by third parties for these services. Nicola Developments will be used as development manager in certain circumstances to increase cost efficiency, achieve greater control over project development and broaden real estate development options.

Where the Real Estate LPs invest in projects through wholly-owned project specific limited partnerships, the general partners of these limited partnerships (“Project GPs”), or other Nicola affiliates, may in certain circumstances originate the mortgage for the applicable property and charge a mortgage procurement fee. Project GPs are typically wholly-owned by Nicola. Mortgage procurement fees will be provided at least a 15% discount to market rates. These fees are in substitution of, and not additional to, rates that would be charged by third parties for these services. Mortgage procurement services provided by the Project GPs or other Nicola Affiliates will be used to increase cost efficiency and source competitive mortgage terms.

The services provided by Nicola affiliates for services that would otherwise be provided by third parties may create a conflict of interest where the services provided by third parties could arguably be better than the services provided by the Nicola affiliates. Nicola will only use Nicola affiliates in circumstances where Nicola believes the Nicola affiliates will provide comparable or better than such services that could be provided by third parties.

No Independent Review Committee

Unless required by securities regulation in connection with special Nicola Product transactions, it is not Nicola’s intention that any Nicola Product has or will have an independent review committee or any other form of independent oversight and these investment entities will be relying exclusively on Nicola and its Related Parties to manage their business and to provide managerial skills. Although there is no independent review committee, Nicola takes all conflicts of interest seriously, and will act in accordance with this statement and applicable law in addressing conflicts of interest.

Investment Review Board

Effective April 1, 2021 the board of directors of Nicola resolved to create an Investment Review Board (IRB) to provide oversight guidance in respect of the advisory and operational activities undertaken by Nicola as portfolio manager in connection with the Nicola Investment Products. The IRB in turn constituted three investment committees (Real Estate, Private and Public Capital) that report to it. The IRB is composed of senior level Nicola executives, a Nicola senior financial advisor and two independent members. The IRB will provide oversight, direction and support to Nicola to promote the investment objectives of the Funds and aid in the: (a) resolution of any real or perceived conflict of interest matters fairly and reasonably; and (b) aid in the overall good governance of Nicola with respect to its relationship with the Investment Products. Examples of matters that the IRB will consider and provide guidance on include: related party transactions, fund fees and expenses, fair allocation of investment opportunities, valuation methodologies, compensation models for registered personnel who advise the Investment Products and decisions undertaken or proposed by the investment committees, in each case, with the goal of ensuring that the decisions undertaken by Nicola achieve and are objectively perceived to achieve a fair and reasonable result for the Investment Products.

We have determined that a member is “independent” if the member has no material relationship with Nicola, our Investment Products or any entity related to Nicola. A material relationship means a relationship which could reasonably be perceived to interfere with the member’s judgment regarding a conflict of interest matter. A material relationship may exist through a significant ownership, commercial, or familial relationship. Both past and current relationships will be considered when determining whether a material relationship exists. Independent members of our IRB may be or may become Nicola clients or shareholders. They may also co-invest alongside Nicola in certain situations. The independence of the independent members of the IRB will be reviewed annually to ensure their continued independence. In the event the independent members are at any time no longer considered independent they will resign and be replaced by members who do not have a material relationship with Nicola, its Investment Products or any entity related to Nicola.

Acting as a POA, Trustee or Executor

Registered individuals are not allowed to act as the advisor on an account and act as a power of attorney, trustee or executor for the account, nor may registered individuals have full or partial control or authority over clients’ financial affairs. Exceptions to this policy may be allowed for family members after disclosure to and approval by the Chief Compliance Officer. Such relationships will then be subject to ongoing monitoring by the Legal, Governance and Compliance Department.

Personal Financial Dealings with Clients

Our personnel must avoid financial dealings with clients. As such, lending to or borrowing money from clients is prohibited. In addition, all business dealings with clients must be reported to the Legal, Governance & Compliance Department and avoid any real or apparent conflict of interest.

Client Reimbursement

No registrant or employee/affiliate is to pay for client account losses directly out of personal funds. Any requests for client reimbursements must go through the appropriate channel using the Client Reimbursement Form. Losses due to trading errors are handled jointly through Trading and the Chief Compliance Officer.

Gifts & Entertainment

A perceived or potential conflict of interest also arises when an employee or advisor gives or accepts gifts or business entertainment of more than a minimal value in connection with the services provided to clients. Nicola has policies relating to gifts and business entertainment in order to prevent perceived or potential conflicts of interest. Pursuant to this policy, an employee or advisor may only receive or provide a gift that is of de minimis value and/or entertainment that is neither excessive nor frequent. Generally large gifts from clients, service providers or vendors must not be accepted to avoid any real or apparent conflict of interest. Gifts valued over \$350 must be approved by the Chief Compliance Officer before they can be given to or received from clients, prospects, referring agents, sub-advisors, vendors or any members of their families. Being hosted at an event (tournament, hockey game or dinner) while not a gift is seen as entertainment and should also be approved by the Chief Compliance Officer if valued at more than \$350 per person to ensure there is no real or apparent conflict of interest.

In accordance with Canadian federal laws, employees and Nicola affiliates may not offer a gift or benefit to any government official or any member of their family in connection with Nicola business. All gifts to or from vendors must be declared in advance to Compliance for tracking purposes.

Public Conduct

Nicola, its employees and affiliates must ensure all public conduct such as political involvement, community organizations and public appearances are conducted in a professional and responsible manner. All personal and business affairs of Nicola, its advisors, and its employees and affiliates must be conducted in a responsible manner, so as to reflect credit on the profession, the firm and the employee/affiliate.

Outside Business and Volunteer Activities

A perceived or potential conflict of interest may arise as a result of an employee or advisor's activities, interests or associations outside of Nicola. Nicola has policies and procedures that govern the outside business and volunteer activities of Nicola's employees and advisors. Subject to the pre-approval of the Legal, Governance & Compliance Department, Nicola personnel are not permitted to serve on the board of directors or other governing body of a publicly traded company. In addition, Nicola has a notification and pre-approval process to restrict any outside business and volunteer activity that would interfere or give the appearance of interfering with our personnel's ability to act in the interests of, or perform or work for, Nicola and its clients. They do not need to be "material" in order to merit disclosure.

All registrants are required by securities rules to disclose outside business and volunteer activities as part of their registration and must ensure that these activities "do not impair" or impede the performance of their regulatory obligations. Registered firms are required to monitor and supervise such outside business and volunteer activities and to consider the potential for a conflict of interest (per NI-31-103) that could arise from a registrant's activities.

Referral Relationships for Client Accounts

Nicola may enter referral arrangements with third parties that introduce clients to us. If you have become a client of Nicola through a referral from another party, it is important that you understand the respective roles of Nicola and this other party. We will ensure that you receive full disclosure of any applicable referral arrangement before you open an account with Nicola. This will include information about referral fees to be paid, the activities that the referring party is allowed to perform, and disclosure about how your personal information may be shared between the referring party and us. For clarity, Nicola will be responsible for all licensable, investment-related activities and all regulatory requirements to perform these activities. The referring party may perform other activities, such as financial planning and facilitating service requests, which do not require securities licensing.

SPECIFIC DISCLOSURES

Nicola Related, Connected, and Associated Parties

We are required to disclose to you all entities to which we are related, connected, and associated. A related issuer means a person or company that influences or is influenced by, another person or company through ownership, or direction and control over, voting securities. A person or company is connected to another person or company if, due to its relationships with such person or company, a prospective purchaser of securities of the person or company might question the other person or company's independence from the first person or company. An "associate" means, if used to indicate a relationship with any person, (a) a partner, other than a limited partner, of that person, (b) a trust or estate in which that person has a substantial beneficial interest or for which that person serves as trustee or in a similar capacity, (c) an issuer in respect of which that person beneficially owns or controls, directly or indirectly, voting securities carrying more than 10% of the voting rights attached to all outstanding voting securities of the issuer, or (d) a relative, including the spouse, of that person or a relative of that person's spouse, if the relative has the same home as that person.

The following is a list of our related, connected and/or associated parties and a description of the relationship:

Mutual Fund Trusts:

- Nicola Canadian Equity Income Fund
- Nicola Global Equity Fund
- Nicola High Yield Bond Fund
- Nicola Global Real Estate Fund
- Nicola Primary Mortgage Fund
- Nicola Global Bond Fund
- Nicola Preferred Share Fund
- Nicola Alternative Strategies Fund
- Nicola Canadian Tactical High Income Fund
- Nicola Precious Metals Fund
- Nicola Bond Fund
- Nicola U.S. Tactical High Income Fund
- Nicola Core Portfolio Fund
- Nicola Private Debt Fund
- Nicola Managed Real Estate Fund
- Nicola Sustainable Innovation Fund

Limited Partnerships:

- Nicola Canadian Real Estate Limited Partnership
- Nicola U.S. Real Estate Limited Partnership
- Nicola Value Add Real Estate Limited Partnership
- Nicola Infrastructure and Renewable Resources Limited Partnership
- Nicola Private Equity Limited Partnership

General Partners:

- Nicola Real Estate General Partner Ltd. (general partner of Nicola Canadian Real Estate Limited Partnership and Nicola U.S. Real Estate Limited Partnership)
- Nicola Real Estate (Value Add) G.P. Ltd. (general partner of Nicola Value Add Real Estate Limited Partnership)
- Nicola Infrastructure And Renewable Resources G.P. Ltd. (general partner of Nicola Infrastructure and Renewable Resources Limited Partnership)
- Nicola Private Equity G.P. Ltd. (general partner of Nicola Private Equity Limited Partnership)

Affiliated Service Provider:

- Nicola Crosby Real Estate Services Inc. (“NCRES”; provider of real estate brokerage services) - Nicola beneficially owns 49% of voting shares, with option to acquire other 51%, and owns 100% of participating shares); and
- Nicola Wealth Development Management Ltd. (“Nicola Developments”; provider of property development services).

The Nicola Funds and Nicola Limited Partnerships are sponsored and managed by Nicola and Nicola receives management, performance, development, origination and other fees as discussed elsewhere in this statement and reimbursement for certain administrative expenses. Specifics of the fees charged by these Nicola Products are set out below. The general partners of the Nicola Limited Partnerships are wholly-owned by Nicola and the management of these general partners are employees, directors and/or officers of Nicola, as discussed elsewhere in this statement. NCRES is paid market rates for its services as discussed elsewhere in this statement. Nicola Developments is paid 85% or less of market rates for its services as discussed elsewhere in this statement.

Specific Investments by Nicola Products in other Nicola Products

As of date of this statement, three (3) Nicola Products are invested in other Nicola Products as set out in the table below:

NAME OF NICOLA PRODUCT	INVESTMENTS MADE IN OTHER NICOLA PRODUCTS	CLASSES OF UNITS OWNED
Nicola Core Portfolio Fund	All Nicola Products, except the Nicola Managed Real Estate Fund	N-O and N-A
Nicola Managed Real Estate Fund	Nicola Canadian Real Estate Limited Partnership Nicola U.S. Real Estate Limited Partnership Nicola Value Add Real Estate Limited Partnership	N-O N-O N-O
Nicola Private Debt Fund	Nicola Bond Fund	N

Summary of Management and other Fees currently charged in respect of the Nicola Products

As of date of this statement, the management, performance, development, origination and other fees charged by Nicola and its affiliates to the Nicola Products are summarized in the table below. Administration expenses are also rebated to Nicola. Further details on these fees are discussed elsewhere in this statement. Note that, pursuant to a contractual relationship between Nicola and CI Direct Investment (“CI Direct”), Class A are only issued to clients of CI Direct and Class N-A Units are only issued where clients of CI Direct are investors in the Nicola Product that is subscribing for Class N-A Units.

NICOLA FUND	MANAGEMENT AND OTHER FEES (PERCENTAGE OF AUM)				
	CLASS “A” UNITS	CLASS “N” UNITS	CLASS “N-A” UNITS	CLASS “N-O” UNITS	CLASS “O” UNITS
Nicola Canadian Equity Income Fund	0.5%	0%	0.5%	0.3%	0.3%
Nicola Global Equity Fund	0.3%	0%	0.3%	0.1%	0.1%
Nicola High Yield Bond Fund	0.3%	0%	0.3%	0.1%	0.1%
Nicola Global Real Estate Fund	0.5%	0%	0.5%	0.3%	0.3%
Nicola Primary Mortgage Fund	0.4%	0%	0.4%	0.2%	0.2%
Nicola Balanced Mortgage Fund	0.4%	0%	0.4%	0.2%	0.2%
Nicola Global Bond Fund	0.3%	0%	0.3%	0.1%	0.1%
Nicola Preferred Share Fund	0.5%	0%	0.5%	0.3%	0.3%
Nicola Alternative Strategies Fund	0.3%	0%	0.3%	0.1%	0.1%
Nicola Canadian Tactical High Income Fund	0.5%	0%	0.5%	0.3%	0.3%
Nicola Precious Metals Fund	0.3%	0%	0.3%	0.1%	0.1%
Nicola Bond Fund	0.3%	0%	0.3%	0.1%	0.1%
Nicola U.S. Tactical High Income Fund	0.5%	0%	0.5%	0.3%	0.3%
Nicola U.S. Equity Income Fund	0.5%	0%	0.5%	0.3%	0.35
Nicola Private Debt Fund	0.2% plus PF ¹	0%	0.2% plus PF ¹	0% plus PF ¹	0% plus PF ¹
Nicola Core Portfolio Fund	0%	N/A	N/A	N/A	0%
Nicola Managed Real Estate Fund	0% ²	0% ²	0% ²	0% ²	0% ²
Nicola Sustainable Innovation Fund	0.5% plus PF ³	0%	0.5% plus PF ³	0.3% plus PF ³	0.3% plus PF ³

1. A performance fee on the outstanding Class “O”, “A”, “N-O” and “N-A” Units of the Nicola Private Debt Fund is charged equal to 20% of the amount by which the net asset value per Unit of such Unit on the applicable valuation date exceeds a threshold annualized increase of 4% over the high water mark of such net asset value per Unit after taking into account distributions (if there is no increase or there is a decrease, the year-end performance fee in respect of such Unit is zero).
2. A management fee of 0.30% in respect of Class “O” and “N-O” Units and 0.5% in respect of Class “A” and “N-A” Units of the Nicola Managed Real Estate Fund is charged in respect of investments made by that Fund in third party managed investments.
3. An annual performance fee on the outstanding Class “O”, “A”, “N-O” and “N-A” Units of the Nicola Sustainable Innovation Fund is charged equal to 20% of the amount by which, on the applicable valuation date, (a) the aggregate of all amounts received by the fund from direct investments, plus (b) the aggregate value of the fund’s direct investments, are in excess of (c) the high water mark of (a) and (b) (and if there is no increase or there is a decrease, the performance fee shall be zero). The initial high-water mark will initially consist of the amounts invested by the fund in all direct investments. The performance fee shall also be calculated and charged in respect of Units of the fund that are redeemed on redemption dates falling outside the annual valuation date.

NICOLA PARTNERSHIP	MANAGEMENT AND OTHER FEES				
	CLASS "A" UNITS	CLASS "N" UNITS	CLASS "N-A" UNITS	CLASS "N-O" UNITS	CLASS "O" UNITS
Nicola Canadian Real Estate Limited Partnership ^{1,5}	0.5%	0%	0.5%	See below ¹	See below ¹
Nicola U.S. Real Estate Limited Partnership ^{1,5}	0.5%	0%	0.5%	See below ¹	See below ¹
Nicola Value Add Real Estate Limited Partnership ^{2,5}	0.5%	0%	0.5%	See below ²	See below ²
Nicola Infrastructure and Renewable Resources Limited Partnership	0.7% plus PF ³	0%	0.7% plus PF ³	0.5% plus PF ³	0.5% plus PF ³
Nicola Private Equity Limited Partnership	0.5% plus PF ⁴	0%	0.5% plus PF ⁴	0.3% plus PF ⁴	0.3% plus PF ⁴

1. The Partnership will pay an aggregate management fee on the Class O, N-O, A and N-A Units consisting of an acquisition fee of 0.5% of the purchase price of any real estate or of the amount advanced for other participating interests such as participation mortgages and a performance fee of 25% of the excess of the annual increase in the net asset value of the Partnership assets over 8.0%. In addition, the Partnership will pay an asset management fee of 1.0% per annum of the net asset value of the Partnership attributable to the Class O and N-O Units and 1.2% per annum of the net asset value of the Partnership attributable to the Class A and N-A Units, in each case payable on a monthly basis.
2. The Partnership will pay an aggregate management fee on the Class O, N-O, A and N-A Units consisting of an acquisition fee of 0.5% of the purchase price of any real estate or of the amount advanced for other participating interests such as participation mortgages and a performance fee of 20% of the excess of the annual increase in the net asset value of the Partnership over 5.0%. In addition, the Partnership will pay an asset management fee of 0.2% per annum of the net asset value of the Partnership attributable to the Class A and N-A Units, on a monthly basis.
3. The Partnership will pay an annual management fee on the Class O and N-O Units of 0.50% and Class A and N-A Units of 0.70% of the net value of the Partnership assets applicable to each class and series of shares, in four quarterly payments. The Partnership also pay an additional performance fee annually of 20.0% of the amount by which (a) the aggregate of all amounts received by the Partnership from direct investments, plus (b) the aggregate value of the Partnership's direct investments on the applicable date are in excess of (c) the high water mark of such amounts (and if there is no increase or there is a decrease, the year-end performance fee in respect of such Units is zero).
4. The Partnership will pay an annual management fee on the Class O, N-O, A and N-A Units of 0.30% of the net value of the Partnership assets, in four quarterly payments. In addition, the Partnership will pay an asset management fee of 0.2% per annum of the net asset value of the Partnership attributable to the Class A and N-A Units, on a monthly basis. The Partnership will also pay the Manager an additional fee on the Class O, N-O, A and N-A Units of 20% of the amount earned from certain direct investments made by the Partnership in excess of what the Partnership paid for these investments.
5. The Real Estate LPs will in certain circumstances pay Nicola Developments a development management fee at a discount to market rates of at least 15% to market rates. In addition, in certain circumstances the Real Estate LPs will pay Project GPs or other Nicola affiliates a mortgage procurement fee at a discount to market rates of at least 15% to market rates. These fees are in substitution of, and not additional to, rates that would be charged by third parties for these services.