**Conflict of Interest Disclosure**

Arrow Capital Management Inc. ("**Arrow**", the "**Firm**", "**we**" "**our**", "**us**") is providing you with this Conflict of Interest Disclosure in accordance with new laws that come into force on June 30, 2021. This document describes existing or reasonably foreseeable material conflicts that may affect your interests as our client, including how we address those conflicts in your best interest.

You should refer to the Statement of Policies document (which is available on Arrow's website at www.arrow-capital.com) for other information that you may find important about your relationship with us including but not limited to, the services we offer, the fees and expenses we charge you and the risks that you should consider when making investments.

A conflict of interest can include any circumstance where:

a) the interests of different parties, such as the interests of the Firm and those of a client, are inconsistent or divergent;
b) the Firm or one of its registered representatives may be influenced to put their interests ahead of a client's interests; or
c) monetary or non-monetary benefits or disadvantages accrued by Arrow or its registered representatives that might compromise the trust that a reasonable client has in the firm or any of its registered representatives.

Whether a conflict is "material" or not depends on the circumstances. In determining whether a conflict is material, we will typically consider whether the conflict may be reasonably expected to affect the decisions of our clients in the circumstances, and/or the recommendations or decisions of the Firm or its registered representatives in the circumstances.

What follows below are details regarding the specific material conflicts of interest that we have identified to date. In case other material conflicts of interest arise, which may happen from time to time, we will inform you of the nature and extent of any such other conflicts of interest prior to any of your subsequent transactions with us or our advice to you.

## 1. Proprietary Products and Connected Issuers

For the purposes of this summary, (i) the word "connected" is intended to involve a state of indebtedness to, or other relationship with, the registrant or those "related" to the registrant that, in connection with a distribution of securities, would be material to a purchaser of the securities; and (ii) the word "related" is intended to involve positions permitting, through ownership or otherwise, a controlling influence, and would include all companies under a common controlling influence.

Arrow's business model includes managing certain proprietary funds including:

- Arrow Canadian Advantage Alternative Class;
- Arrow EC Income Advantage Alternative Fund;
- Arrow Global Advantage Alternative Class;
- Arrow Global Opportunities Class;
- Arrow Performance Fund;
- East Coast Investment Grade II Fund;
- Exemplar Growth & Income Fund;
- Exemplar Performance Fund;

- Northern Rivers Conservative Growth LP; and
- WaveFront Global Diversified Investment Class (the "**Arrow Funds**")

Arrow Canadian Advantage Alternative Class, Arrow EC Income Advantage Alternative Fund, Arrow Global Advantage Alternative Class, Exemplar Growth & Income Fund, Exemplar Performance Fund and WaveFront Global Diversified Investment Class are NI 81-102 mutual funds (the "**NI 81-102 Funds**").

The NI 81-102 Funds each have an Independent Review Committee (the "**IRC**"). The IRC reviews and advises on their conflict of interest matters. Arrow has policies and procedures to identify and control actual or potential conflicts of interest matters related to these funds.

The Arrow Funds are connected/related to Arrow because the Firm established the Arrow Funds and acts as their portfolio manager and/or investment fund manager.

Regulators require a securities dealer and adviser to inform its clients if it provides services as both a dealer and an adviser, and of the policies and procedures adopted by the dealer and adviser to minimize the potential for conflicts of interest that may result from its activities of both a dealer and an adviser.

Arrow is a portfolio manager which provides advisory services to pooled funds. Arrow is also an exempt market dealer. Arrow will only act as an exempt market dealer for the sale of pooled funds managed by it. Accordingly, its client services as an adviser and dealer are integrated and not separable from each other. In selling such funds, Arrow is obliged to consider the general investment needs and objectives of the client and the suitability of such funds for any particular client.

Arrow takes the following steps to mitigate the actual and potential conflicts of interest described above:

- Arrow has policies and procedures in place to ensure that its representatives conduct a suitability analysis for each client accepted into the Arrow Funds. This suitability analysis ensures that the Arrow Funds are appropriate for that client.
- In conducting its suitability analysis for a client, each representative of Arrow will have a thorough understanding of: (i) the structure and features of the Arrow Funds; and (ii) amongst other client information, the personal and financial circumstances of that relevant client.
- Each Arrow Fund has a specific mandate and strategy. Arrow works to have each Arrow Fund distinct and separate such that the mandate of one Arrow Fund is clearly distinguishable from the other Arrow Funds. This enables dealing representatives of Arrow to clearly match a client investment need with one of the Arrow Funds.

## 2. Outside Activities

Arrow's registered individuals may become involved in other activities outside of their employment with Arrow (e.g., sitting on boards of directors or providing volunteer services for a charity). These outside activities could:

(i) impact the amount of time an Arrow registered individual spends on Arrow employment or registration obligation; and
(ii) create a conflicting interest as to how an Arrow registered individual discharges its obligations to Arrow or its clients.

Arrow has policies and procedures to ensure that all outside activities are reported to and considered by its Chief Compliance Officer (the "**CCO**").

The CCO will only approve such outside activities that do not conflict with Arrow operations or obligations.

### 3. Best Execution and Soft Dollars

Arrow may hire a brokerage firm to execute trades on behalf of the Arrow Funds based on a pre-existing relationship, rather than objective qualitative or quantitative considerations. This is considered a best execution conflict of interest. Arrow has policies and procedures to ensure that when Arrow directs brokerage transactions to brokers, the service is comparable to that which Arrow may obtain from other brokers and the commission rates are equivalent to or better than those that would have been normally charged by the broker. Arrow monitors the level of service provided by any broker retained on behalf of the Arrow Funds with respect to the cost and execution of trades.

We may obtain investment related services from a variety of external sources some of which may be provided to us through "soft dollar" arrangements meaning we execute a certain level of trading activity with the brokerage and financial firms that make these services available to us. Services may take the form of research, analysis, advisory, market prices, electronic trade confirmation systems, third party dealing or quotations, computer hardware or specialized software.

A copy of the best execution and soft dollar policies of Arrow may be obtained upon request.

### 4. Personal Trading

Arrow has a Personal Trading Policy to ensure that all employees avoid conflicts of interest with Arrow and the Arrow Funds.

Arrow has a fiduciary duty to act honestly, in good faith and in the best interests of the Arrow Funds. In order to discharge Arrow's duties, employees must put the interest of the Firm, and particularly the Arrow Funds that the Firm manages or sub-manages, ahead of their personal self-interest. Employees must not take unfair advantage of their position, knowledge or relationship with the Firm, its clients or the Arrow Funds managed or sub-managed by the Firm.

Trades for the Firm and the Arrow Funds must always have priority over employee's personal trading activities.

### 5. Gifts and Entertainment

Arrow has policies and procedures in place with respect to the receipt or giving of gifts and/or entertainment. These policies and procedures require employees to contact the CCO with any concerns about the receipt or giving of a gift or entertainment and whether that may create a conflict of interest.

While it is recognized that conducting business involves some modest exchange of gifts and business-related entertainment, the value of such gifts and entertainment must not create a real or perceived conflict of interest and must not impair the independence or objectivity of the recipient. Gifts and entertainment can neither be received nor given by an employee if they are considered to be frequent, excessive or extravagant.

Reasonable judgment by the employee must be exercised in all circumstances. In the event that an employee receives any gratuities and/or gifts that could possibly be viewed as impairing their independence or objectivity and/or is above the Firm's pre-determined per-item threshold of $250, the employee must immediately advise the CCO who will determine if the gift poses a potential conflict of interest and whether it would be reasonably expected to impair the employee's independence or objectivity.

The provision of promotional items and entertainment to representatives of registered dealers is addressed separately in Arrow's Sales Practices Policies & Procedures Manual.

## 6. Fair Allocation

Arrow has a responsibility to ensure that all client accounts (which include relevant Arrow Funds) are provided equal opportunity to participate in investment ideas.

Arrow is required to apply standards for fairness in the allocation of investments among its funds and to furnish a copy of its established policies on allocations, to the appropriate regulatory authority if asked to do so. Arrow must act fairly and impartially in the allocation of investment opportunities and order execution among the funds that it manages.

Occasions may arise when the quantity of securities in demand or supply at a particular price is insufficient to satisfy the requirements, based on concurrent decisions, of every such account. The principal determinant used by Arrow in allocating investment opportunities among funds is the suitability of a purchase or sale as determined by the circumstances and needs of funds as set out in their investment strategies.

Arrow's policy is that no single account or type of account will receive preference in the allocation of investment opportunities.

In the allocation of investments, Arrow's policy is to ensure it deals fairly, honestly and in good faith with its funds, accounts and clients. Securities are allocated among funds in an equitable manner on a pro rata basis.

## 7. Other Conflicts of Interest

From time to time, other conflicts of interest may arise. Arrow will continue to take appropriate measures to identify and respond to such situations fairly and reasonably and in the best interests of its clients.