

**Form ADV Part 2A
Client Brochure**

Item 1 Cover Page

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This brochure (“Brochure”) provides information about the qualifications and business practices of Bristol Gate Capital Partners Inc. (“Bristol Gate”, “we”, “us” or the “Firm”). If you have any questions about the contents of this Brochure, please contact us at (416) 921-7076 or via email at info@bristolgate.com. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Bristol Gate is a registered investment adviser with the United States Securities and Exchange Commission. Registration does not imply a certain level of skill or training. Additional information about Bristol Gate is also available on the SEC’s website at www.adviserinfo.sec.gov.

Form ADV Part 2 Client Brochure

Item 2 Material Changes

Bristol Gate previously filed a brochure with the Investment Adviser Registration Depository dated May 26, 2023. The following material information has been added since the previous filing:

- Item 4(v) (“*Advisory Business – Assets Under Management*”) has been updated to reflect Bristol Gate’s approximate regulatory assets under management as of March 31, 2024.

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Item 4 Advisory Business

i. General Description of the Firm

Bristol Gate is an advisory firm that manages investment accounts of clients (“Clients”) with securities in separately managed accounts (including accounts in wrap fee programs), ETFs or private investment pooled funds. We have been in business since 2006 and have been organized under the laws of the Province of Ontario, Canada. Bristol Gate has been registered as a portfolio manager, exempt market dealer and investment fund manager under the Ontario Securities Commission (“OSC”) since 2006 and by the Autorité des marchés financiers (“AMF” - the Financial Markets Authority in the Canadian Province of Quebec) since 2014. The Firm has also been registered as a portfolio manager and exempt market dealer in the Canadian provinces of British Columbia, Alberta and Manitoba since 2014. Bristol Gate has been registered as an investment adviser with the United States Securities and Exchange Commission (“SEC”) since 2015.

Bristol Gate is a privately held company, whose principal shareholder is Gerald (Richard) Hamm (who holds shares through a personal holding company, Cabot Ventures Ltd.).

ii. Summary of Bristol Gate’s Advisory Services

Bristol Gate specializes in dividend growth portfolios and has developed and manages strategies holding portfolios predominantly of United States equities (“US Strategy”) and, separately, predominantly Canadian equities (“Canadian Strategy”) (collectively the “Strategies”). It provides this expertise by managing Canadian domiciled private pooled investment funds and Canadian domiciled publicly traded ETFs for investors, acting as a subadvisor to other Canadian domiciled pooled investment vehicles (sponsored by third parties), offering portfolio management services to institutions and individual investors through separately managed accounts (“SMAs”) and by acting as portfolio manager to third party sponsored wrap fee programs in the United States. Bristol Gate also provides model portfolios for use by institutional clients (Bristol Gate is not responsible for arranging or effecting the purchases or sales associated with such models). Our investment advice is currently limited to the investment strategies set forth above.

iii. Client Tailored Services and Investment Restrictions

Portfolio management services provided to Clients do not generally allow for Client-directed exceptions to the fundamental mandates we offer. Clients may be able to elect their own custodian and administrative services, subject to the account size being sufficient for Bristol Gate to manage its trading, settlement and reporting operations efficiently. In such instances, these restrictions would be fixed and agreed to prior to the execution of the investment management agreement and trading for the accounts. We do not manage Client’s accounts in securities other than those in our model portfolios. While we may accept client securities at time of initial account onboarding, any securities that do not form part of the Bristol Gate portfolio are subsequently sold.

iv. Wrap Fee Programs

Bristol Gate participates as a portfolio manager to four wrap fee managed account programs sponsored by two third-party financial institutions that are not affiliated with Bristol Gate.

Participating clients pay a single fee covering the services rendered by both the unaffiliated investment advisor and Bristol Gate and Bristol Gate receives a portion of this fee for its services. Bristol Gate does not manage the accounts of clients participating in the program differently than accounts of other managed account clients as they invest in the same Strategies. Bristol Gate does not sponsor any wrap fee programs.

v. Assets Under Management

As disclosed in Bristol Gate's Form ADV Part 1, Bristol Gate manages approximately \$2,159,136,231 in Client regulatory assets under management on a discretionary basis. In addition, Bristol Gate also has approximately \$212,557,086 in assets under advisement which represent model portfolio clients. These totals were calculated using the closing market prices, on March 31, 2024.

Item 5 Fees and Compensation

i. Advisory Fees

Bristol Gate is compensated for its advisory services by charging an advisory fee based on the net asset value of a Client's account (or the net asset value of a certain class/series in the case of a pooled investment fund), and in some instances, charges a performance fee as described in Item 6 below. The annual base fee for accounts is 1.00% or less, as negotiated with a particular client or wrap fee program sponsor. Wrap fee programs clients will typically pay a single fee covering the services provided by both Bristol Gate and the unaffiliated wrap fee program sponsor (that includes most transaction costs and fees to a broker-dealer or bank that has custody of these assets). These are billed in accordance with an agreement between the client and the wrap fee program sponsor. Bristol Gate calculates a daily/monthly/quarterly advisory fee, which is equal to the annual fee rate (adjusted for the period of calculation) multiplied by the net asset value of the Client's account as of the close of trading on the applicable valuation date. For advisory fees calculated daily, the fee for a calendar month is equal to the total of the daily fees for that month. These fees may be charged either (i) at the end of each month or quarter during which the advisory services were provided ("in arrears") or (ii) at the beginning of the month or quarter during which the advisory services will be provided ("in advance") with a proportionate refund provided to the client should they redeem during the quarter or month, as agreed by each client. For wrap fee program clients, the total "wrap fee" will be higher than a typical asset-based advisory fee. Except for payment of its advisory fees described above, Bristol Gate does not share in the separate wrap fees charged by the wrap fee program sponsor that are retained by the sponsor.

Advisory fees and accrued performance fees (see Item 6 below), if any, will be deducted from the Client's account prior to the closing of such account.

Bristol Gate reserves the right, in its sole discretion, to negotiate, reduce or waive the advisory fee for certain Client accounts.

ii. Other Account Fees and Expenses

Clients will normally incur certain third-party fees and expenses. For most accounts, such expenses include custodial fees, brokerage costs and certain taxes. In addition, for investors in a private investment fund offered by Bristol Gate, the fund will also incur third-party costs of an independent administrator, an auditor, certain legal and professional fees, fund organizational expenses, regulatory and other filing fees and expenses and other fund operating expenses, as disclosed in the fund's offering documents. Bristol Gate does not charge either individual or pooled accounts additional fees for its services beyond those fees noted above and in Item 6 below (*i.e.*, advisory and performance fees as applicable). No transaction fees are earned by Bristol Gate for pooled fund transactions. Pooled funds may be purchased through independent brokers or agents, who may add additional service fees.

Item 6 Performance-Based Fees and Side-By-Side Management

i. Performance-Based Fees

In some instances, Bristol Gate is compensated by earning a performance fee based upon the annual net asset value performance of a Client's account (or the annual net asset value performance in a certain class/series of a pooled investment fund) over a specified annual benchmark return or hurdle rate. The annual performance fee generally is 10% of the amount (if any) in excess of a designated benchmark return or hurdle rate. Bristol Gate calculates a performance fee, which is equal to the fee rate multiplied by the net asset value change of the Client's account (or certain class/series of a pooled investment fund) as of the close of trading on the applicable valuation date in excess of an annual benchmark or hurdle rate. Performance fees are accrued daily or monthly and paid annually. In some instances, a high-water mark may be considered in the calculation of the performance fee.

Bristol Gate reserves the right, in its sole discretion, to negotiate, reduce or waive the performance fee for certain Client accounts or class/series of a pooled investment fund.

ii. Potential Conflicts of Interest

A significant percentage of the appreciation (if any) which would otherwise be allocated to Client accounts that are subject to performance-based fees may be paid to Bristol Gate. This performance-based compensation is based upon unrealized, as well as realized gains, and such unrealized gains may never be recognized by the Client. Performance-based compensation may create an incentive for Bristol Gate to make investments that are riskier or more speculative than they might otherwise select.

As noted above, Bristol Gate additionally reserves the right to negotiate, reduce or waive the performance fee for certain Client accounts. This results in a potential conflict of interest, as it could provide Bristol Gate with an incentive to favor the Clients from which Bristol Gate receives substantial performance-based compensation over other Clients by, for example, seeking to allocate more profitable investment opportunities to the accounts for which Bristol Gate receives performance-based compensation (or a higher amount of performance-based compensation). However, Bristol Gate intends to trade highly-liquid, exchange-traded products, and has implemented an equitable allocation methodology in cases where orders for multiple Clients are aggregated (see Item 12 below). Bristol Gate also has adopted a trade rotation policy that governs the timing of release and/or execution (as applicable) of trading instructions across client accounts (see Item 12 below). In light of these policies, Bristol Gate does not expect to encounter any significant conflicts of interest in the allocation of trading opportunities among Clients.

Item 7 Types of Clients

Bristol Gate expects to deal with Clients which may include pooled investment vehicles (for which Bristol Gate advises or sub-advises), individual investors, institutions, corporations, partnerships, sole proprietorships, pension funds, trusts and charitable entities. The minimum account size for a separately managed account is subject to negotiation. Where accounts that form part of a third-party wrap fee program for which Bristol Gate participates as manager, the minimum account size for such accounts is subject to Bristol Gate's discretion from time to time, and may be determined in conjunction with the wrap fee program sponsor. Clients may withdraw part or all of an account, subject to providing minimal notice to permit the liquidation of securities, or notice in accordance with applicable fund offering documents.

Item 8 Methods of Analysis, Investment Strategies and Risk of Loss

i. Methods of Analysis and Investment Strategies

Bristol Gate has developed a proprietary methodology that seeks to identify stocks which have the highest expected level of dividend growth over the coming 12 months and construct portfolios with such stocks in an effort to achieve higher levels of total return without taking undue risk. We are an evidence-based asset manager and we carefully analyze data on companies' operations to test our assumptions using an institutional data base of securities' fundamental data, consensus estimates data, as well as, Python, R, SQL Server and MatLab software to support our research.

We do not allocate according to any sector weighting or index requirements. What has resulted is a concentrated U.S. Strategy and concentrated Canadian Strategy, primarily of large-cap, well-established and consistent dividend payers. A short summary of our methodology is as follows:

BASIC RESEARCH PHASE

- (1) We have developed a proprietary machine learning model that uses the LightGBM python package to forecast the coming 12 months' dividend growth for the S&P500® stocks (for the US Strategy) or S&P TSX Composite Index or S&P500® stocks (for the Canadian Strategy).
- (2) With the respective Indexes as our starting point, we eliminate companies that do not pay a dividend, have weak balance sheets, or a limited dividend paying history. Our proprietary machine learning model then predicts and ranks the remaining opportunity set (approximately 300 companies in the US Strategy and 160 for the Canadian Strategy) by expected dividend growth over the coming 12 months.
- (3) The result is a list of companies ordered by next year's expected dividend growth. We focus our fundamental research efforts (described below) on the top 65 predicted dividend growers in the US and top 55 predicted dividend growers in Canada.

PRODUCTIVE CAPITAL ANALYSIS™ PHASE

- (4) We analyze in considerable depth the financial and economic fundamentals of each relevant company, understanding as best we can the ability of the company to continue its level of free cash flow generation and its interest in and capability to generate dividend growth. This typically involves reviews of 10-K/10-Q reports, press releases, earnings reports, earnings call transcripts and other material reports on the company and its principal competitors.
- (5) We eliminate companies characterized by potentially declining cash flow growth from market conditions, currency levels, competitive issues and debt market risks.
- (6) Our process tends towards those companies where predictability is the strongest, typically avoiding sectors where risk analysis is problematic, such as highly cyclical or commodity like businesses and companies with irregular dividend histories.

PORTFOLIO CONSTRUCTION

- (7) We construct an approximately equally weighted portfolio of 20-30 stocks for the US equity strategy (20 - 30 for the Canadian equity strategy), representing those companies that we believe to have the highest potential dividend growth while achieving adequate diversification which we assess using our fundamental work, price correlations and principal component analysis. These portfolios should be considered as being concentrated.

INVESTMENT RESTRICTIONS

We will not purchase any of the following securities:

- (i) Stocks with an insufficient operating history to conduct an analysis;
- (ii) Stocks that do not pay dividends;
- (iii) Stocks issued by way of private placements or initial public offerings (IPOs); and
- (iv) Securities not traded on public markets (except for cash and cash equivalents).

And we will not:

- (i) Short sell any security;
- (ii) Employ derivatives or options either directly or indirectly (other than for currency hedging purposes in certain pooled funds)
- (iii) Invest in real property; or
- (iv) Invest in commodities or in securities not traded on public markets.

We may choose to establish restrictions or to amend existing restrictions governing investments respecting:

- (i) The proportion of assets represented in any sector;
- (ii) The maximum degree of financial leverage acceptable within any company represented and the ratings assigned to its long-term debt;
- (iii) The proportion held from time to time in cash or cash equivalents

ENVIRONMENTAL, SOCIAL AND GOVERNANCE INTEGRATION

Bristol Gate integrates environmental, social and governance (“ESG”) factors into its investment analysis process. ESG factors are just one of several inputs considered as part of the Bristol Gate’s assessment of a potential investment for its investment strategies and are not a primary determining element in the investment decision making process. No securities are excluded from the investable universe for a Bristol Gate strategy due solely to ESG factors. Rather, Bristol Gate’s ESG assessment may impact its overall thesis on a potential investment, which is the result of its evaluation of the following four pillars: the sustainability of dividend growth for a company, the quality of a company, the valuation of a company and portfolio fit. With respect to valuation, the Bristol Gate’s ESG assessment influences its cost of capital calculations with lower ranking companies receiving a higher cost of capital. With respect to portfolio fit, Bristol Gate aggregates and monitors ESG-related exposures at the portfolio level to ensure proper diversification.

Different ESG factors are considered by the investment team based on the specific issuer and the industries and geographies in which it operates. Examples of ESG factors that the investment team may consider include: greenhouse gas emissions, waste and

hazardous materials management, diversity and inclusion, workplace health and safety, board composition and executive compensation. This list is not exhaustive. No specific weighting is assigned to any ESG factor and Bristol Gate has full discretion in determining which ESG factors it considers in its assessment of a potential investment, in accordance with the investment objectives of Bristol Gate's investment strategies. Bristol Gate may incorporate the use of third party ESG data and ratings to inform its investment decisions as necessary.

PORTFOLIO SUPERVISION

On a quarterly basis we re-balance the portfolio to approximately equal weights when the individual holdings exceed a certain threshold. Shares of holdings below that threshold may be sold or bought to facilitate cash management.

We monitor each company on an ongoing basis relative to our dividend growth expectations, fundamental assessment and valuation objectives.

Companies typically are sold when dividend growth falls below our hurdle rate or there is a material change in the company's fundamentals or competitive position.

RISK MANAGEMENT

Bristol Gate believes that managing risk can increase returns, and is committed to managing risk. However, *investing in securities involves risk of loss that a Client should be prepared to bear*. Here are some highlights on how Bristol Gate manages risks in its portfolios:

Security Selection

Highest predicted dividend growth stocks in the S&P500® or TSX universes

- Select only from those segments of the equity markets with growing dividends
- Generally avoid sectors where risk analysis is problematic, such as highly cyclical or commodity like industries
- Select only companies with investment grade debt (if any)
- Avoid companies with long term debt levels that could impair operations in banking and credit crises
- Avoid companies with excessive valuations relative to their fundamentals

Portfolio Management

Evidence is critical

- Lower risk can generate higher returns
- Focus particularly on the maximum drawdown and recovery risk, not standard deviation
- Test every decision rule and portfolio management ideas through simulation modelling – this gives a framework to understand portfolio outcomes
- Quantify risks to permit a solid business judgement
- Cash can be held if suitable investments are not available

Portfolio Operations

Implementing a discipline

- All trading operations governed by model portfolios
- Compliance controls on trading system to limit purchases and quantities
- Systematic coverage of stocks and verification of dividend forecasts
- No material leverage. No short-selling. No “financial engineering” tools
- Portfolio risk specifically monitored by a senior officer

ii. Certain Risk Factors

The identification of attractive investment opportunities is difficult and involves a significant degree of uncertainty. Potential clients should consider the following risks before engaging Bristol Gate to manage their assets.

Equity Securities. Bristol Gate will trade in equity securities on behalf of the pooled investment funds and Client accounts. Common stock and similar equity securities generally represent the most junior position in an issuer’s capital structure and, as such, generally entitle holders to an interest in the assets of the issuer, if any, remaining after all more senior claims to such assets have been satisfied. Holders of common stock generally are entitled to dividends only if and to the extent declared by

the governing body of the issuer out of income or other assets available after making interest, dividend and any other required payments on more senior securities of the issuer. The value of equity securities may fluctuate in response to specific situations for each company, industry market conditions and general economic environments. The securities of *smaller* companies may involve more risk and their prices may be subject to more volatility.

The success of the Bristol Gate's investment activities may be affected by general economic and market conditions, such as interest rates, availability of credit, inflation rate, economic uncertainty, climate change, local epidemics and global pandemics, national and international political circumstances (including wars, terrorist acts or security operations), and changes in laws that could have a negative impact on the national, regional or global economy and business activity in any of the countries in which Bristol Gate may invest and thereby adversely affect the performance of its investments. These factors may affect the level and volatility of securities prices and the liquidity of the investments held by Bristol Gate. Unexpected volatility or illiquidity could impair the profitability or result in losses to investors.

Turnover and Trading Costs. Bristol Gate expects to invest client assets on the basis of long-term market considerations. However, in certain instances, the portfolio turnover rate of investments for clients may be significant, and therefore may incur substantial brokerage commissions, mark- ups and fees that will reduce the client's investment returns.

Concentration. At any given time, a Client's assets may be invested in a relatively limited number of issuers or industries, based on Bristol Gate's investment methodology. As a result, a loss in any single position or group of positions could have a material adverse impact on a Client's account.

Currency and Exchange Rate Risks. To the extent that a Client's account assets are invested in securities of companies denominated in currencies other than the currency in which the account is valued, the account is exposed to currency and exchange rate risk related to the value of these securities and on the income they generate. Furthermore, the account may incur costs in connect with the conversion of currencies.

Counterparty Risk. To the extent that any counterparty with or through which the account engages in trading and maintains accounts does not segregate an account's assets, the account will be subject to a risk of loss in the event of the insolvency of such person. Even where the account's assets are segregated, there is no guarantee that in the event of such an insolvency, the account will be able to recover all of its assets.

Effectiveness of Risk Reduction Techniques. Bristol Gate intends to employ various risk reduction strategies designed to minimize the risk of its trading positions. A substantial risk remains, nonetheless, that such strategies will not always be possible to implement and when possible will not always be effective in limiting losses. If Bristol Gate analyzes market conditions incorrectly, or employs a risk reduction strategy that

does not correlate well with its investments, such risk reduction techniques could result in a loss, regardless of whether the intent was to reduce risk or increase return.

Cybersecurity Risk. Cyber incidents affecting Bristol Gate or Bristol Gate's service providers have the ability to cause disruptions and impact each of their respective business operations, potentially resulting in financial losses, impediments to trading, violations of applicable privacy and other laws, regulatory fines, penalties, reputational damage, reimbursement or other compensation costs, or additional compliance costs associated with the implementation of any corrective measures. Similar adverse consequences could result from cyber incidents affecting the issuers of securities in which Bristol Gate invests and counterparties with which the Bristol Gate engages in transactions. In addition, substantial costs may be incurred to prevent any cyber incidents in the future. While Bristol Gate has established business continuity plans in the event of, and risk management systems to prevent, such cyber incidents, inherent limitations exist in such plans and systems including the possibility that certain risks have not been identified. Furthermore, Bristol Gate cannot control the cybersecurity plans and systems of the Bristol Gate's service providers, the issuers of securities in which the Bristol Gate invests or any other third parties whose operations may affect Bristol Gate clients. As a result, Bristol Gate and their clients could be negatively affected.

* * *

Investment in securities and other financial instruments involves certain significant investment risks, including loss of an investor's entire investment. The foregoing list of risk factors does not purport to be a complete enumeration or explanation of the risks involved with Bristol Gate's investment programs or an investment in any fund or account advised by Bristol Gate. Prospective clients and investors must consult their own advisers before deciding whether to make such an investment. Investors and prospective investors in a pooled investment fund should carefully review the sections on Risk Factors of the offering documents of the applicable fund(s). Such documents are available only to current investors or prospective investors who are eligible to invest in such entities, as determined in the sole discretion of Bristol Gate.

Item 9 Disciplinary Information

All registered investment advisers are obligated to disclose any disciplinary event that might be material to any Client or prospective client when evaluating the advisor's services.

Bristol Gate does not have any legal, financial, regulatory or other disciplinary item to report herein. This statement applies to the Firm and every employee of our Firm.

Item 10 Other Financial Industry Activities and Affiliations

As noted under Item 4, Bristol Gate has been registered as a portfolio manager, exempt market dealer and investment fund manager with the Ontario Securities Commission since 2006 and with the Autorité des marchés financiers (AMF) since 2014. The Firm has also been registered as a portfolio manager and exempt market dealer with securities commissions in the Canadian provinces of British Columbia, Alberta and Manitoba since 2014. Bristol Gate is affiliated with an entity that is a general partner of a Canadian-domiciled limited partnership (a pooled fund offered to Canadian investors). Neither Bristol Gate nor any member of its management has any other financial industry activities or affiliations.

Certain inherent conflicts of interest may arise from the fact that Bristol Gate carries on substantial investment activities for multiple Clients simultaneously, including pooled investment funds and Client accounts. Bristol Gate may give advice and recommend investments to, or engage in investment transactions for, certain of its Clients which advice or investments may differ from advice given to, or investments made for, other Bristol Gate Clients, even though their investment objectives may be the same or similar.

As described above, Bristol Gate has a conflict of interest in rendering advice to a particular Client in cases where the financial benefit from managing another Client's assets may be greater, which could provide an incentive to favor such other Client. In addition, certain of Bristol Gate's principals and affiliates invest and trade for their own accounts, including in securities which are the same as or different or opposite from those traded or held by its Clients. In addition, certain principals and affiliates have seeded in the past, and may again in the future, new strategies being incubated by Bristol Gate. As a result, Bristol Gate's principals and affiliates may from time to time have proprietary investments in securities in which its Clients may take a position, may trade and invest simultaneously with Clients and may take investment positions that are different or opposite from the positions taken by Clients. As a result, conflicts of interest may arise between Bristol Gate's Clients and its principals or affiliates with respect to matters such as the allocation of investment opportunities, purchases and sales of securities in connection with particular trading situations and allocation of personnel, resources and expenses. The records of trading by Bristol Gate's principals and affiliates will not be made available to Clients, except to the extent required by law. However, trading by principals and personnel of Bristol Gate will be subject to Bristol Gate's Code of Ethics, as described in Item 11 below, which seeks to mitigate the conflicts described above. Also, as described in Item 6 above, Bristol Gate believes that conflicts related to new strategies managed by Bristol Gate are mitigated by its methodology for allocating investments among Client accounts, as described below in Item 12.

Item 11 Code of Ethics, Participation or Interest in Client Transactions and Personal Trading

Bristol Gate has adopted a Code of Ethics for all supervised persons of the Firm describing its high standard of business conduct and fiduciary duty to its Clients. The Code of Ethics includes provisions relating to the confidentiality of Client information, a prohibition on insider trading, and personal securities trading procedures, among other things. All supervised persons at Bristol Gate must acknowledge the terms of the Code of Ethics annually, or as amended. Bristol Gate's Code of Ethics is available to all Clients and prospective clients upon request.

In certain circumstances, Bristol Gate may cause a Client account to invest in a pooled investment fund managed by Bristol Gate or an affiliate. Such Client account investments are disclosed in the terms of the relevant Client's managed account agreement and related investment guidelines and do not result in Clients being charged additional or duplicative fees by Bristol Gate or its affiliates.

Except as described in the paragraph above, Bristol Gate does not cause pooled investment funds or Client accounts to effect transactions in which such fund or Client purchases securities from, or sells securities to, Bristol Gate or its principals or affiliates, or in which one of Bristol Gate's affiliates acts as broker for both the pooled investment fund or Client's account and the other party to the transaction.

Bristol Gate anticipates that, in appropriate circumstances, consistent with Clients' investment objectives, it will cause Clients to purchase or sell securities in which Bristol Gate and/or its affiliates, directly or indirectly, have a position or interest as described above in Item 10. Bristol Gate's employees and persons associated with Bristol Gate are required to follow Bristol Gate's Code of Ethics, which includes certain restrictions and qualifications on the ability of Bristol Gate's personnel to trade instruments held by Clients. The Code of Ethics is designed to assure that the personal transactions, activities and interests of the employees of Bristol Gate will not interfere with (i) making decisions in the best interest of advisory Clients and (ii) implementing such decisions while at the same time allowing employees to invest for their own accounts. As described above, the Code of Ethics requires that the interests of Client accounts be placed ahead of those of Bristol Gate employees in their personal trading. Nonetheless, because the Code of Ethics in some circumstances would permit employees to invest in the same instruments as Clients, there is a possibility that employees might benefit from market activity by a Client in an instrument held by an employee. Employee trading is regularly monitored under the Code of Ethics in an effort to prevent conflicts of interest between Bristol Gate and its Clients.

Item 12 Brokerage Practices

Brokerage arrangements for Client accounts and responsibility for the selection of brokers will be determined pursuant to the applicable Client's managed account agreement. Bristol Gate will select the brokers to be utilized by the pooled investment funds and ETFs, and will have discretion to select different brokers to be used for each transaction and to negotiate the rates and commissions its Clients will pay. Where Bristol Gate is responsible for the selection of brokers for its Clients, it may not adhere to any rigid formulae in making the selection of brokers, but will weigh a combination of criteria consistent with its obligation to seek "best execution" for its Clients. In selecting brokers to execute transactions, Bristol Gate need not solicit competitive bids and does not have an obligation to seek the lowest available commission cost. Brokers will be selected generally on the basis of best execution, which may be determined by considering, in addition to price and commission rates, other factors including special execution capabilities, clearance, settlement, other transaction charges, block trading and block positioning capabilities, financial strength and stability, efficiency of execution and error resolution, the availability of stock to borrow for short trades, custody, recordkeeping and similar services. Bristol Gate has established an internal committee of several senior managers to review best execution practices on a continuing basis.

There can be situations in which Bristol Gate allows a Client to direct a brokerage arrangement. In such cases it is probable that we will be unable to secure what we believe is a competitive package of brokerage services or the most favorable execution of such Client's transactions, which could result in the Client paying higher costs or receiving fewer services. Nevertheless, Bristol Gate will confirm such directed brokerages have a best execution policy consistent with regulatory requirements.

Soft Dollars

Bristol Gate does not utilize affiliated brokers to effect trades for its Clients. We do not direct brokerage in order to receive Client referrals. Some of the brokerage firms that Bristol Gate uses charge "bundled" fees that cannot necessarily be separated out into research and execution. Bristol Gate's use of commissions or "soft dollars" to pay for research products or services must fall within the safe harbor under Section 28(e) of the Securities Exchange Act of 1934. The types of goods or services, other than order execution, that are provided to Bristol Gate in exchange for brokerage commissions include research reports and services. Bristol Gate makes a good faith determination that all clients received reasonable benefits from the use of order execution and research goods and services received, relative to the amount of brokerage commission paid. Bristol Gate makes this determination relative to its overall responsibilities for all client accounts.

Trade Rotation

Bristol Gate has adopted a trade rotation policy that governs the timing of release and/or execution (as applicable) of trading instructions across client accounts. The trade rotation policy is intended to allocate transactions equitably over time across Bristol Gate's client base, subject to extenuating circumstances and to trading directions imposed by Clients. The policy generally establishes three trading "Groups" within a particular strategy: Group 1 consists of Clients for whom Bristol Gate executes trades with a broker selected by Bristol Gate (generally institutional accounts and pooled funds); Group 2 consists of Clients for whom Bristol Gate executes trades with a broker selected by the Client (generally wrap-fee program accounts); and Group 3 consists of Clients to whom Bristol Gate delivers a model trading

portfolio, but for whom Bristol Gate does not execute trades. Certain of these groups are further divided into subgroups, which are defined in Bristol Gate's trade rotation policy and procedures. However, Groups (and sub-Groups) are subject to change over time as our client base evolves, and some strategies may have less than three Groups.

Generally, Bristol Gate will rotate the priority in which trades are executed (or released, in the case of model trading portfolios) among the relevant Groups (and sub-Groups) within the same strategy each time a specified set of trading instructions has been fully executed/released for the strategy (provided that, where two orders are deemed to be related – for example, a “sell” order that is being used to fund a contemporaneous “buy” order – Bristol Gate may cause the related orders to be executed/released in the same priority, notwithstanding the rotation cycle). Trading instructions unique to a specific Client account will not cause a rotation in the order.

Although Bristol Gate believes that its trade rotation policy is fair and equitable to its Clients, the practice will (in any particular instance) result in certain Clients having their transactions effected before other competing Clients, and could cause certain accounts to pay more or receive less for a security than other accounts. Bristol Gate may utilize rotations or allocation methods other than those described herein if we believe such rotation or method is appropriate under the circumstances and that such alternative rotation or method is generally fair and equitable (an example of this could include creation of a “step out trade” where a directed order could be aggregated with a non-directed order).

Allocation of Investment Opportunities

Where possible, Bristol Gate expects to aggregate orders for Clients with orders for other Client accounts (and/or certain accounts of its principals or employees) in the same security, consistent with Bristol Gate's obligation of best execution, except that Bristol Gate generally will not be able to aggregate orders for accounts where brokerage is directed by the Client (including accounts participating in wrap fee programs) with orders for other Clients. In cases where orders are aggregated, all such participants in the transaction will share transaction costs pro rata and receive the average price (net of transaction costs) in the transactions. Although aggregation may operate to the disadvantage of particular clients in a given transaction, such aggregation is intended to promote fairness over the longer term among all accounts or entities involved in the transaction. Bristol Gate will retain records of the transaction (specifying each participating account) and its allocation.

Item 13 Review of Accounts

We review all pooled investment funds, ETFs and Customer accounts daily to monitor cash deposits or withdrawals and security positions. Monthly, the Chief Compliance Officer reviews funds and accounts in terms of compliance with investment policies. These accounts and funds are also reviewed by the respective portfolio manager on a regular basis.

Written reports are delivered to discretionary Clients at least on a quarterly basis as required (excluding wrap fee program clients where reporting is the responsibility of the wrap fee program sponsor). These reports include a statement of portfolio holdings, valuations, and periodic returns. Quarterly, we deliver a written commentary to illuminate the investment decisions during the quarter. Investors in pooled investment funds and ETFs will additionally receive audited financial statements on an annual basis and such other periodic reports as may be described in the applicable fund's offering documents.

Item 14 Client Referrals and Other Compensation

With respect to U.S. Clients and potential U.S. clients, Bristol Gate has entered into marketing and referral agreement(s) whereby unaffiliated solicitors and/or promoters may assist Bristol Gate in raising capital from institutional investors and investment platforms, and will receive a portion of the advisory fees received by Bristol Gate from investors solicited by them. The details of any referral fee paid to any third-party solicitor will be fully disclosed to solicited investors who invest with or become a Client of Bristol Gate. In addition, Bristol Gate has entered into referral arrangements with other firms in respect of non-U.S. Clients only.

Subject to the provisions of SEC Rule 206(4)-1 Bristol Gate may enter into additional written agreements with solicitors for referrals in which Bristol Gate may share a portion of its advisory and performance fees earned from U.S. Clients referred by the solicitor.

Bristol Gate currently has no arrangements whereby it receives an economic benefit from any person who is not a Client for providing investment advice or other advisory services to Clients.

Item 15 Custody

Bristol Gate does not have, and does not intend to take, custody of the funds and securities of the U.S. Client accounts. Clients may receive periodic statements from the custodian that holds and maintains the Client's investment assets. Bristol Gate urges each Client to carefully review such statements and compare such official custodial records to any account statements that Bristol Gate may provide such Client. Bristol Gate's statements may vary from custodial statements based on accounting procedures, reporting dates or valuation methodologies of certain securities or other instruments.

Item 16 Investment Discretion

Bristol Gate exercises discretionary authority over the accounts of its Clients. Bristol Gate generally receives discretionary authority from the Client at the outset of an advisory relationship, by means of investment advisory or similar agreements, or, in the case of certain of the pooled investment funds and ETFs, through the constituent documents of the funds themselves, which grant Bristol Gate the authority to select the identity and amount of any investments to be bought or sold for the Client. In all cases, however, such discretion is to be exercised in a manner consistent with the stated investment objectives for the applicable Client.

Item 17 Voting Client Securities

Bristol Gate holds the authority to vote proxies on behalf of the pooled investment funds, ETFs, wrap fee program accounts and certain separately managed accounts. In the case of Client accounts, the Client has the choice of voting on all decisions of security holders of the issuers it holds in its portfolio. Alternately, the Client can request that Bristol Gate vote such Client's securities pursuant to such Client's advisory agreement with Bristol Gate in accordance with Bristol Gate's voting policies and procedures.

A potential for conflict arises when Bristol Gate has the opportunity to vote a proxy in a manner that is in its own interest and not in the best interest of clients. Bristol Gate has adopted a proxy voting policy which it follows which reduces the potential for voting decisions to be made that are not in clients' best interests.

Pursuant to Bristol Gate's proxy voting procedures, in the event that Bristol Gate has accepted voting authority and receives proxies sent to the pooled investment funds or Client accounts (as appropriate), the applicable portfolio management team will be responsible for casting the proxy, consistent with Bristol Gate's general voting guidelines as provided below:

- (i) vote on all issuers held in pooled investment funds or Client accounts for which the Bristol Gate acts as portfolio manager;
- (ii) vote for the recommended slate of directors;
- (iii) vote for the recommended auditors and their remuneration;
- (iv) vote for the recommended trustees;
- (v) vote to accept all financial statements;
- (vi) vote against all resolutions which diminish the powers of shareholders;
- (vii) vote for or against any take-over bid depending on the perceived value to the Bristol Gate's Clients; and
- (viii) on all other issues, Bristol Gate shall make its best judgement on the issues of what appears to be in the Client's best interests.

Unless a Client has determined to retain the right to vote on all proxy matters, a Client generally may not direct specific proxy votes for the securities held in its account.

Under certain circumstances, Bristol Gate may abstain from voting specific proxies if it determines that doing so is in the best interests of its clients. Bristol Gate generally will abstain from voting proxies where clients no longer hold the securities at the time of the vote (whether or not they held them on the record date of the vote), or the proxy involves "share blocking," or similar measures that could limit Bristol Gate's ability to sell the affected security during a blocking period. Lastly, Bristol Gate will not vote proxies for securities for clients that were included in assets transferred "in-kind" that were not part of the Bristol Gate model and, hence, were subsequently sold.

Clients may obtain a copy of Bristol Gate's complete proxy voting policies and procedures and information about how Bristol Gate voted any proxies on behalf of their account(s) by contacting Kathleen Taylor, Chief Compliance Officer, at (416) 921-7076.

Item 18 Financial Information

Bristol Gate is required to provide certain financial information or disclosures about its financial condition. Bristol Gate has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to its clients, and has not been the subject of a bankruptcy proceeding.