

# Relationship Disclosure Information



# Relationship Disclosure Information

## **Introduction**

The purpose of this document is to provide information to clients of Optimize Wealth Management Inc. and Optimize Global Asset Management Inc. (collectively “Optimize”). As a client of Optimize, it is important that you understand your relationship with us. The Relationship Disclosure Information document (“RDI”) provides you with important information about our roles and responsibilities, your accounts at Optimize and the services available to you. We ask that you take the time to read this document carefully.

In this disclosure, we refer to Optimize as “we”, “us”, or “our”.

## **About Us**

Optimize Wealth Management Inc. is registered with the Canadian Investment Regulatory Organization (“CIRO”) to carry on business as an Investment Dealer in the provinces of Alberta, British Columbia, Manitoba, New Brunswick, Newfoundland and Labrador, Nova Scotia, Nunavut, Ontario, Prince Edward Island, Québec, Saskatchewan and Yukon. Optimize Wealth Management Inc. is also a member of the Canadian Investor Protection Fund (“CIPF”). Optimize Global Asset Management Inc.’s primary regulator is the Ontario Securities Commission (“OSC”). It is registered as a Portfolio Manager in the provinces of Alberta, British Columbia, Manitoba, New Brunswick, Newfoundland and Labrador, Nova Scotia, Northwest Territories, Nunavut, Ontario, Prince Edward Island, Quebec, Saskatchewan and Yukon. Optimize Global Asset Management Inc. is also registered as an Investment Fund Manager in Ontario and Exempt Market Dealer in the provinces of British Columbia, Manitoba, Ontario and Saskatchewan.

Investment and portfolio management services are offered through Optimize, while Family Office Services are provided through our affiliate companies:

- Financial planning, tax preparation, and will and estate preparation are offered through Optimize Family Office Services Inc.;
- Insurance solutions are offered through Optimize Insurance Services Inc.; and
- Mortgage and debt management solutions are offered through Optimize Mortgage Services Inc.



# Our Services and Products

## Services

Optimize provides investment management services for your discretionary managed accounts. This means we make investment decisions based on the information you provided to us as part of the Know-Your-Client (“KYC”) collection process. The KYC includes your investment objectives, time horizon and liquidity needs for each of the individual accounts you open with us. Your PM or APM use this information to invest in a Model Portfolio pursuant to the Investment Policy Statement (“IPS”). By signing a Managed Account Agreement (“MAA”) with Optimize, you authorize your PM or APM to make investment decisions on your behalf in accordance with the MAA and IPS. Your MAA contains additional information on the terms and conditions of the management services.

In addition to portfolio management services, Optimize offers Family Office Services. Family Office services include financial planning, tax preparation, and will and estate preparation provided through our affiliate Optimize Family Office Services Inc. It also includes insurance solutions provided through our affiliate Optimize Insurance Services Inc., and mortgage and debt management solutions provided through our affiliate Optimize Mortgage Services Inc. Our affiliates may receive commissions for the provision of services provided to you.

## Products

### Managed Accounts

Optimize offers a suite of private pooled investment funds, used in the construction of the Model Portfolios offered through the Optimize Private Client Program. You will be provided with the Optimize Fund Disclosure Document at account opening which describes, among other things, the Optimize Private Client Program, Conflicts of Interest as they relate to the management of the Funds, fees which are charged by Funds and expenses.

### Non-Managed Accounts

On an exception basis, we offer commission-based non-managed accounts. In commission-based accounts, clients are responsible for investment decisions they make and may initiate trades on their own with or without recommendations of their PM or APM. Clients pay a flat fee per trade in these accounts. Fees will be disclosed to you prior to Optimize placing a trade on your behalf.

Accounts may hold the following investment products:

- Cash and cash equivalents such as T-bills and other money market instruments;
- Fixed income or debt securities such as bonds and debentures, and preferred shares;
- Equities, including warrants, and ETFs; and
- Investment funds, including mutual funds.

The ability to liquidate assets held in your account(s) will depend on the type and nature of account(s) you have with us. Generally, there are no restrictions on liquidating assets held in your account(s) unless you hold securities that place restrictions on selling. Please speak to your PM or APM for more information.



### **Your Managed Account with Optimize**

Accounts are managed on a discretionary basis by Optimize under the direction of a PM or APM and in accordance with the mandates established by your KYC information and IPS. In some circumstances, there may be assets held in your account which are excluded from the PM or APM's discretionary authority. For example, you may have deposited securities ("Non-Core positions") into your account which cannot be sold due to market conditions or other trading restrictions. In these circumstances, we will only transact on those investments based on your instructions. Although we are responsible to conduct a suitability assessment on these investments, we are not responsible for the investment performance of such securities.

### **Fee Options**

#### **Fee-Based Managed Accounts:**

In a managed account, the day-to-day activity of monitoring your portfolio and making investment transaction decisions is done by your PM or APM. The fees that are applicable to this type of account are detailed in the Managed Account Agreement you sign when you open the account. You should discuss the available managed account offerings with your PM or APM.

#### **Commission Based Accounts:**

In a commission-based account, you will be charged a commission for each transaction made in your account at the time of the transaction. For equity transactions, which include common and preferred shares, Exchange traded funds ("ETF's") and other listed securities, the commission charge is added to the purchase price of the security or deducted from the proceeds of a disposition. These amounts will be identified on the transaction confirmation that you receive.

For fixed income products, other than preferred shares, commission may be charged in the form of a spread. A spread is a charge built into a fixed income investment. It reflects the difference between the cost of the product to us and the price at which it is offered to you. All financial institutions charge spreads on fixed income products. Spreads cover the cost of the transaction and the associated risk from holding fixed income products for distribution.

Should you choose to hold mutual funds within your accounts, you may pay management fees or transaction fees, depending on the fund. All mutual funds charge management fees which are deducted from the funds' assets and used to pay the fund company's expenses and profit margin. These are charged as a percentage of the fund asset value and are disclosed in the fund prospectus and annual information form or offering memorandum. Some funds distribute a portion of that fee to the distributor in the form of a trailer fee.



# Other Fees and Charges

## **Currency Conversion:**

If you conduct a trade involving a security denominated in a currency other than the currency of your account, a currency conversion may be required. In such instances, we will act as principal in converting the currency. We may earn revenue in addition to the applicable commission on the trade.

## **Interest:**

If you engage in a trade using margin or do not settle a trade in a timely manner, you will be charged interest until the trade is fully paid for. Your account will be charged interest at rates established in accordance with industry standards.

## **Administrative Fees:**

For clients of Optimize Wealth Management Inc., administrative fees for our services are detailed in the Account Service Fee Schedule which is distributed to you when you open an account with us. For clients of Optimize Global Asset Management Inc., administrative fees for our services are detailed in the Account and Services Agreement and Disclosures as well as the Statement of Disclosure of Fees and Services Charges. These are provided to you by our Custodian upon account opening.

## **Investment Fund Management Expenses:**

When you invest in an investment fund such as a mutual fund, there is typically a management fee and other expenses paid by the fund to cover the costs of managing and administering the fund. As an investor, you don't pay these costs directly, but they reduce returns. The ratio of expenses as a percentage of a fund's assets (the "MER") of the fund is a factor that we consider before recommending it for your account.

## **Pre-trade Disclosure of Fees and Charges:**

We will disclose transaction specific charges for any non-managed accounts. This disclosure may be either written or verbal. This disclosure will either establish a standing practice for all transaction charges or will be specific to each individual transaction.

## **Notice of Price Changes:**

We will provide you with 60 days written notice of any changes in fees, excluding interest charged on client accounts and trade commissions. Interest will be shown on your client account statements. Any commissions charged will be detailed on your trade confirmation.

## **Impact of Investment Expenses, Fees and Charges on Your Returns:**

The fees described above under the headings "Fee Options" and "Other Fees and Charges", reflect the value of our advice and services. These fees and charges will affect the returns on the investments by reducing returns. Over time, similar to the compounding effect of performance returns, the compounding effect of these fees and charges will affect how your portfolio grows.



### **Opening an Account with Optimize**

We are required to obtain certain KYC information from you before executing any transactions. We are required to put your interests first, ahead of our own interests and any other competing considerations, when making any recommendations or taking any investment action in your account.

### **KYC and Suitability**

To meet our suitability obligation, we are required to collect and maintain current and appropriate KYC information to ensure our actions are suitable for you. To satisfy our regulatory requirements, we require certain personal and financial data, which includes inter alia your name, age, address, telephone number, e-mail address, occupation, financial situation (income and net worth) and other information pertaining to your family. The information collected will be used:

- (a) to establish your identity;
- (b) to establish whether you are an insider of a reporting issuer;
- (c) to establish your investment needs and objectives;
- (d) to understand your personal circumstances;
- (e) to establish your investment time horizon;
- (f) to note your investment knowledge;
- (g) to assess your financial circumstances; and
- (h) to determine your risk profile, which is made up of your willingness to take on risk (your risk tolerance) and our assessment of your financial ability to take on risk (your risk capacity).

Optimize is required to take reasonable steps to confirm that recommendations made or investment action taken is suitable for you. This means that we will ask you, from time to time, to provide us with updated KYC information. At least annually your PM, APM or FP, as applicable, will ask you to confirm your KYC information. You are also responsible for providing any updates as necessary. We will provide you with a copy of your KYC information at account opening and when there are significant changes to the information.

In addition to the foregoing, we will assess suitability on a periodic basis, including in the following Circumstances:

- (a) when securities are received or delivered into your account by way of deposit or transfer-in;
- (b) when securities are withdrawn from your account;
- (c) when there is a change to your PM or APM;
- (d) when we are informed about material changes to your KYC information;
- (e) when we become aware of a change in a security in your account that could result in the security or your portfolio no longer being suitable; and
- (f) in response to certain, significant market fluctuations.



### **Trusted Contact Person**

We encourage you to provide us with the name and contact information of a trusted contact person. This should be an individual with whom you are comfortable sharing your financial or personal circumstances, in specific circumstances. We may contact your trusted contact person or disclose information about you or your account under the following circumstances:

- (a) if we are concerned that you are being exploited financially;
- (b) if we are concerned about your mental capacity as it relates to your ability to make decisions involving financial matters;
- (c) to obtain the name and contact information of your legal representative, if any; and
- (d) to obtain your contact information if we cannot get in touch with you.

You confirm that you have the consent of the Trusted Contact to provide us with their name and contact information, and that individual knows you are naming them as your trusted contact.

### **Temporary Hold**

If we reasonably believe that you are in a vulnerable position, are being financially exploited or that you are experiencing diminished mental capacity, we may place a temporary hold on a particular transaction. A “vulnerable position” includes where an illness, impairment, disability or aging-process limitation places you at risk of financial exploitation. If we place a temporary hold on a transaction, we will provide you with notice, either written or verbal, explaining our reasons for the temporary hold, and at least every 30 days thereafter until the temporary hold is revoked. We may also contact your Trusted Contact person about a temporary Hold.

### **Your Relationship With Optimize**

It is important that you actively participate in this relationship. We encourage you to:

- (a) keep us accurately informed regarding your personal circumstances. Promptly advise us of any material change to information. Material changes are changes in your personal circumstances that could result in a change to the types of investments appropriate for you. These could include a change to your income, investment objectives, risk tolerance, time horizon or net worth;
- (b) review the documentation and other information that we provide to you regarding your account, transactions conducted on your behalf and the holdings in your portfolio; and
- (c) ask questions about your account, transactions conducted on your behalf, the holdings in your portfolio, or your relationship with us or anyone acting on our behalf.



### **Custodian Arrangements**

Optimize does not take physical custody of your assets or accounts. All of your assets and accounts are held in your name by an external Custodian. The Custodian may also be a carrying broker and member of the CIBC. The primary benefit of having a third-party Custodian is to minimize risk of loss.

Managed Assets are held at National Bank Independent Network (“NBIN”). NBIN is responsible for holding the securities and cash held within your Managed Account. NBIN is responsible for the safekeeping and recordkeeping of all securities and cash, and for providing you with ongoing statements on a timely basis. Although NBIN is responsible for delivering these statements to you, both Optimize and NBIN are responsible for ensuring the accuracy of the statements. Should you have any questions related to your statements, you may contact NBIN directly at the contact details provided to you at account opening or at:

National Bank Independent Network  
130 King Street West, Suite 3200  
Toronto, ON M5X 1J9  
Email: [NBINinformation@nbc.ca](mailto:NBINinformation@nbc.ca)

### **Account Statements and Performance Reporting**

You will receive a statement either monthly or quarterly. Your account statement will show all account activity (including purchases and sales, contributions and withdrawals, dividends, interest, transfers or any other transactions occurring in that period). The statement will also list your current holdings and the value of your portfolio as of the close of the last business day of the reporting period. Please be aware that where no reliable market value can be determined, such as in the case of a security that has ceased trading, no value will be given.

Please ensure that you review all statements carefully. You must inform us of any inaccuracies or omissions within 30 days of the date you receive it. If you do not contact us, we will consider that you have authorized and accepted the transactions listed in your account.

NBIN as our Custodian is responsible for producing and providing you with trade confirmations, account statements and CRA Tax Receipts (T3s & T5s).

### **Annual Report on Charges and Other Compensation and Investment Performance**

On an annual basis, we will provide you with a consolidated report on charges, other compensation and investment performance. This statement will detail the fees you paid. This includes operating, transaction or other charges related to your managed account. The report also includes the annualized total percentage return of each of your accounts calculated on a money-weighted and time weighted rate of return, and the performance of your accounts net of fees. The money-weighted rate measures how well your account has performed, taking into consideration the timing of your personal deposits and withdrawals, as well as most of the cost charged to your account.



### **Privacy Policy**

Optimize has adopted a policy outlining collection, use and disclosure of personal information. If you have a privacy matter you want to report please contact [compliance@optimize.ca](mailto:compliance@optimize.ca) and we will respond to your concern in a timely manner.

### **Risks**

We are required to provide all clients with a description of risks to consider when making an investment decision. Depending on the nature and type of your investment the risk will vary. Below is a non-exhaustive list of the investment risks to consider.

**Capital risk:** the risk that you may lose the money you invest.

**Business risk:** the risk inherent in the operations of the entity or industry in which you have invested.

**Currency risk:** the risk associated with currency fluctuations if you invest in non-Canadian dollar denominated securities, or in companies whose businesses are carried out in foreign jurisdictions which create exposure to foreign currency fluctuations.

**Interest rate risk:** the risk that the principal of a debt instrument that you've invested in will go up or down as the interest rates in the economy go up and down.

**Commodity risk:** the risk that exposure to certain commodities, or to companies whose business is dependent on commodities, may be directly affected by movements in the price of the commodities.

**Concentration risk:** if you invest in relatively few securities, then this lack of diversification across all sectors, regions or countries and may result in higher volatility.

**Specialization risk:** if you invest primarily in one industry or market capitalization range, then this may cause your investment performance to be more volatile and strongly affected by the overall economic performance of the area of specialization.

**Risk of loss:** investing, in general, has risk associated with it, including the risk that the investor may lose a portion or all of an investment.

**Risk of loss of key personnel:** the business you invest in may be dependent on a small number of key officers and employees, the loss of any of whom could have an adverse effect on your investment.

**Leverage risk:** the risk of loss associated with borrowing.



### **Using Borrowed Money to Finance an Investment**

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

Using borrowed money to purchase securities can amplify the gain or loss on the cash invested. It is also important that you are aware of the terms of any loan that is secured by securities or other investments. The lender may require that the amount outstanding does not rise above an agreed percentage of the market value of the investment. Should this occur, you would be required to pay down the loan or sell the investments to return the loan to the agreed percentage relationship.

### **Conflicts of Interest**

A conflict of interest exists where: (i) your interests, and the interests of Optimize or its personnel (including PMs, APMs or FPs) are inconsistent or divergent; (ii) Optimize or its employees may be influenced to put our interests ahead of your interests; or (iii) monetary or other benefits available to us or our employees may compromise your trust in us.

It is our policy to identify conflicts of interests and ensure we always resolve them in your best interests and ahead of our own. If we cannot resolve a conflict in your best interest we will avoid the activity in its entirety.

Optimize will provide you a Conflicts of Interest Brochure which provides details on identified conflicts of interest. It is delivered to you at account opening and posted on our website. You will be notified if we make any updates:

Potential conflicts of interest can include, but are not limited to:

- (a) Fair Allocation of Investment Opportunities;
- (b) Referral Arrangements;
- (c) Sales practices, compensation arrangements and incentive practices;
- (d) Outside Activities;
- (e) Best Execution; and
- (f) Fair Valuation.

COIs exist when we exercise our discretion to invest your Account in proprietary products of related affiliates. The conflict arises because we receive additional revenue from the Funds in which you invest, which we would not receive if your Account were invested in third-party funds or securities. In this case it may be perceived that we are favouring our business interest over yours.



**We manage this conflict by:**

(a) Ensuring that each Optimize Model Portfolio, and the underlying Optimize Funds, in your Account, are recommended to you based on a comprehensive suitability assessment. You will only receive the products that are appropriate for you in our professional judgement. We undertake a comprehensive Know-your-Client/Suitability process that is supervised by Compliance.

(b) When we recommend a product, we do so because we have used our professional judgement to assess the appropriateness and suitability of the investment for you. The depth of our investment team allows us to effectively assess our products and services to ensure they are competitive and suitable to each client.

(c) We disclose the fees associated with services provided to you, including management fees, performance fees, custodian, and trading fees. This means you can compare and evaluate our costs.

(d) There are some PMs and APMs who receive a portion of their compensation which is derived from the value of assets they manage. This conflict is managed as the bonus is calculated on the overall value of assets, there is no incentive paid for at a client or product level or for performance of the Funds.

(e) We regularly review comparable funds in the marketplace.

**Related and Connected Issuers**

The Optimize Funds are the only investment products that are managed and distributed by Optimize. Optimize is the trustee, investment fund manager and portfolio manager of the Funds. As such, the Funds are related and connected issuers of Optimize. Optimize earns management fees and, in some cases, performance fees from the Funds. The Optimize Funds are the only related and connected issuers of Optimize.

For more information on the Optimize Funds, please refer to the Optimize Fund Disclosure Document provided at the link below:

Optimize Fund Disclosure Document

URL: <http://optimize.ca/fund-disclosure-document>

If you are unable to access the Optimize Fund Disclosure document electronically, you may request a print copy by contacting your Optimize Portfolio Manager or Associate Portfolio Manager.

**Related Dealers and Advisors**

Due to our affiliation with Optimize Financial Group Inc. (“OFG”) and its affiliates, we have policies to deal with any potential conflict of interest that may arise. Our affiliates are described below.

Optimize Wealth Management Inc. and Optimize Global Asset Management Inc. are wholly owned by Optimize Financial Group Inc. (“OFG”). Optimize Wealth Management Inc. is registered with CRO to carry on business as an Investment Dealer in the provinces of Alberta, British Columbia, Manitoba, New Brunswick, Newfoundland and Labrador, Nova Scotia, Nunavut, Ontario, Prince Edward Island, Québec, Saskatchewan and Yukon. Optimize Wealth Management Inc. is also a member of the Canadian Investor Protection Fund (“CIPF”). Optimize Global Asset Management Inc. is registered with the Ontario Securities Commission (“OSC”) as a Portfolio Manager in the provinces or territories of Alberta, British Columbia, Manitoba, New Brunswick, Newfoundland and Labrador, Nova Scotia, Northwest Territories, Nunavut, Ontario, Prince Edward Island, Quebec, Saskatchewan and Yukon. Optimize Global Asset Management Inc. is also registered with the OSC as an Investment Fund Manager in Ontario and Exempt Market Dealer in the provinces of British Columbia, Manitoba, Ontario and Saskatchewan. OFG is also a shareholder, meaning it directly or indirectly holds more than 20% of any class or series of voting securities, of other dealers, advisors and affiliates of Optimize Family Office Services Inc, Optimize Insurance Services Inc., and Optimize Mortgage Services Inc.



Although there is overlap among the directors and officers of these companies, all of them operate as separate legal entities. These entities may, from time to time, cooperate in offering products and services (including management, administrative and referral services). There is no exchange of client information among these entities without a client consent or unless the information is reasonably necessary to provide a specific product or service.

These relationships are subject to certain legislative and industry regulations. Optimize internal policies and procedures to supplement these requirements, including our policies on confidentiality of information.

### **Other Related Companies**

Optimize, OFG and their affiliated companies may hold an interest or participation in other related Companies.

### **Best Execution Policy**

Optimize maintains a Best Execution Policy that covers the following products:

- (a) Equities;
- (b) Fixed Interest;
- (c) Exchange Traded Funds (ETFs);
- (d) Collective Investment Schemes; and
- (e) Structured Products.

The Best Execution Policy requires that Optimize take steps to obtain the best possible result for our clients, when executing orders.

We execute only through high quality, well known, financially sound third-party investment firms. This may include brokers, their affiliates acting as a market makers, liquidity providers or non-EU entities performing similar functions. As part of our selection criteria for new brokers, Optimize considers:

- (a) their order execution arrangements and order execution policies;
- (b) perceived creditworthiness, reputation and financial stability;
- (c) access to markets and quality of service (such as responsiveness and promptness of (execution));
- (d) competitiveness of costs access to available services (e.g., top quality research); and
- (e) ability to manage illiquid instruments and to provide consistently competitive spreads.

The choice of vendor may be limited in some cases because of the nature of the order, or client specific requirements. For example, some instruments such as structured products, cannot be traded on-market and therefore would have fewer options for sourcing best execution.

An annual review is completed to ensure our vendor firms' policies are keeping within the best practices framework.



### **The Role of a Financial Professional (“FP”)**

Optimize provides clients with access to Family Office Services, such as financial planning, tax preparation, and will preparation (all provided through Optimize Family Office Services Inc.), insurance solutions (provided through Optimize Insurance Services Inc.), and mortgage and debt management solutions (provided through Optimize Mortgage Services Inc.) There are no additional costs for gaining access to these services.

Any commissions paid to affiliates are disclosed to you in advance.

Your FP’s responsibilities include, but are not limited to:

- (a) Acting as a brand ambassador for Optimize;
- (b) Coordinating and annually reviewing Financial Plans;
- (c) Coordinating estate planning and will preparation services;
- (d) Coordinating tax planning and preparation services;
- (e) Coordinating mortgage and debt management services;
- (f) Providing insurance solutions (if licensed) or referring to licensed insurance advisors; and
- (g) For Investment Advisors: providing investment advice and gathering KYC information as applicable to their registration category.

While your FP coordinates these Family Office Services, your PM and APM continue to manage your investments on a discretionary basis. In some circumstances, your FP may also be your PM or APM, if they have attained the required accreditations. In those instances where the FP does not have the registration to act as a PM or APM, one will be assigned to manage the investments in your Managed Account.

### **Complaints and Dispute Resolution**

Schedule “A” describes the complaints and dispute resolution service available to you.

### **Benchmarks**

We do not believe that money should be managed with relative performance in mind, but that absolute wealth creation and its sustainability are of the utmost importance. As a result, we do not benchmark the performance of our Managed Accounts against any indices. Optimize measures success against the benchmark of producing long-term, after-tax returns that are greater than inflation. Some clients may find that comparing their portfolio to a benchmark is a useful exercise for monitoring purposes. Investment benchmarks usually provide a broad measure of the return generated by specific asset classes over a given period. They are often referred to as reference indices since the most common form of investment benchmark is an index - such as a stock or bond index. A benchmark must replicate the security or portfolio you are monitoring as closely as possible for the comparison to be meaningful.

### **Referral Arrangements**

Optimize has established referral arrangements with third parties. Optimize both pays and receives payment for the introduction of potential clients and the provision of financial services. Where you are receiving services which fall under such arrangements, you will receive specific disclosure regarding the nature of the agreement between Optimize and the person or company that is making or receiving the referral.



# Schedule “A”

## Complaints Process and Independent Dispute Resolution Service

### Our Complaint Process

Optimize has policies and procedures for handling client complaints outlined below. If you have a complaint related to any advising or trading activity of Optimize, we would like to hear from you. Complaints should be in writing and to the attention of the Chief Compliance Officer. Please include any details that would be pertinent including, the date, what happened and your requested resolution. Any complaints should be sent To:

Email: [compliance@optimize.ca](mailto:compliance@optimize.ca)

**You may want to consider using a method other than email for sensitive information.**

Optimize will acknowledge your complaint in writing, within five (5) business days of receipt. We may ask you to provide more information to help us resolve your complaint. You should make your complaint as soon as possible after the event occurs, reply promptly if we ask you for more information and keep copies of all relevant documents, such as letters, emails and notes of conversations.

Optimize will provide written notice of its decision within ninety (90) days of receiving your complaint which will include:

- (a) a summary of the complaint;
- (b) the results of Optimize’s investigation; and
- (c) an explanation of our decision.



## **Filing a complaint with OBSI**

Contact OBSI

Email: [ombudsman@obsi.ca](mailto:ombudsman@obsi.ca)

Telephone: 1-888-451-4519

For more information about OBSI, visit [www.obsi.ca](http://www.obsi.ca)

OBSI works confidentially and in an informal manner. It is not like going to court and you do not need a lawyer. During its investigation, you may be interviewed, along with representatives from Optimize.

Once OBSI has completed its investigation, it will provide a recommendation. OBSI's recommendations are not binding to either party. If you are not satisfied with the recommendation, please keep in mind you may opt to take the complaint to a dispute resolution service of your choosing at your own expense.

## **Document Checklist**

Below is a checklist of documents that will be made available to you upon account opening.

### **For all accounts**

- New Client Account Application;
- Relationship Disclosure Information;
- Conflicts of Interest Brochure;
- Investment Policy Statement;
- Electronic Funds Transfer Terms & Conditions; and
- NBIN Account and Services Agreement and Disclosure

### **For Managed Accounts**

- Optimize Managed Account Agreement
- Optimize Private Client Program
- Optimize Fund Disclosure Document
- Optimize Fee Schedule
- Optimize Client Transition Acknowledgement

### **Additional Documents For CIRO Only (Clients of Optimize Wealth Management Inc.)**

- Account Service Fee Schedule
- CIRO Opening an Investment Account Brochure
- How CIRO Protects Investors Brochure
- Canadian Investment Protection Fund Brochure



- Strip Bonds Brochure
- Welcome to NBIN
- NBIN Understanding your Investment Portfolio Statement
- CIRO Making a Complaint Brochure
- CIRO How Can I Get My Money Back Brochure

Optimize will provide an executed copy of your onboarding documents once your account has been approved and processed. This includes providing you with a copy of updates when significant changes to the know-your-client information has occurred. Please take a moment to carefully review the completed account documentation to ensure the accuracy of the KYC information, your investment objectives and that your risk profile are properly reflected.

# Fee Schedule



# Fee Schedule

This fee schedule forms a part of your Managed Account Agreement with Optimize Wealth Management Inc. or Optimize Global Asset Management Inc. (collectively “Optimize”), as applicable. The table below sets out the annual direct and indirect Optimize fees and expenses applicable to your Account, expressed as a percentage of the value of the assets in your Account.

Value of Account	Account Level Fees <sup>1</sup>	Optimize Fund Level Account Level Fees <sup>1,2</sup>	Total Fees <sup>1,2</sup>
First \$1 Million	1.45%	0.70%	2.15%
Next \$2 Million	1.35%	0.70%	2.05%
Next \$2 Million	1.25%	0.70%	1.95%
Greater than \$5 Million	1.00%	0.70%	1.70%

1. Plus applicable provincial sales tax (PST), Harmonized Sales Tax (HST) or Goods and Services Tax (GST).
2. Excludes Performance Fees payable by the Optimize Private Opportunities Funds, described below as well as Operating Expenses for the Optimize Funds.

By way of example, Optimize would charge an investment portfolio of \$2,000,000 Account Level Fees and Optimize Fund Level Management Fees of 2.15% on the first \$1,000,000 and 2.05% on the subsequent \$1,000,000, for a blended rate of 2.10% on the total investment portfolio, which does not include Operating Expenses incurred by Optimize Funds, nor any Performance Fees payable by the Optimize Private Opportunities Funds.

## Account Level Fees

Account Level Fees are calculated annually but charged monthly, in advance, to the Accounts on a pro-rated basis. You agree that, on the second Thursday of each month, an amount equal to 1/12 of your annual Account Level Fee (calculated based on the value of your Account on the last business day of the prior month) will be debited from your Account and paid to Optimize. You authorize Optimize to withdraw Account Level Fees from your Account.



Your quarterly statement will show Account Level Fees deducted from your Account as a line item. Your Annual Statement of Charges and Compensation will show all Account Level Fees paid in the year. Account Level Fees may be deductible for tax purposes on non-registered Accounts. If your Account holds securities other than Units of the Optimize Funds, the Custodian will charge brokerage commissions for transactions in those securities at rates set out in a separate fee schedule provided by the Custodian or Optimize.

### **Fund Level Fees and Operating Expenses**

The following is an overview of the fees and expenses payable by the Optimize Funds held in your Account. Details regarding each type of fee and expense are set out in the Optimize Funds Disclosure Document. Actual fees and expenses paid by the Optimize Funds are set out in the financial statements of the Optimize Funds. Fund Level Fees and operating expenses are not disclosed on your Annual Statement of Charges and Compensation.

### **Management Fees**

Your Account holds Class OWM Units and/or Class OWMUS Units of the Optimize Funds included in your Model Portfolio (“Units”). Fund Level Fees are paid by the Funds on or near the first business day of each month based on the Net Asset Value of the Class calculated on the last business day of the prior month.

### **Performance Fees**

Your Account may hold Units of Optimize Premium Yield Fund and Optimize Growth Equity Fund. Those Funds will pay to Optimize a Performance Fee which will be calculated and accrued weekly and be paid quarterly. The Performance Fee for a calendar quarter is equal to 20% of the positive difference, if any, between the Net Asset Value of the Units and the High-Water Mark for the Units. If there is no positive difference, no Performance Fee is paid.

### **Operating Expenses**

Average Annual Operating Expenses of 0.10% include the following expenses of the Optimize Funds: trading commissions, custody fees, accounting, audit and fund administration fees and legal fees. Average Annual Operating Expenses does not include “Underlying Investment Expense” as described in the Optimize Funds Disclosure Document. There may be other costs associated with the management of Optimize Funds such as interest expenses. These costs are detailed in the financial statements of the Optimize Funds.

# Administration Charges



# Administration Charges

<b>Annual Administration Fees - Optimize Wealth Management</b>	<b>Optimize Client</b>
Registered Savings Plan (RRSP/LIRA/ QSSP)	\$0
Registered Retirement Income Fund (RRIF/LRIF/LIF)	\$0
Tax Free Savings Account (TFSA)	\$0
Registered Education Savings Plan (RESP)	\$0

Fees and service charges will be charged in the currency of the transactions and are subject to GST or HST where applicable. Fees are as of October 2025 and are subject to change. Please contact your Portfolio Manager, Associate Portfolio Manager or Financial Professional for further information. This summary is intended for information purposes only and Optimize Wealth Management Inc. shall not be held liable should rates differ from the above.



## Registered Plan Fees

<b>Registered Plan Fees - Optimize Wealth Management</b>	<b>Optimize Client</b>
Plan De-registration Fees (Partial)	\$75
Plan De-registration Fees (Full)	\$125
Unscheduled RIF Withdrawal	\$25
TFSA Withdrawal (Full or Partial)	\$0
Security Registration	\$250/issuer

Fees and service charges will be charged in the currency of the transactions and are subject to GST or HST where applicable. Fees are as of October 2025 and are subject to change. Please contact your Portfolio Manager, Associate Portfolio Manager or Financial Professional for further information. This summary is intended for information purposes only and Optimize Wealth Management Inc. shall not be held liable should rates differ from the above.



# Ad-hoc Service Charges

<b>Ad-Hoc Service Charges - Optimize Wealth Management</b>	<b>Optimize Client</b>
Account Transfers (Transfer-Out)	\$150
Ongoing Paper Document Delivery	\$25 per month per client
One Time Manual Onboarding Fee	\$25
Third Party Disbursement (plus applicable third party charges)	\$50
Cheques - Returned Items (plus other applicable charges)	\$50
Stop Payment	\$25
Wire Transfer (rush same day EFT) - Outbound Domestic	\$25
Wire Transfer (rush same day EFT) - Outbound International	\$50
Wire Transfer - Inbound	\$10

Fees and service charges will be charged in the currency of the transactions and are subject to GST or HST where applicable. Fees are as of October 2025 and are subject to change. Please contact your Portfolio Manager, Associate Portfolio Manager or Financial Professional for further information. This summary is intended for information purposes only and Optimize Wealth Management Inc. shall not be held liable should rates differ from the above.



# Trade Execution

Commission charges may be applied on any trade, are charged in the currency of the transaction and are subject to change.

<b>Product Type - Optimize Wealth Management</b>	<b>Optimize Client</b>
Optimize Funds	\$0 per Order
Mutual Funds (non-Fundserv)	\$50 per Order
Mutual Funds (Fundserv)	\$7 per Order
Canadian Equities	\$5 per Order
U.S. Equities	\$5 per Order
Fixed Income	\$0 per Order
GIC & CSBs	\$0 per Order

Fees and service charges will be charged in the currency of the transactions and are subject to GST or HST where applicable. Fees are as of October 2025 and are subject to change. Please contact your Portfolio Manager, Associate Portfolio Manager or Financial Professional for further information. This summary is intended for information purposes only and Optimize Wealth Management Inc. shall not be held liable should rates differ from the above.



# Administration Charges

<b>Administration Charges - Optimize Asset Management</b>	<b>Optimize Client</b>
Registered Savings Plan (RRSP/LIRA/ QSSP)	\$0
Registered Retirement Income Fund (RRIF/LRIF/LIF)	\$0
Tax Free Savings Account (TFSA)	\$0
Registered Education Savings Plan (RESP)	\$0

Fees and service charges will be charged in the currency of the transactions and are subject to GST or HST where applicable. Fees are as of October 2025 and are subject to change. Please contact your Portfolio Manager, Associate Portfolio Manager or Financial Professional for further information. This summary is intended for information purposes only and Optimize Global Asset Management Inc. shall not be held liable should rates differ from the above.



## Registered Plan Fees

<b>Registered Plan Fees - Optimize Asset Management</b>	<b>Optimize Client</b>
Plan De-registration Fees (Partial)	\$25+Tax
Plan De-registration Fees (Full)	\$125
Unscheduled RIF Withdrawal	\$0
TFSA Withdrawal (Full or Partial)	\$0
Security Registration	\$250/issuer

Fees and service charges will be charged in the currency of the transactions and are subject to GST or HST where applicable. Fees are as of October 2025 and are subject to change. Please contact your Portfolio Manager, Associate Portfolio Manager or Financial Professional for further information. This summary is intended for information purposes only and Optimize Global Asset Management Inc. shall not be held liable should rates differ from the above.



## Ad-hoc Service Charges

<b>Ad-Hoc Service Charges - Optimize Asset Management</b>	<b>Optimize Client</b>
Account Transfers (Transfer-Out)	\$150
Ongoing Paper Document Delivery	\$25 per month per client
One Time Manual Onboarding Fee	\$25
Paper Statement Fee (Quarterly)	\$6
Paper Trade Confirmation Fee	\$2/transaction
Stop Payment	\$25
Wire Transfer (rush same day EFT) - Outbound Domestic	\$20
Wire Transfer (rush same day EFT) - Outbound International	\$50
Wire Transfer - Inbound	\$10

Fees and service charges will be charged in the currency of the transactions and are subject to GST or HST where applicable. Fees are as of October 2025 and are subject to change. Please contact your Portfolio Manager, Associate Portfolio Manager or Financial Professional for further information. This summary is intended for information purposes only and Optimize Global Asset Management Inc. shall not be held liable should rates differ from the above.



# Ad-hoc Service Charges

<b>Ad-Hoc Service Charges - Optimize Asset Management</b>	<b>Optimize Client</b>
Third Party Disbursement (plus applicable third party charges)	\$50
Cheques - Returned Items (plus other applicable charges)	\$42.50
Electronic Funds Transfer (EFT)	No Charge
Non-Eligible Mutual Funds	\$10/month
Certificate Registration - Canadian and US	\$50
Rush Certificate Registration - Canadian and US	\$150
Cheque Withdrawals	\$10
Drip Enrollment - Initial Fee	\$10
Drip Enrollment - Investigation Fee	\$50/hour

Fees and service charges will be charged in the currency of the transactions and are subject to GST or HST where applicable. Fees are as of October 2025 and are subject to change. Please contact your Portfolio Manager, Associate Portfolio Manager or Financial Professional for further information. This summary is intended for information purposes only and Optimize Global Asset Management Inc. shall not be held liable should rates differ from the above.



# Trade Execution

Commission charges may be applied on any trade, are charged in the currency of the transaction and are subject to change.

<b>Product Type - Optimize Asset Management</b>	<b>Optimize Client</b>
Optimize Funds	\$0 per Order
Mutual Funds (non-Fundserv)	\$50 per Order
Mutual Funds (Fundserv)	\$7 per Order
Canadian Equities	Priced from \$0.01 to \$1.00 - 1% of gross value of trade, minimum \$5.00 Priced above \$1.00 - \$0.01/share, minimum \$5.00*
U.S. Equities	Priced from \$0.01 to \$7.00 - 1% of gross value of trade, minimum \$5.00 Priced above \$1.00 - \$0.01/share, minimum \$5.00*
Fixed Income	\$0 per Order
GIC & CSBs	\$0 per Order

\*Note - \$0 Commission any time the commission value exceeds 10% of the gross value of the trade

Fees and service charges will be charged in the currency of the transactions and are subject to GST or HST where applicable. Fees are as of October 2025 and are subject to change. Please contact your Portfolio Manager, Associate Portfolio Manager or Financial Professional for further information. This summary is intended for information purposes only and Optimize Global Asset Management Inc. shall not be held liable should rates differ from the above.

# Additional Information



# Additional Information

As a proud member of the Canadian Investment Regulatory Organization (“CIRO”) and the Canadian Investor Protection Fund (“CIPF”), Optimize Wealth Management Inc. is committed to helping you navigate your financial journey with confidence and trust. As a client of Optimize Wealth Management Inc., this additional information brochure highlights key resources and information designed to support you in making informed investment decisions. Additionally, we have made available to you information on our Custodian who is also a carrying broker and member of CIRO.

## Helpful Resources for Clients of an Investment Dealer

- 1. Opening an Investment Account:** Learn about the steps involved in opening an investment account, the information you’ll need to provide, and what to expect during the process. Read more here: [Opening an Investment Account](#).
- 2. CIRO Complaints Brochure:** Understand your rights as an investor and how to raise a concern or complaint if you encounter an issue with your investment account. This document explains the complaints process in detail. Read more here: [CIRO Complaints Brochure](#)
- 3. How CIRO Protects Investors:** CIRO provides oversight to ensure investment dealers and advisors comply with high regulatory standards. Learn how CIRO’s regulatory framework works to protect your investments. Read more here: [How CIRO Protects Investors](#)
- 4. Strip Bonds and Strip Bond Packages:** Discover valuable insights into strip bonds and strip bond packages, including the risks, benefits, and considerations for incorporating these instruments into your investment portfolio. Read more here: [Strip Bonds and Strip Bond Packages](#)
- 5. Canadian Investor Protection Fund:** Learn how CIPF provides protection to eligible investors in the rare event of an investment dealer’s insolvency. Read more here: [Canadian Investor Protection Fund](#)
- 6. Welcome to National Bank Independent Network:** Explore the benefits of working with National Bank Independent Network, a trusted partner offering personalized investment solutions. Read more here: [Welcome to National Bank Independent Network](#)

## Why Choose a CIRO-Regulated Investment Dealer?

- Transparency: Clear and consistent communication to keep you informed.
- Investor Protection: Oversight ensures your investments are handled ethically and responsibly.

If you have any questions relating to any of the above resources, please don’t hesitate to reach out to your Portfolio Manager, Associate Portfolio Manager or Financial Professional directly.

# Conflict of Interest



# Conflicts of Interest Register

## **Managed Accounts invested in Proprietary Funds of Related Affiliates**

Conflicts exist when we exercise our discretion to invest your Account in proprietary Funds which are managed by Optimize Global Asset Management Inc. In these instances, the conflict arises because Optimize will receive additional fee revenue from the Funds which we would not receive if your Account were invested in third party funds or securities. In this case it may be perceived that we are favouring our business interest over yours.

We manage this conflict by:

- (a) Ensuring that each Optimize Model Portfolio, and the underlying Funds, in your Account, are recommended to you based on a comprehensive suitability assessment. You will only receive the products that are appropriate for you in our professional judgement. We undertake a comprehensive Know-your-Client/Suitability process that is supervised by Compliance Department.
- (b) When we recommend a product, we do so because we have used our professional judgement to assess the appropriateness and suitability of the investment for you. The depth of our investment team allows us to effectively assess our products and services to ensure they are competitive and suitable to each client.
- (c) We disclose the fees associated with services provided to you, including management fees, performance fees, custodian, and trading fees. This means you can compare and evaluate our costs.
- (d) There are some PMs and APMs who receive a portion of their compensation which is derived from the value of assets they manage. This conflict is managed as the bonus is calculated on the overall value of assets, there is no incentive paid for at a client or product level or for performance of the Funds.
- (e) We regularly review comparable funds in the marketplace.

## **Fair Allocation of Investment Opportunities**

It is our policy to ensure that we deal fairly, honestly and in good faith when allocating investment opportunities. This includes securities traded on public exchanges, new issues, or participation in an initial public offering. No single Account will receive preference in the allocation of investment opportunities. The principal determination when allocating investment opportunities is the suitability of the transaction given each client's particular investment mandate. If there is insufficient availability of an investment opportunity, then the investment will be allocated on a pro rata basis across the suitable accounts.

Accounts will primarily invest in the Model Portfolios. This enhances the ability for Optimize to allocate trades fairly and ensure that similarly situated clients receive similar investment at the same time with the same NAV.



### **Related and Connected Issuers**

Optimize is wholly owned by OFG, the parent company. The Funds are the only investment products that are managed by Optimize and are available to clients of Optimize. The Funds are proprietary products and are related and connected issuers, as Optimize Global Asset Management Inc. is the Trustee, Investment Fund Manager and Portfolio Manager of the Funds. Optimize Global Asset Management Inc. earns management fees and, in some cases, performance fees from the Funds. The Funds are the only related and connected issuers of Optimize.

Further information regarding Funds and how they are managed is set out in the Optimize Fund Disclosure Document under “Conflicts of Interest” and “Fees and Expenses”.

### **Proprietary Products**

When you enter into Optimize’s Private Client Program, your Account will be invested in the Funds. We select the Model Portfolio that is most suitable for you, which will include one or more Funds. The selection of Funds will be based on your personal circumstances and investment needs, which may change over time. As we primarily offer proprietary products, our suitability determination will not consider the larger market of non-proprietary products or whether those non-proprietary products would be better, worse or equal in meeting your investment needs and objectives.

The Optimize Private Client Program Brochure describes the use of the Model Portfolios and Funds for your Account. We have policies and procedures in place to manage our Know-your-Client and Know-your-Product obligations, which includes compliance and training programs. The Investment Team conducts ongoing assessment of the Funds, which includes peer reviews to ensure the proprietary products continue to be competitive within the greater market offerings.

### **Error Corrections**

Should an error occur while managing your Account, a potential conflict of interest could arise during the process of correcting the error where the expense is charged to you, or a gain is taken by Optimize. We avoid this conflict by bearing costs associated with trading errors.

All errors are documented in an error log as a control measure and as a measure to improve business processes. Annually, a brief account of trade errors is included in Optimize’s Chief Compliance Officer’s report to the Boards.

### **Full Control over Client Affairs**

Optimize deems full control or authority of a client’s financial affairs to be an inherent material conflict of interest and therefore, we prohibit such activity. This includes, but is not limited to, acting as a trustee, executor, power of attorney or any other position that may give a PM, APM, FP or employee control over the financial affairs of a client. An exception is granted to individuals acting on behalf of immediate family. Compliance approval is required in these instances.



### **Personal Trading**

Optimize has adopted a personal trading policy in order to prevent, detect and mitigate conflicts between such personal trading and the interests of clients. Any individual who has or can obtain access to non-public information concerning the portfolio holdings, the trading activity of client accounts, is prohibited from using such information for their personal benefit. These individuals also must not use their position to obtain special treatment or investment opportunities not generally available to our clients. These individuals are only allowed to make a personal trade if it falls within our personal trading policy. It must be approved by the designated compliance officer, where it was determined that such trade will not cause a conflict with the best interest of our clients. Employees are required to have duplicate trading statements delivered to Compliance, who reviews them on a continuous basis.

### **Outside Activities**

At times, employees of Optimize may participate in outside activities such as serving on a board, participating in community events or pursuing a personal outside business interest. Optimize requires individuals to avoid situations where a conflict of interest may arise and for registrants to seek approval from Compliance prior to initiating an outside activity. An analysis is conducted based on the nature of the activity and time commitment required to ensure there is little impact to the client. Activities that potentially create a material conflict of interest are prohibited.

In certain circumstances your PM, APM or FP may provide you with additional services such as financial plans or insurance products. These activities may require registration not related to the investment industry. In each of these cases, approval to engage in these value-added services will be required by Compliance. These activities may only be offered to you through managed accounts, which includes the additional services through Family Office Services. These form part of the management fee you pay (excluding insurance premiums).

### **Referral Arrangements**

Optimize may enter referral arrangements whereby it pays a fee for the referral of a client to Optimize. No payments will be made unless the referred investors are first advised of the arrangement in writing, the terms are explained and all applicable securities laws are complied with.

### **Soft Dollar Arrangements**

Soft dollar arrangements occur when brokers have agreed to provide other services (relating to research and trade execution) at no additional cost to Optimize in exchange for brokerage business from Optimize's clients, including Accounts. Optimize does not use Soft Dollar Arrangements.

### **Best Execution**

Most trades in publicly traded securities for Optimize and for client accounts are executed by National Bank Independent Network. They offer competitive rates for both trade execution and



custody fees. As part of our third-party oversight, we regularly review the commission rates available from other execution brokers and the custody fees charged by other custodians with a view to ensuring that we are getting fair and competitive pricing.

### **Fair Valuation**

The Account Level Fees you pay are based on the value of the assets in your Account. There is a potential conflict of interest because the higher the valuation of your Account the higher the fees we are paid. To ensure the fair valuation of the securities in your Account, Optimize has implemented policies and procedures which set pricing principles for bonds, equities and illiquid securities as well as a policy for valuation of foreign currencies and securities.

### **Compensation Practices**

A conflict of interest may arise if compensation paid to our PMs and APMs were structured in a way that incentivized recommending products that generate higher compensation rather than products most suitable for you. We manage this conflict by ensuring that our PMs and APMs receive the same compensation regardless of the Model Portfolio or Optimize Fund held in your Account. Embedded fees are not permitted in managed accounts. We conduct periodic peer reviews to assess whether our compensation structure remains appropriate relative to the marketplace.

### **Fees**

A conflict of interest may arise if we were to fail to fully disclose all fees associated with your Account, as fees affect your investment returns and could influence your decisions. We manage this conflict by providing you with a complete fee schedule at account opening, which you are required to acknowledge. Managed accounts are charged the same fees regardless of the Model Portfolio assigned to your Account. We also provide annual reporting on charges and other compensation.

### **Performance Fees or Trailer Fees**

Optimize Global Asset Management Inc. receives performance fees from certain Optimize Funds. A conflict of interest could arise if our PMs or APMs were incentivized to favour funds that generate higher performance or trailer fees. We manage this conflict by ensuring that embedded fees are not permitted in managed accounts and that PMs and APMs are compensated at the same rate regardless of the Optimize Fund held in your Account. Where performance fees apply, they are calculated by an independent external Fund Administrator. Details regarding performance fees are set out in the Optimize Fund Disclosure Document and Optimize Fee Schedule. We also conduct periodic reviews of comparable funds in the marketplace.

**Sales Practices**

A conflict of interest may arise from sales practices that could influence the recommendations made by our PMs or APMs, such as tied selling, sales targets, or compensation differentiation between products. We manage this conflict by ensuring that our PMs and APMs are not compensated differently based on the type or number of products held in your Account. Managed accounts are charged the same fees regardless of the Model Portfolio assigned to your Account, and embedded fees are not permitted in managed accounts.

**Relationship Disclosure Information**

Please review the Relationship Disclosure Information for further information regarding the conflicts of interest which may arise when Optimize provides services to Accounts, Optimize's complaint handling process and other important information.