



Disclosure Regarding Conflicts of Interest

HSBC Global Asset Management (Canada) Limited as a Dealer and/or Portfolio Manager

In this document, references to "we", "us" and "our" mean HSBC Global Asset Management (Canada) Limited, and to "you" and "your" mean an investor that opens an account with us.

In the course of providing services to you, there will be situations where a conflict arises between our interests and yours. We believe it is important that you are fully informed regarding these conflicts. Canadian securities laws require us to take reasonable steps to identify and respond to existing and potential material conflicts of interest, and in certain circumstances, to provide you with certain information regarding these conflicts and also to obtain your prior consent before we engage in certain types of transactions. This document contains important information regarding certain of the conflicts of interest that we have identified. Please read it carefully.

Transactions or arrangements with certain related parties

We are a member of a group of related companies known as the HSBC Group. In the course of providing services to you, we may from time to time advise you or exercise discretion on your behalf with respect to the purchase or sale of securities from or to, or issued by, other members of the HSBC Group or other persons or companies that are related or connected to us. In addition, in the course of providing services to you or in our role as manager and trustee of certain mutual funds, institutional pooled funds, unit trusts or other investment funds managed or administered by us that you hold an investment in, both directly and indirectly, we may also enter into transactions or arrangements with or involving, and perform services for or accept services from, other members of the HSBC Group or other persons or companies that are related or connected to us. Further, in our role as portfolio advisor of mutual funds and institutional pooled funds managed by us that you hold an investment in, we may, in certain circumstances, purchase securities offered in a distribution in respect of which a member of the HSBC Group acts as an underwriter. These transactions and arrangements are described in further detail below. These transactions and arrangements will give rise to conflicts of interest, and we have adopted policies and procedures to identify and respond to these conflicts. We will only enter into these transactions or arrangements where they are permitted under applicable securities laws and where we believe they are in your (or the funds') best interests in the applicable circumstances.

The following is a list of the types of these transactions and arrangements and our relationship to the parties involved:

- The purchase or sale of securities, derivative instruments or other instruments issued or guaranteed by HSBC Holdings plc, HSBC Bank plc, Hang Seng Bank Limited, HSBC Bank Canada, HSBC Canada Asset Trust, HSBC Financial Corporation Limited and other members of the HSBC Group whose securities are traded on recognized stock exchanges or other public markets or other securities of these or other related entities that are not traded on an exchange or other public market. These entities are related to us because they are members of the HSBC Group. For example, these transactions may include the purchase or sale of ordinary shares of HSBC Holdings plc, preferred shares of HSBC Bank Canada or other securities of these or other related entities that are traded on a stock exchange or other public market, and also the purchase and sale of principal protected notes or certain debt securities issued by HSBC Bank Canada.

- The purchase, sale or redemption of securities issued by any of the HSBC Mutual Funds, the HSBC Pooled Funds, and any other mutual fund, unit trust, exchange-traded fund or investment fund managed, administered or promoted by us or other members of the HSBC Group, or for which we or other members of the HSBC Group act as portfolio advisor, including funds managed, advised or promoted by our affiliates. In most cases, our connection to these funds will be obvious to you because the names of the funds will be sufficiently similar to our name. For example, in most cases the names of the funds will include the word "HSBC" as part of their name. If we believe that the name of any fund is not similar enough to convey the fund's relationship to us, we will provide you with specific disclosure regarding that relationship at the appropriate time.
- The purchase or sale of securities, derivative instruments, foreign exchange contracts or other instruments to or from HSBC Securities (Canada) Inc., HSBC Bank Canada, HSBC Bank plc, HSBC Securities (USA) Inc., HSBC Securities (Asia) Limited, the HongKong and Shanghai Banking Corporation Limited, HSBC Broking Services (Asia) Limited and other members of the HSBC Group for their own respective accounts, or through these entities acting as a broker, dealer, executing and/or clearing broker, or distributor or in a similar capacity, provided that such transactions are made on terms and conditions comparable to those offered by or to unrelated parties. Where we or one of our sub-advisors purchase or sell securities, derivative instruments, foreign exchange contracts or other instruments, or conduct spot foreign exchange or other portfolio transactions, through these entities in their capacity as broker, dealer, executing and/or clearing broker, or distributor or in a similar capacity, they may receive a fee for their services in that capacity. Fees paid to related parties will be paid pursuant to a contract between the applicable parties. HSBC Securities (Canada) Inc. is an investment dealer. HSBC Bank Canada is a Schedule II chartered Canadian bank. HSBC Bank plc is a clearing bank based in the United Kingdom. HSBC Securities (USA) Inc. is a broker dealer based in New York. HSBC Securities (Asia) Limited is a broker based in Hong Kong. The HongKong and Shanghai Banking Corporation Limited is a licensed bank incorporated in Hong Kong. HSBC Broking Services (Asia) Limited is a broker dealer based in Hong Kong. We and HSBC Securities (Canada) Inc. are wholly owned subsidiaries of HSBC Bank Canada. We and all of the HSBC entities listed in this paragraph are (direct or indirect) subsidiaries of HSBC Holdings plc and members of the HSBC Group.
- The purchase, on behalf of a Fund, of a class of securities during, or for the 60-day period following, a distribution of the class of securities in respect of which HSBC Bank Canada, HSBC Securities (Canada) Inc., HSBC Securities (USA) Inc. or another member of the HSBC Group acts as an underwriter. Such investments will only be made where permitted by applicable securities laws or exemptive relief granted by securities regulators.
- Transactions or arrangements with members of the HSBC Group that involve the other members of the HSBC Group providing services to you or to us on your behalf or to funds managed or administered by us or to us on behalf of such funds, and/or receiving a fee. For example, we may retain other members of the HSBC Group to act as our sub-advisor with respect to discretionary accounts managed by us, including our affiliates, or to act as custodian or trustee to the HSBC Mutual Funds, HSBC Pooled Funds or any other mutual fund, institutional pooled fund unit trust or investment fund managed, administered or promoted by us or other members of the HSBC Group. Fees paid to related parties will be paid pursuant to a contract between the applicable parties.

The information disclosed in this document may change from time to time. You can obtain an updated copy of this information free of charge at any time by visiting our website at www.hsbc.ca/important-info-investors.