



RELATIONSHIP DISCLOSURE INFORMATION

This document summarizes key information that investors should know about their relationship with Embark Student Corp. If we make changes to this document, it will be updated and made available on our public website: www.embark.ca.

Who we are.

Embark Student Corp. ("Embark", "we" or "us") is a wholly owned subsidiary of the Embark Student Foundation (the "Foundation") and is the investment fund manager, administrator and distributor of education savings plans sponsored by the Foundation.

The Foundation is a not-for-profit Canadian corporation that sponsors and promotes the Embark Student Plan and the Embark Select Conservative Plan, referenced individually within this document as the "Plan" and collectively as the "Plans".

As a for-profit organization, Embark receives fees for the services it provides as investment fund manager, administrator and distributor of the Plans. These fees are deducted from the assets of the Plans, at rates described in the Plans' Prospectuses. The depository for the Plans is The Bank of Nova Scotia. The Trustee for all Plans is The Bank of Nova Scotia Trust Company.

Please note, references in this booklet to ("you") or ("your") mean each subscriber applicant (and including any joint subscriber or other individuals with authority over the Plan) of a Plan with Embark.

Your Registered Education Savings Plan (RESP)

Embark offers the Plans, which are a type of investment fund that is designed to help you save for a beneficiary's post-secondary education. A beneficiary of a RESP is a person to whom, or on whose behalf, Embark agrees to make Educational Assistance Payments. You sign a contract when you open your Plan with us. You make contributions to your Plan. We invest your contributions for you and deduct applicable fees. You will get back your contributions, less fees and subject to investment risk, whether or not your beneficiary goes on to post-secondary education. The income earned in your Plan is used to pay Educational Assistance Payments (EAPs) to the beneficiary. EAPs are paid from a RESP for an eligible beneficiary. Their purpose is to assist with post-secondary education-related expenses. Your beneficiary will receive EAPs from your Plan if they enroll in eligible studies and all the terms of the contract are met.

Types Of Plans We Offer

The Foundation sponsors and promotes two education savings plans offered by prospectus (a regulatory document which describes in detail, among other things, the features, benefits, costs and risks of the investment). These are:

- Embark Student Plan.
- Embark Select Conservative Plan.

The enrolment criteria, contribution requirements, fees, eligible studies, payments to beneficiaries, options for receiving EAPs and options if the beneficiary does not pursue eligible studies may vary among the Plans offered and are also described in the Plans' prospectus(es).

Embark is the exclusive distributor of the Plans described herein. Embark distributes no other securities to its customers.

RBC Investor Services Trust, located in Toronto Ontario is the custodian of the Embark Student Plan and the Embark Select Conservative Plan. The custodian holds the assets of the Plans in trust for the Foundation. As a distinct entity from Embark, RBC Investor Services Trust provides a neutral perspective and holds assets to minimize the risk of theft or loss. While RBC Investor Services Trust is a regulated trust company, custody of assets involves certain risks, such as operational errors or insolvency of the custodian. These risks are mitigated through regulatory oversight and contractual safeguards. All customer reporting will be delivered to you within our secure customer site.

Embark's Digital Offering

When you establish a Plan with Embark, you are establishing a plan whereby the service is delivered digitally. This means you can access your Plan through our digital platform anytime, anywhere. No matter where you are on your education savings journey, our digital platform makes it easy to identify your education savings target, understand the grants you've



earned, adjust your contributions and learn how to withdraw when the time comes. This includes features such as:

- Cutting-edge tools to manage your savings 24 hours a day, 7 days a week.
- Interactive visualizations and data on your plan.
- Simple, tangible insights, such as how much education your savings is estimated to buy.
- Top-of-the-line technology to ensure your personal information is kept secure.

It is important to understand that our digital platform is also our primary method for communication and delivery of required customer reporting as described in this document "Reporting to subscribers". This requires that you establish secure digital access to your Plan and that you maintain your personal contact details up to date with us.

Setting up your Registered Education Savings Plan (RESP)

In making a recommendation to enroll in a Plan from Embark, our Education Savings Specialists will ensure the recommendation is suitable for you and puts your interests first. To do so, the Education Savings Specialist is required by law to ask about your investment needs and objectives, your personal circumstances, your investment knowledge, investment time horizon, your risk profile, as well as to review personal identification information as part of our 'know your customer' process. Your risk profile is determined by understanding your risk tolerance, or willingness to accept risk as well as your risk capacity, or ability to endure potential financial loss.

Your designated beneficiary of your Plan must be a Canadian resident. Both you and your beneficiary must have a valid Social Insurance Number ("SIN") at enrolment. Upon receiving a valid SIN for you and your beneficiary at enrolment, Embark will register your Plan as a Registered Education Savings Plan ("RESP") with the Government of Canada, so that you will qualify for the tax benefits and government grants available to RESP holders. Customers may not enrol in the Embark Student Plan without a valid subscriber and beneficiary SIN at the time of enrolment.

When you agree to open a Plan with Embark, you enter into an Education Assistance Agreement with the Foundation (the "Agreement"). The terms of the Agreement and your Plan are described in the Prospectus(es). A copy of your Agreement and the Prospectus(es) for your Plan will be uploaded to your secure online portal, at the time you enrol in the Plan you have chosen.

The frequency and dollar amount of contributions to your Plan may be changed at any time upon notice to Embark, subject to Canada Revenue Agency ("CRA") regulations and the terms of your Agreement. Your contributions (less any fees and deductions and subject to investment risk, as specified in the Prospectus(es)) are returned to you whether or not your beneficiary goes on to post-secondary education. The return of contributions is not taxable.

Upon qualifying for an Educational Assistance Payment ("EAP"), as described in the Prospectus(es) and Agreement for each of the Plans, EAP payments are made to either the beneficiary or the subscriber on the Plan, from the income earned and the government grants collected on their behalf. These payments are taxable to the beneficiary in the year they are received.

You have sixty (60) days from the day on which you entered into the Agreement to cancel your Plan with a full refund of your contributions, subject to investment risk. Should this occur, any government grants collected in the first sixty (60) days will be returned to the appropriate government. Government grants that are returned will count towards your grant availability for both the year grants are returned and towards your overall lifetime grant room limit. Contributions that are refunded from a RESP count as part of your \$50,000 lifetime RESP contribution limit.

How we invest your money

Embark is required under applicable securities regulations to ensure each investment recommendation or investment action is suitable based on the information you provide to us, including that the recommendation or investment action puts your interests first. This requirement applies both to transactions recommended by us and transactions proposed by you.

We must take reasonable steps to confirm that, before we make a recommendation to buy or sell a scholarship investment plan for your RESP, it is suitable for you based on the Know Your Customer ("KYC") information you provided and puts your interests first.

Upon the opening of a suitable scholarship investment plan, your contributions will be invested and monitored for adherence to the investment objectives and investment strategies described within the Plan's prospectus(es).

Investment risks

The value of the investments held by the Plans can go up or down. Here is a description of some of the risks that can cause the value of the scholarship plans' investments to change, which will affect the amount of EAPs available to beneficiaries.

- Unlike bank accounts or guaranteed investment certificates, your investment in a scholarship plan is not covered by the Canada Deposit Insurance Corporation or any other government deposit insurer.
- Debt securities are interest-bearing loans to governments and companies. These kinds of securities are affected by interest rate risk and credit risk.
 - Interest rate risk is the risk that the fair value of the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. If market interest rates go up, the value of these securities could fall. The reverse is also possible.
 - Credit Risk is the ability of the issuer of the debt securities to make interest payments and repay the original amount of the loan. We only invest in corporate debt securities issued by companies with a minimum BBB Rating.
- Equities represent an ownership share in a company. The values of equity positions are affected by:
 - company-specific risk where decisions and performance of a company impact its returns and distribution of wealth.
 - systematic risk where the value of the equity portfolio is impacted by movements in the overall level of the market. For example, an expanding economy usually leads to increased profits and a higher price for securities while a contracting economy may have the opposite effect.

A comprehensive list of investments risks associated with your investment in the Plans are listed within the product prospectus(es).

Costs associated with your RESP

There are fees, charges and expenses (together "Costs") associated with the Plans. These costs are described within the Plans' prospectus(es) in which your RESP contributions shall be invested. Additional administrative charges and other ancillary services fees, which may be applicable to your RESP account, are disclosed in our "*Embark Schedule of Fees and Charges*", a copy of which is available at www.embark.ca.

Ongoing costs can also reduce the value of your Plan over time, because not only is your investment balance reduced by the cost, but you also lose any return you would have earned on that cost. Every dollar taken out to cover fees is one less dollar left to invest in the portfolio to compound and grow over time.

Risks associated with your RESP

Embark offers education savings plans that are designed for long-term savings to put towards the cost of post-secondary education. The following are risk factors to be considered before choosing to invest in a Plan:

- If for any reason the CRA cannot register your Plan as a RESP, we shall cancel your Plan.
- If your beneficiary does not enroll in a post-secondary program that qualifies for EAPs under your Plan, you could lose the income in your Plan and the government grants will have to be returned to the government.
- If you withdraw your contributions before your beneficiary begins post-secondary education, whether before or after the initial sixty (60) day evaluation period, any Canada Education Savings Grant or provincial grant or incentive will be returned to the appropriate government. If you do not qualify for an Accumulated Income payment (AIP) the income earned on your Plan may be paid to a designated educational institution as required under the Income Tax Act (Canada)
- If contributions to your Plan are higher than the limits allowed by the Income Tax Act (Canada), you may have to pay a penalty tax.
- Qualification for federal and/or provincial RESP grants is subject to eligibility criteria which may be amended from time to time.
- We cannot guarantee that your beneficiary will qualify for EAPs or how much his or her EAPs will be.
- The money in your Plan is invested in adherence to the investment objectives and strategies outlined in the

prospectus(es), but there is always some investment risk. This risk is outlined the Plans' product prospectus.

- If you choose to cancel your Plan after you have had it for at least sixty (60) days, some or all of the fees you have paid to date will not be refunded.
- The SIN of both the customer and the beneficiary must be valid to enroll in and contribute to an RESP. If you are enrolling in a Plan using a temporary SIN, once it expires no further contributions may be made to the RESP without updating the temporary SIN to a permanent SIN.
- The last day to withdraw funds from your Plan is December 31 of the 35th year after the year in which you opened your Plan. After this your Plan will terminate; any grants will be returned to the government and any earnings remaining in your Plan may be donated to a post-secondary institution selected by us as required under the Income Tax Act (Canada).

Embark has obtained an exemption from the requirement in Ontario securities law to participate in an approved compensation fund or contingency trust fund. These funds provide for certain compensation to eligible customers of a participating dealer who suffer a financial loss as a result of the dealer becoming insolvent and not being able to return assets which it was holding on behalf of customers. It is a condition of the exemption that Embark shall not hold any customer assets. Refer to the section above entitled "*Who we are*" for more information about our custody relationships.

Use of Benchmarks

An investment performance benchmark is a standard against which the performance of your investments is compared. Embark does not provide performance benchmarks on an individual or consolidated account basis.

Using Borrowed Money to Invest

Using borrowed money to invest in securities can magnify the gain or loss on the cash invested. The effect of this is called leveraging. If you are considering borrowing money to make investments or considering providing us with borrowed money to make investments on your behalf, you should be aware that a leveraged purchase involves greater risk than a purchase using available cash resources only. Embark does not permit its customers to use borrowed funds to invest in or make contributions to their Plans.

Reporting to subscribers

As an Embark customer, you will receive regular reporting on your Plan's activities, investment performance, charges, and fees. All customer reporting will be delivered to you within our secure customer site. Notice of delivery of a new report, statement or customer communication will be delivered to you by email or through secure message center notification. It is important that you keep your contact information including, address, phone number(s) and email address up to date and it is important to access your secure site on a regular basis.

Annual Statement of Account

Every year we will provide to you an annual statement of account which will include a summary of your net contributions, government grants and income earned during the period covered by the statement, as well as since the start date of the Plan. You will be provided with email notice or a secure message center notification of our delivery of this customer reporting within our secure site. You may also access your Embark Student Plan account at any time on our secure website at www.embark.ca.

Report on Charges and Other Compensation

In accordance with National Instrument ("NI") 31-103, Scholarship Plans sometimes have enrolment fees payable in instalments in the first few years of a customer's investment in the Plan. Paragraph 14.17(1)(f) of NI 31-103, Report on Charges and Other Compensation, requires that Scholarship Plan Dealers include a reminder of the unpaid amount of any such fees in their annual reports on charges and other compensation. The Embark Plans do not charge enrolment fees.

Investment Performance Report

We are required by regulation to deliver you an Investment Performance Report every twelve months that includes the following information:

- the total amount you have invested in each of your Plans as at the date of the report.



- the total amount that would be returned to you, as at the date of the report, if you ceased to make prescribed payments into any of your Plans.
- a reasonable projection of future payments that each of your Plans might pay to your designated beneficiary under each Plan, or to you, at the maturity of your investment in the Plan.
- a summary of any terms of each of your Plans that, if not met by you or your designated beneficiary, might cause you or your designated beneficiary to suffer a loss of contributions, earnings or government contributions in the Plan.

The information required in your Report on Charges and Other Compensation and Investment Performance Report is included in your annual statement of account.

Complaints and dispute resolution

If you have a complaint or concern about Embark, your Education Savings Specialist or the services you received from us when you enrolled in your Plan, we urge you to contact us. Our address, email and phone numbers are listed under “How to contact Embark Student Corp.”. We urge you to use a method other than email for the communication of sensitive information. In your communication, please tell us what went wrong, when it happened and what your expectations are – for example, money back, an apology, or Plan correction. We will acknowledge your complaint in writing, as soon as possible, typically within five business days of receiving your complaint. We may ask you to provide clarification or more information to help us resolve your complaint.

We will work with you to resolve your complaint or dispute. We normally provide our decision in writing, within 90 days of receiving a complaint and it will include a summary of the complaint, the results of our investigation and our decision to make an offer to resolve the complaint or deny it, and an explanation of our decision. If we cannot provide you with our decision within 90 days, we will inform you of the delay, explain why our decision is delayed, and give you a new date for our decision.

If you are not satisfied with our decision, or if we do not provide our decision within 90 days after you made your complaint (or an explanation for the delay), our customers have the option of using the free and independent dispute resolution service offered by the Ombudsman for Banking Services and Investments (“OBSI”). This does not restrict your ability to take a complaint to a dispute resolution service of your choosing at your own expense, or to bring an action in court. Keep in mind there are time limits for taking legal action.

You have the right to use OBSI’s service if your complaint relates to a trading or advising activity of our company or by one of our representatives and you brought your complaint to us within 6 years from the time that you first knew, or ought to have known, about the event that caused the complaint. If you are not satisfied with our decision, you have up to 180 days after we provide you with our decision to take your complaint to OBSI. If we do not provide you with our decision within 90 days, you can take your complaint to OBSI any time after the 90-day period has ended.

Once you contact the OBSI (Email: ombudsman@obsi.ca, Telephone: 1 888 451-4519 or 416 287-2877) they will investigate your concern. 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, OBSI may interview you and representatives of our firm. We are required to cooperate in OBSI’s investigations.

Once OBSI has completed its investigation, it will provide its recommendations to you and us. OBSI’s recommendations are not binding on you or us. OBSI can recommend compensation of up to \$350,000. If your claim is higher, you will have to agree to that limit on any compensation you seek through OBSI. If you want to recover more than \$350,000, you may want to consider another option, such as legal action, to resolve your complaint. For more information about OBSI, visit www.obsi.ca.

If you are from Quebec and you are not satisfied with the outcome of your complaint, you may consider the free mediation service offered by the Autorité des marchés financiers (“AMF”). For more information on this service, visit <https://lautorite.qc.ca/en/general-public/>. If you are from Quebec, the 90-day timeframes noted above are amended to 60 days per Quebec legislation.

OBSI

401 Bay Street, Suite 1505

P.O. Box 5

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Fax: 1 888 422-2865
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Your responsibility

We encourage you to understand the risks associated with the Plans offered by Embark before entering into an Agreement to purchase a Plan. You should read the Plan's Prospectus(es) and ask your Education Savings Specialist any questions you may have.

When you enter into an Agreement with us, you are agreeing to the terms of the Agreement and you should regularly review the financial information that we provide to you, or make available, about the Plans.

If there are any changes to your personal details, financial circumstances, investment objectives or risk profile please log onto your secure portal and update your personal details. This will allow us to assist you in modifying your RESP, if this becomes necessary.

At any time, should you have any questions or concerns regarding your Plan, please contact our Customer Success Centre at 1 800 363-7377 or contact@embark.ca.

Use of SMS (Text Messaging)

In limited situations Embark will use SMS (Text Messaging or "Text") as a means of communication. We encourage you to take precautions to protect yourself from fraudulent Text Messaging.

Never share personal identifiable information by Text. Embark will never ask you to respond to a Text to provide or confirm personal identifiable information. We will never send you a Text which asks you to share your username and password.

Embark may send you notices when there is a new message or customer report to review within your secure online account. You may access your secure online account via our main public website at www.embark.ca. Each Text sent by Embark will offer you the option to reply STOP to opt out. However, please note that we may continue to send Text messages where we must communicate with you as required by law.

Conflicts of Interest

General Information

As a customer of Embark, situations may occur where a conflict of interest arises. A conflict of interest can occur where the interests of one party differ or conflict with the interests of another party. For you, as an Embark customer, a conflict of interest may occur where your own interests differ or conflict with the interests of Embark or your Embark Student Corp. Education Savings Specialist.

Conflicts of interest, whether real or perceived, are important to know so that all the parties – you, the customer, Embark and your Embark Education Savings Specialist – can respond to the conflict appropriately. We continuously strive to put your interests – the interests of the customer – first and foremost in everything we do. Embark is required under Canadian securities laws to take reasonable steps to identify and respond to all material conflicts of interest in your best interests and tell you about them, including how the conflicts might impact you and how Embark addresses them in your best interests.

Embark seeks to avoid or minimize conflicts of interest wherever reasonably possible. We strive to ensure that no customer receives special or preferred treatment over another in the operation and management of their Embark



RESP. Some conflicts of interest cannot be avoided, including those conflicts related to the fact that Embark both enrolls you into a RESP and manages how your RESP contributions, grants and income on your contributions and grants are invested.

In this disclosure document, we will identify and describe each real or perceived material conflict of interest and explain how we are addressing the conflict in the best interests of the customer.

In general terms, where a real or perceived material conflict of interest exists, we address and manage those conflicts with the following general principles:

- We avoid conflicts which are prohibited by law, as well as conflicts that we cannot effectively control in your best interests.
- Our Education Savings Specialists are required to comply with various policies and procedures, which are designed to ensure that they follow ethical and customer-first sales and business practices. These policies and procedures include an Embark Code of Conduct that each Education Savings Specialist must attest to every year, confirming their understanding and agreement to follow it.
- Our internal compensation practices are designed to ensure that your Education Savings Specialist is not encouraged or influenced by compensation to recommend one of our Embark Plans over another.
- For each material conflict of interest, we seek to resolve it in your best interests.
- We disclose information about real or perceived material conflicts of interest to our customers so that you can assess independently whether these conflicts are significant to you.

Management of the Embark Plans

Embark is a registered Scholarship Plan Dealer and Investment Fund Manager, under securities laws in all provinces and territories in Canada, therefore in addition to enrolling you into one or more of our Scholarship Plan(s), Embark also manages the investments within each of the Plans. Embark is wholly owned by the Foundation, which is the sponsor and promoter of the Embark Plans. This conflict is addressed as follows:

As Investment Fund Manager, Embark is responsible for investing the assets in each of the Embark Plans in accordance with securities laws. Embark is not involved in the direct investment of the Plans' assets. Instead, Embark has appointed portfolio advisors to perform this function. None of the appointed portfolio advisors are related or connected to Embark.

The details of how the Embark Plans' assets are invested are set out in the Embark Plans' most recent prospectus(es), available at www.embark.ca and on the System for Electronic Document Analysis and Retrieval (SEDAR+) at www.sedarplus.ca under the Issuer Profile of each of the Plans.

Under Canadian securities laws, Embark is also the registered Investment Fund Manager for each of the Embark Plans.

Embark receives certain management and administrative fees from the Plans as administrator and investment fund manager of the Embark Plans. These fees are used to pay the portfolio advisors, and other service providers to the Plans, such as the Plans' trustee and custodian. The management fees are calculated on the net asset value of the Plans' assets and are disclosed in each of the Plans' prospectus(es). As the Plans' assets increase, through contributions and grants from new and existing customers and through the investment returns earned on the investment of the Plans' assets, the management fees will also increase. This potential material conflict, which is inherent to Embark's business model as a registered Scholarship Plan Dealer, is addressed in the following manner:

- Embark monitors the activities of its portfolio advisors regularly, ensuring they comply with the investment restrictions that the Embark Plans must follow.
- Embark's Board of Directors, who are fully independent from Embark Student Corp.'s management team, oversees the monitoring activities on an ongoing basis.
- Management of Embark is also required under Canadian securities laws to identify any real or potential conflicts of interest related to the administration of the Embark Plans to the Plans' Independent Review Committee ("IRC"), for consideration and approval on the way the conflict will be addressed. The IRC, consisting of three individuals who are fully independent of Embark, publishes an annual report setting out its activities for the past year, including any conflicts brought forth. This report is available at www.embark.ca and on SEDAR+ at www.sedarplus.ca under the Issuer Profile of each of the Plans.



Proprietary Products

Embark, consistent with the requirements of its registration as a Scholarship Plan Dealer, only distributes the Embark Plans to customers, which may be perceived as a conflict of interest in respect of how those products are in the best interests of customers. This potential material conflict is addressed in the following manner:

- Embark has policies and procedures in place, consistent with Canadian securities laws requiring it, and its registered Education Savings Specialists, to ensure recommendations to customers for the enrollment into an Embark Plan are suitable for the customer in consideration of the customer's needs and personal and financial circumstances. Embark's Compliance Services department ensures that these policies and procedures are communicated and adhered to.
- Embark provides detailed information to customers at the point of enrollment regarding the recommended Plan, including a Detailed Plan Disclosure and a Plan Summary Document (collectively, the "Embark Prospectus"). The Embark Prospectus is prepared in accordance with Canadian securities laws and is subject to review and receipt annually by Canadian securities regulators.
- Upon enrollment, each customer becomes party to a standard form of contract ("Education Assistance Agreement" or "EAA") with the Foundation, governing how the customer's RESP will be managed and administered. The EAA is consistent with all applicable regulatory requirements and is included in the regulatory review of the Embark Prospectus whenever any changes are made.
- You have the right to withdraw from your Contract within 60 days of your application date and get back all of your money (including any fees or expenses paid). Refer to the product prospectus for additional information.

Copies of the Embark Prospectus and EAA for each Embark Plan are available at www.embark.ca.

Compensation of Education Savings Specialists

The compensation we pay to Embark Education Savings Specialists depends, in part, on the relationship the Education Savings Specialist has with Embark. An Education Savings Specialist, who is an employee, will receive a salary plus variable performance pay according to several performance factors, which may include the number of subscribers and/or beneficiaries with whom Embark has established a relationship and or the assets under management of the subscribers. Independent (non-employee) Education Savings Specialists will receive a fixed compensation according to the number of subscribers and/or beneficiaries with whom Embark has established a relationship plus variable performance pay according to several performance factors, which may include the number of subscribers and/or beneficiaries with whom Embark has established a relationship and or the assets under management of the subscribers.

Any operating charges, transaction charges, other charges or other fees, and any other expenses you may be subject to, are set out in your Agreement.

Embark and its employees and agents do not collect sales charges from the investments held in your Embark Student Plan or Embark Select Conservative Plan. We receive the management fees you agree to pay us. (see the Management Fee section of the Embark Student Plan or Embark Select Conservative Plan Prospectus). Management fees are calculated on the value of the customer's assets within the Plan and deducted directly from the Plan's assets for which the cost of and manner of billing which are described in the Plan's current prospectus. We do not, for example, receive trailing commissions from the fund managers of the scholarship plan(s) in which you invest.

Further information on the Plans' sales compensation program is available in the Plan Prospectuses.

Referral Arrangements

Embark is party to various referral arrangements where potential customers are referred to us for the establishment of a RESP and the purchase of a Plan. The purpose of these referral arrangements is to introduce potential customers to the benefits of RESPs, which are best suited to assist you with saving towards the cost of post-secondary education. The referring parties in these referral arrangements may include commercial organizations which offer products, services and advice for expecting and new parents, community and affinity associations, insurance brokerage firms and individuals. Under these referral arrangements, the referring parties receive compensation from Embark in exchange for each referral. The referral compensation or fee may vary according to the referral arrangement. This potential material conflict is addressed as follows:

- Upon receiving and making contact with a potential referred customer, Embark Education Savings Specialists conduct a thorough discovery process, gathering and analyzing the personal and financial information from the referral, to ensure the potential customer is suitable for enrolling into an Embark Plan.
- If the Education Savings Specialist determines that an Embark Plan is suitable for the potential referred customer, Embark follows the same procedures to address the conflict as those followed for conflicts related to Proprietary Products, as described previously.
- In addition, Embark has policies and procedures in place to assist in identifying and addressing any conflicts of interest that may arise from these referral arrangements. This includes providing the referred customer with a detailed disclosure statement, as required by Canadian securities laws, describing the details of the underlying referral arrangement including the amount and determination of the referral fee received by Embark and any conflicts of interest resulting from the relationship between the parties to the agreement and from any other element of the referral arrangement. Embark's Compliance Services department oversees business activities so that these policies and procedures are followed and adhered to.

Outside Business Activities

Certain Embark Education Savings Specialists participate in approved outside business activities such as serving on a board of directors, participating in community events, or pursuing personal outside business interests. Where Embark approves an Education Savings Specialist's involvement in an outside business activity, Embark is required, under Canadian securities laws, to monitor and supervise the outside business activity to ensure that any material conflicts of interest arising from the activity are addressed in the best interests of you, our customer. The potential material conflicts arising from outside business activities are addressed as follows:

- In accordance with Canadian securities laws, Embark is required to determine the best way to address potential material conflicts in the best interests of its customers, including conflicts arising from outside business activities. In following these laws, Embark's Compliance Services department determines, for each outside business activity, whether the resulting potential conflicts are best addressed through disclosure or control.
 - where the conflict is addressed through disclosure, the Embark Education Savings Specialist provides each customer at the point of enrolment with a detailed disclosure form, describing the outside business activity and how the potential conflict is addressed,
 - where the conflict is addressed through control, Embark's Compliance Services department will impose restrictions or controls over the outside business activity, including prohibiting the Education Savings Specialist from enrolling certain individuals into an Embark Plan, where the Education Savings Specialist may be in a position of significant influence over that individual as a result of the outside business activity.
- Embark's Compliance Services department monitors the Education Savings Specialist's adherence to these disclosure and control measures, in accordance with policies and procedures regarding outside business activities.
- These policies and procedures, along with Canadian securities laws, also require Education Savings Specialists to promptly identify, assess and report all real and perceived conflicts of interest related to outside business activities to Embark's Compliance Services department for evaluation. If Embark's Compliance Services department determines that the potential conflict of interest arising from a reported outside business activity cannot be addressed in the best interests of the customer, the Education Savings Specialist will be denied the ability to participate in the outside business activity. Embark's Compliance Services department may also determine that the potential conflict arising from an outside business activity can be addressed in the best interests of the customer in a different manner than the Education Savings Specialist determines.
- Embark's Compliance Services department monitors its Education Savings Specialists so that outside business activities are reported in a prompt and accurate manner.

Gifts, Entertainment, and Inducements

- Embark has policies and procedures in place to prevent its Education Savings Specialists from encouraging or inducing a customer to enroll in an Embark Plan in exchange for some form of gift or incentive. Such a practice could create a real or perceived conflict of interest in favour of the Education Savings Specialist. These policies and procedures help to ensure that customers only enroll in an Embark Plan if it is in the customer's best interests.
- These policies and procedures, which are monitored for adherence by Embark's Compliance Services Department, include:
- Embark Education Savings Specialists are not permitted to accept or provide gifts or entertainment beyond,



other than items of nominal value, consistent with reasonable business practice and applicable laws.

- Embark Education Savings Specialists are prohibited from directly or indirectly, inducing customers to enroll in an Embark Plan by paying or repaying or attempting to repay all or any part of the customer's contributions.
- Embark Education Savings Specialists are permitted to promote Embark sponsored promotions such as a promotion whereby prospective subscribers are encouraged to establish a plan and Embark, not the Education Savings Specialist, will make a nominal contribution to the new plan.

Customer Complaints

From time to time, dissatisfied Embark customers may choose to lodge a complaint against Embark or their Education Savings Specialist. To avoid any real or potential conflicts of interest relating to the handling and resolution of such complaints, and to ensure that complaints are addressed and resolved in the best interests of the customer, Embark has policies and procedures in place, which include:

- A prohibition against Education Savings Specialists from handling or attempting to resolve customer complaints unless the complaint is administrative in nature. Education Savings Specialists are instead required to notify Embark's Compliance Services department promptly upon receipt of a customer complaint.
- The requirement for Compliance Services staff to fully investigate each customer complaint and to provide the customer with a substantive response detailing the results of the investigation, within 90 days (60 days in the province of Quebec) of receiving the complaint.
- The immediate reporting of all significant customer complaints to Embark's President & Chief Executive Officer.
- The ongoing reporting of all customer complaint summary data and trends to both the President & Chief Executive Officer and to Embark's Board of Directors.

How We Look Out for You

Trusted Contact Person

Concurrently with taking the steps required under the 'know your customer' process described above, Embark will take reasonable steps to obtain from you the name and contact information of a trusted contact person, as well as your written consent for Embark to contact the trusted contact person to confirm or make inquiries about any of the following:

- Embark's concerns about possible financial exploitation of you or your Embark Plan.
- Embark's concerns about your mental capacity as it relates to your ability to make decisions involving financial matters.
- the name and contact information of your legal representative, if any.
- your contact information.

We will take reasonable steps to keep current the information of your trusted contact person, including updating that information within a reasonable time after we become aware of a significant change in your personal circumstances.

Temporary Holds

A "temporary hold" means a hold that is placed on the purchase or sale of a security on your behalf or on the withdrawal or transfer of cash or securities from your Plan.

If Embark deems it appropriate to place a temporary hold on your Plan, we will do so in accordance with the following:

1. Embark may only place a temporary hold on the basis of financial exploitation of a vulnerable client as long as Embark reasonably believes all of the following:
 - a. the client is a vulnerable client.
 - b. financial exploitation of the client has occurred, is occurring, has been attempted or will be attempted.
2. Embark must not place a temporary hold on the basis of a client's lack of mental capacity unless Embark reasonably believes that the client does not have the mental capacity to make decisions involving financial matters.
3. If Embark places a temporary hold referred to in subsection (1) or (2), immediately above, it shall undertake all



of the following:

- a. document the facts and reasons that caused Embark to place and, if applicable, to continue the temporary hold.
- b. provide notice of the temporary hold and the reasons for the temporary hold to the client as soon as possible after placing the temporary hold.
- c. review the relevant facts as soon as possible after placing the temporary hold, and on a reasonably frequent basis, to determine if continuing the hold is appropriate.
- d. within 30 days of placing the temporary hold and, until the hold is revoked, within every subsequent 30- day period, do either of the following:
 - i. revoke the temporary hold.
 - ii. provide the client with notice of the Embark's decision to continue the hold and the reasons for that decision.

How to contact Embark Student Corp.

At any time, should you have any questions or concerns regarding your Plan, please contact our Customer Success Centre at 1 800 363-7377 or contact@embark.ca.

TTY: 1-877- 694-7944 (text telephone services for the hearing impaired)

Mailing Address

Embark Student Corp.

50 Burnhamthorpe Road West, Suite 1000 Mississauga, Ontario L5B 4A5