

C.S.T. SPARK INC.

RELATIONSHIP DISCLOSURE INFORMATION

IMPORTANT INFORMATION TO SUBSCRIBERS

WHO WE ARE

C.S.T. Spark Inc. (CST Spark) is registered as a Scholarship Plan Dealer and has operated in all provinces and territories of Canada since 2017. We're the exclusive distributor of the CST Bright Plan Education Savings Plan ("CST Bright Plan"), our proprietary education savings plan established in 2018, which is sponsored by the Canadian Scholarship Trust Foundation (the "Foundation").

CST Spark is a wholly owned subsidiary of the Foundation. The Foundation is under common management with both CST Spark and C.S.T. Consultants Inc. (CST Consultants), our affiliate (collectively "CST"), although the board of directors of the Foundation, with the exception of the President and CEO of the Foundation, are independent of management. In addition to CST Bright Plan, the Foundation also sponsors the Canadian Scholarship Trust Plans (CST Plans) which are managed and distributed by CST Consultants.

Our Direct Dealing Representatives (DDR) are qualified to recommend CST Bright Plan. None of our DDRs distributes any other education savings plan or other types of securities. Based on the information you provide, if our DDRs conclude that CST Bright Plan is unsuitable for you, they may refer you to CST Consultants to discuss a more suitable education savings plan. We receive a distribution fee from the Foundation when you purchase a CST Bright Plan. Our DDRs are employees and are paid a salary that is not dependent on the number of sales made.

The Foundation has retained CST Spark as the Investment Fund Manager to direct the business, operations and affairs of CST Bright Plan and to provide other administrative services for CST Bright Plan. The amount we receive from the Foundation for these services is paid from the management fee which will be deducted from CST Bright Plan. We have contracted out some of the administrative services to CST Consultants.

SETTING UP YOUR RESP

To purchase a CST Bright Plan, you're required to complete an application online at www.cstspark.ca. A scheduled call with a DDR is required so that we can review and confirm your information prior to proceeding with your CST Bright Plan application. This includes information about your identification, personal and financial circumstances, risk tolerance, investment time horizon, needs and objectives. This information helps the DDR assess and confirm whether the CST Bright Plan and your contribution amount are suitable and put your interest first. We'll also review this assessment as it is our obligation to ensure suitability of the purchase amount and plan recommended. The suitability assessment conducted by us and our DDRs will not consider non-proprietary products or whether they would be better, worse, or equal in meeting your investment needs and objectives. Once you have completed your appointment with the DDR and have confirmed that you wish to proceed, your application will be processed.

Once your application is completed and accepted by us, you'll receive a plan summary and prospectus containing the terms of CST Bright Plan in addition to other documents including the contract you'll have entered into with the Foundation concerning your plan. You should read all documents and ask our DDR any questions you may have. A DDR is available by telephone, email or live chat during business hours. When you agree with our DDR to enrol in CST Bright Plan and we accept your application, you'll be entering into an education savings plan agreement with the Foundation and will receive an account opening confirmation. As the person who opens the Registered Education Savings Plan (the "RESP") and makes contributions, you are the subscriber. The child you designate to receive proceeds from the RESP is the beneficiary. The Foundation will apply to the Canada Revenue Agency to have your plan registered as an RESP and will apply for any available government grants requested by you on your behalf. To do this, we require your Social Insurance Number (SIN), and the beneficiary's name, date of birth and SIN. Only an RESP can receive government grants.

You've the right to cancel your plan at any time, if you provide the Foundation with a written notice. If you notify us within 60 days of the date of your agreement, you'll receive all of your contributions back. If you notify us more than 60 days after the date of your agreement, you'll receive your contributions, subject to investment risk and any fees.

RISKS ASSOCIATED WITH YOUR RESP

Your plan is subject to investment and other risks. These risks are described in the plan summary and the prospectus which you should read carefully to understand the nature of your investment. Important matters for you to consider when deciding to open an RESP include:

- **If you leave CST Bright Plan before your child attends post-secondary education** – If your plan is cancelled more than 60 days after signing your agreement, you'll get back your contributions, subject to investment risk and any fees. You'll forfeit any government grants, and income earned on your contributions and government grants. The income earned will be paid to a post-secondary educational institution as required under the *Income Tax Act* (Canada), unless you qualify for an accumulated income payment. The government grants will be returned to the government. Repayment of government grants will result in loss of grant contribution room for your beneficiary, which cannot be restored, with the exception of the Canada Learning Bond.
- **If you do not maintain a \$500 balance in your plan** - The minimum initial investment in CST Bright Plan is \$500.00. We'll waive the minimum investment if you set up a regular contribution schedule committing to a minimum of \$10 per month; however, you must maintain a minimum of \$500 into CST Bright Plan within the first three years after opening your plan. If you have elected to open a plan through regularly scheduled contributions, you may change your contributions by either stopping or reducing the amount at any time with no penalty, provided that you maintain a minimum balance of \$500. If you don't maintain a minimum balance of \$500, your contract will be cancelled.
- **Making one-time or other large contributions may prevent you from collecting the maximum possible government grant** – There is a life-time RESP contribution limit per beneficiary of \$50,000. You may contribute up to \$50,000 in one year, or a lesser amount. While such a contribution may maximize your investment income potential, you risk not receiving the full amount of government grants that are available.
- **If your beneficiary does not attend qualified post-secondary studies** – You should be aware of the options under your RESP if your beneficiary does not pursue a qualified post-secondary education program. Such options include transferring the plan to a new beneficiary, transferring the income earned in the plan to an eligible Registered Retirement Savings Plan or a Registered Disability Savings Plan or withdrawing the income from the plan. Some of these options may have conditions, deadlines and tax consequences.
- **Beneficiary change** - Transferring a plan to a new beneficiary that is not under the age of 21 years old or not a sibling of the former beneficiary may result in repayment of government grants or incentives back to the applicable government. Any income earned on these grants will result in a payment made to a designated educational institution.
- **Withdrawing a portion of your contributions** – Withdrawing a portion of your contributions before the beneficiary is enrolled in eligible studies will result in paying back a proportionate amount of the government grant(s) to the applicable government. In certain instances, a government incentive may need to be repaid in its entirety. If you withdraw a portion of your contributions and don't maintain a minimum balance of \$500, your contract will be cancelled.
- **Risks of using borrowed money** – Using borrowed money to finance your RESP involves greater risk than using cash only. It's your responsibility to repay the loan and pay interest as required by its terms which remain the same regardless of the investment performance of your RESP.

FEES ASSOCIATED WITH YOUR RESP

You should carefully review all fees and expenses associated with CST Bright Plan before you set up your RESP. These fees include:

MANAGEMENT FEE: This is an annual fee paid to the Foundation for operating, managing, distributing and administering your plan, including portfolio management, trustee, record-keeping and custodial services. The fee is 1.5% plus applicable sales taxes of the total market value of contributions, government grants and earnings. The fee will be payable from income earned in your CST Bright Plan which will reduce the return you'll receive on your contributions and will impact the amount of income available for your child.

If you have insufficient earnings to pay this fee, it'll be deducted from your contributions.

CST Bright Plan shares the fee for the services of the Independent Review Committee ("IRC") with the CST Plans offered by CST Consultants. The IRC reviews conflict of interest matters between CST Spark and CST Bright Plan which are described in greater detail in the prospectus.

Additionally, you may also pay processing fees for specific transactions such as NSF payments, lost cheque replacements, transfers to another RESP provider and paper statements. These and other fees are described in the plan summary and prospectus.

CUSTODY OF YOUR ASSETS

When you invest in CST Bright Plan, your investment is held in a trust that is governed by a trust agreement between CST Spark, the Foundation and RBC Investor Services Trust as trustee. Assets invested in CST Bright Plan are held and safeguarded by RBC Investors Services Trust who also acts as the custodian. If the custodian were to discontinue its services for any reason, CST Spark and the Foundation will appoint another firm as custodian of CST Bright Plan.

UNCLAIMED PROPERTY

Your CST Bright Plan will be considered unclaimed when a payment is due to you and we are unable to locate either you or your beneficiary. We will continue to invest your contributions, earnings and government grants in your CST Bright Plan until your CST Bright Plan expires.

Your CST Bright Plan expires at the end of the 36th year of your CST Bright Plan. At expiry, we'll pay any earnings remaining in your CST Bright Plan to a designated educational institution as required under the *Income Tax Act* (Canada) and any Government Grants will be returned to the applicable government. Your contributions will be handled in accordance with our unclaimed property policy and any provincial unclaimed property laws which apply. For customers in Quebec and Alberta, any remaining contributions will be paid to the respective provincial government.

REFERRAL ARRANGEMENTS

Our DDR may have contacted you because he or she was given your name and contact information as someone who may be interested in CST Bright Plan by another subscriber in CST Bright Plan, a friend or family member. If our DDR received your name from one of these individuals, CST Spark may have given that individual a thank you gift of a nominal value for the referral and helping us build our business.

Our DDR may also have contacted you because he or she was given your name and contact information from one of our corporate programs for a fee of less than \$17.50 per name.

A referrer is not registered to provide any investment advice or recommendations about CST Bright Plan to you. Only CST Spark, which is registered as a Scholarship Plan Dealer, may provide such advice or recommendations.

COMPLAINTS AND DISPUTE RESOLUTION

If you have a complaint or a concern about our DDRs or the services you received from us, we invite you to contact us by mail at C.S.T. Spark Inc., 2235 Sheppard Avenue East, Suite 1600, Toronto, ON M2J 5B8 or via our website www.cstspark.ca, or by email at complaint@cstspark.ca.

We'll work with you to resolve your complaint or dispute. However, if you feel that a satisfactory resolution of the matter isn't possible, you may refer your complaint to the Ombudsman for Banking Services and Investments or Autorité des marchés financiers (Québec residents only) at the contact details given below.

Ombudsman for Banking Services and Investments (OBSI)

20 Queen Street West, Suite 2400
P.O. Box 8
Toronto, Ontario M5H 3R3
Toll Free: (1-888) 451-4519
Fax: (1-888) 422-2865
Website: www.obsi.ca
E-mail: ombudsman@obsi.ca

Autorité des marchés financiers (AMF)

Service du traitement des plaintes
800, square Victoria, 22^e étage
C.P. 246, tour de la Bourse
Montréal (Québec) H4Z 1G3
Telephone: (514) 395-0337
Toll Free: (1-877) 525-0337
Fax: (514) 873-3090
Toll Free Fax: (1-877) 285-4378

OBSI offers a free, independent and impartial resolution service for our customers. Legal representation isn't required to participate fully with any investigation carried out by OBSI. If OBSI investigates a complaint against us and finds in your favour, it'll recommend a course of action to resolve the complaint, which may include compensation.

If you're a resident of Québec and aren't satisfied with the resolution offered or with the handling of your complaint, you may request that we transfer our complaint file to the AMF. The AMF will assess the complaint and if necessary, offer mediation services to assist us in reaching a satisfactory settlement.

YOUR RESPONSIBILITIES

We encourage you to understand the risks associated with CST Bright Plan. Before entering into an agreement to purchase a plan you should read the plan summary and prospectus and ask our DDRs any questions you may have.

When you enter into an agreement to purchase a plan you agree with the Foundation to abide by the terms of your agreement which we encourage you to read.

You should regularly review the financial information about CST Bright Plan that we provide to you, either on your online account or on our website.

You should also ensure your profile is up to date and you inform us of changes to your personal details, financial circumstances, investment objectives and risk tolerance.

REPORTING ON YOUR RESP

Once you've entered into an agreement with the Foundation, your account will be administered by us, in our capacity as administrator of CST Bright Plan. We'll send you an email advising when your annual customer statement has been posted to your online account. This statement provides the following information for each plan, as applicable: plan type and number, contributions, contributions made, grants received, income earned, charges and deductions, total plan value and our contact information. Your statement will also provide you with information about the direct costs that you paid us in connection with your plan, the amount that you contributed to your plan during the year and include a projection of the future value of your plan.

Benchmarks provide subscribers with a means of measuring the relative performance of CST Bright Plan's portfolio against a standardized or "benchmark" portfolio over a prescribed period of time. They're helpful in assessing the performance of CST Bright Plan and developing realistic expectations about returns CST Bright Plan portfolio can generate over the long term. CST Spark will report CST Bright Plan investment performance, benchmarks and broad-based index returns in the Management Report of Fund Performance. CST Bright Plan Management Report of Fund Performance will be available on our website at www.cstspark.ca or at www.sedar.com. Keep in mind that CST Bright Plan returns will be reported after the deductions of fees and expenses, while the benchmarks and broad-based index returns don't include any costs of investing such as fees, expenses and commissions.

You can access your account at any time through our website www.cstspark.ca. You may reach our Customer Experience department Monday, Tuesday, and Friday 9:00 am to 5:00 pm, Wednesday and Thursday 9:00 am – 7:00 pm and Saturday 10:00 am – 6:00 pm Eastern Time toll free at 1-800-461-7100. We are available by telephone, email or live chat during business hours to assist you.

CONFLICTS OF INTEREST

As a financial services firm, our business interests may be different from your interests as a customer of CST Spark. A conflict of interest may arise in circumstances where your own interests differ or conflict with the interests of CST Spark or your CST Spark Direct Dealing Representative (DDR). Under securities regulations, CST Spark is required to take reasonable steps to identify and manage, by placing your interests before our own, material conflicts of interest which could be expected to arise between CST Spark, our DDRs, and you, our customers. We are also required to inform you of the nature and extent of an identified conflict of interest. Although we seek to avoid or minimize conflicts of interest whenever possible, some conflicts of interest cannot be avoided.

The purpose of this Conflicts of Interest Disclosure is to provide you with a description of any conflicts arising from our role as Scholarship Plan Dealer and Investment Fund Manager and the measures we take to prevent, avoid, and mitigate conflicts and ensure they are addressed by placing your interest before our own.

Management of Conflicts of Interest

We have adopted the following principles to address and manage conflicts:

- We avoid conflicts prohibited by law and conflicts that we cannot effectively manage in your best interest:
- Our DDRs are required to comply with securities laws and CST Spark’s policies, procedures and Code of Ethics designed to ensure that they follow ethical customer sales and business practices.
- We seek to manage material conflicts of interest by placing your interests before those of CST Spark.
- We provide you with disclosures about material actual and potential conflicts of interest so that you can understand and assess their significance to you and how we address them.

We address and manage conflicts as follows:

AVOIDANCE – This includes avoiding conflicts that are prohibited by law as well as conflicts that cannot effectively be addressed.

CONTROL – We manage acceptable conflicts through means such as physically separating different business functions and restricting the internal exchange of information.

DISCLOSURE – By providing you with information about conflicts, you are able to independently assess their significance when evaluating our recommendations and any actions we take.

CONFLICT OF INTEREST	ADDRESSED BY	HOW CONFLICTS WILL BE ADDRESSED
We earn compensation as the Investment Fund Manager and Scholarship Plan Dealer for managing and distributing CST Bright Plan. The fees CST Spark receives are paid by the Foundation from the management fee paid on the assets of CST Bright Plan.	Disclosure Control	<ul style="list-style-type: none"> - We will inform you of CST Bright Plan’s fees and expenses so that you know what the Plan will be paying. Please review the disclosures in this document, the plan summary or the prospectus to review the fees associated with your RESP. - Our DDRs are CST Spark employees who are paid a salary and may also receive other compensation, and awards. These rewards are structured to ensure that they do not influence recommendations.
We only sell CST Bright Plan which is a proprietary product. We can only determine the suitability of our products and not other investments available in the marketplace.	Disclosure Control	<ul style="list-style-type: none"> - You will receive a plan summary and prospectus at the time of enrolment. You have 60 days to review this information, cancel your plan and receive a full refund of your contributions. - Our recommendation will be solely based on CST Bright Plan. We are required by securities law and CSTS policy to ensure investment recommendations are suitable. The

		Compliance department ensures that purchases of CST Bright Plans are reviewed for suitability.
We may be party to various referral arrangements where potential customers are referred to us for the purchase of a CST Bright Plan. Referral partners are paid a fee for providing customer information.	Disclosure Control	<ul style="list-style-type: none"> - Your DDR must disclose to you how we received your information and the amount paid to the referral provider. Disclosure of our referral arrangements is also provided in the Referral section of this document. - DDR must ensure a potential customer is suitable for enrolling in a CST Bright Plan.
Individuals may engage in other employment and activities that could be positions of influence, create customer confusion as to CST Spark's activities and/or take time or attention away from their CST Spark activities. (Outside Activities)	Avoid Control Disclosure	<ul style="list-style-type: none"> - When a DDR engages in other activities, they are required under securities rules to provide us with disclosure of their activities, including the identification, assessment and reporting of conflicts of interest related to these activities. - We review all Outside Activities and assess for conflicts of interest and if the activity is approved, we monitor and supervise the activity to ensure that conflicts of interest which arise are addressed by placing your interest before our own. - Restrictions or controls may be placed over the Outside Activity. - A DDR or employee who engages in an Outside Activity that requires another license or registration will provide you with a Point of Sale Disclosure document at the time of a sale.
Potential conflicts may arise from gifts or inducements which could influence your investment decision.	Avoid Control	<ul style="list-style-type: none"> - DDRs may not accept gifts from customers or potential customers or other third parties. DDRs may provide thank you gifts of a nominal value. - DDRs are prohibited from directly or indirectly inducing you to enroll in CST Bright Plan by paying a contribution.
Certain directors and officers of CST Spark are also officers and/or directors of C.S.T. Consultants Inc. and C.S.T. Asset Management Inc. which could influence or affect the related company.	Disclosure Control	<ul style="list-style-type: none"> - All of the directorships and officer roles are disclosed in the CST Spark prospectus. - There are policies and procedures in place to ensure that duties remain separate for each entity, decisions are made independently, and conflicts of interest are addressed.