



Conflicts of Interest Disclosure

General Description

Securities legislation in Canada is directed at investor protection, including managing conflicts of interest. CVC™ Market Point Inc. (“CVC”) has a general duty to deal fairly, honestly and in good faith with its clients. We recognize that conflicts may arise between CVC, its Dealing Representatives and its clients and we are therefore providing you with this information to help you better understand conflict issues that may arise in your dealings with CVC as an exempt market dealer.

A conflict of interest is any circumstance where the interests of different parties are inconsistent, competing or divergent. Actual, potential and perceived conflicts of interest may exist, and CVC will manage these conflicts by controlling the conflict, disclosing the conflict to you, or avoiding the conflict if it is prohibited by law or where the risk of harm is too high.

CVC has identified some conflicts of interest to make you aware of below, and explained how CVC manages them so that you can independently assess these conflicts when making your investment decision. Other conflicts of interest may arise from time to time, and CVC will inform you of the nature and extent of any additional conflict of interest prior to any subsequent transaction through CVC.

Conflicts of Interest

1. CVC is a Captive Dealer Selling Securities of Related and/or Connected Issuers

CVC is considered a “captive dealer” because it solely or primarily distributes securities of related or connected issuers. Related issuers generally share common ownership or control over more than 20% of the voting securities, and connected issuers have relationships that may lead a reasonable prospective purchaser to question their independence.

Being a captive dealer is a conflict that CVC is required to disclose and explain to you under securities legislation because a conflict of interest exists between CVC’s financial incentive to sell you securities of its related or connected issuers, and CVC’s regulatory obligations to know-your-client, know-your-product, only recommend suitable investments to you and CVC’s duty to act fairly, honestly and in good faith with its clients.

Below is a list of “related issuers” and/or “connected issuers” of CVC, as such terms are defined in National Instrument 33-105 Underwriting Conflicts.

Valmor™ Mortgage Investment Corporation (“Valmor”)

Valmor is a connected issuer and may be considered a related issuer of CVC by virtue of CVC’s role as an exempt market dealer engaged to sell securities of Valmor and based on the fact that Valmor and CVC have common securityholders. In addition, CVC and Valmor’s investment fund manager/portfolio manager have common securityholders (refer to “Carecana Management Corp.” on the following page). CVC is entitled to receive compensation from Carecana Management Corp. (“Carecana”) for acting as the agent to sell securities of Valmor. Valmor does not compensate CVC for selling its securities.

CVC also acts as the exempt market dealer for CareVest Capital Inc., Valmor and other mortgage investment entities managed by Carecana to execute trades in mortgage securities, and CVC is compensated by CareVest Capital Inc. for this service (refer to “CareVest Capital Inc.” on the following page). Valmor and other mortgage investment entities managed by Carecana do not compensate CVC for executing trades in mortgage securities. In accordance with its investment policies and practices, Valmor may invest in mortgages to non-arm’s length borrowers that may also be non-arm’s length to CVC.

CareVest® Blended MIC Fund Inc. (“Blended MIC”)

Blended MIC is a connected issuer and may be considered a related issuer of CVC by virtue of CVC’s role as an exempt market dealer engaged to sell securities of Blended MIC and based on the fact that Blended MIC and CVC have common securityholders. In addition, CVC and Blended MIC’s investment fund manager/portfolio manager have common securityholders (refer to “Carecana Management Corp.” below). CVC is entitled to receive compensation from Carecana for acting as the agent to sell securities of Blended MIC and CVC is also entitled to receive early redemption charges from Blended MIC. Blended MIC does not compensate CVC for selling its securities.

CVC also acts as the exempt market dealer for CareVest Capital Inc., Blended MIC and other mortgage investment entities managed by Carecana to execute trades in mortgage securities, and CVC is compensated by CareVest Capital Inc. for this service (refer to “CareVest Capital Inc.” on the following page). Blended MIC and other mortgage investment entities managed by Carecana do not compensate CVC for executing trades in mortgage securities. In accordance with its investment policies and practices, Blended MIC may invest in mortgages to non-arm’s length borrowers that may also be non-arm’s length to CVC.

CareVest® Capital Inc. (“CCI”)

CCI, a mortgage broker, is a related and connected issuer of CVC by virtue of CVC’s role as an exempt market dealer to execute trades in syndicated mortgages between CCI, Valmor, Blended MIC and other mortgage investment entities managed by Carecana and based on the fact that CCI and CVC have common securityholders. CVC is entitled to receive compensation from CCI for acting as its agent to trade mortgages and distribute interests in syndicated mortgages, CCI is entitled to receive compensation, fees and/or priority allocation of interest from Valmor and Blended MIC for acting as their mortgage broker. Valmor, Blended MIC and CCI also have common securityholders.

Title to the mortgage investments held on behalf of Valmor and Blended MIC will be registered in the name of CCI, CCI’s affiliate, or a nominee bare trustee and held in trust for the MICs. Although CVC shares common ownership with Carecana, Valmor, Blended MIC and CCI, CVC does not have access to the MIC’s mortgage investments or your investments in Valmor and Blended MIC, and CVC has concluded it is functionally independent from CCI.

Below is a list of other companies that CVC is not currently acting as the agent for, but that are related and connected to CVC. The list is not exhaustive and does not include other companies that CVC does not have business relationships with, that do not carry on active business operations or that CVC historically acted as agent for.

Carecana™ Management Corp. (“Carecana”)

Carecana, the investment fund manager and restricted portfolio manager for Valmor, Blended MIC and other affiliated mortgage investment entities, is related and connected to CVC based on the fact that Carecana and CVC have common securityholders and that CVC is entitled to receive compensation from Carecana for acting as the agent to sell securities of Valmor and Blended MIC. Carecana is entitled to receive compensation from Valmor and Blended MIC for providing portfolio manager and investment fund manager services, and is entitled to receive early retraction charges paid by shareholders of Valmor. Valmor, Blended MIC and Carecana have common securityholders, directors and officers.

Carecana™ Settlement Corp. (the “Funds Administrator”)

The Funds Administrator is related and connected to CVC based on the fact that the Funds Administrator and CVC have common securityholders. Valmor, Blended MIC and the Funds Administrator also have common securityholders.

CareVest® Operations Corp. (“COC”)

COC is related and connected to CVC based on the fact that COC and CVC have common securityholders. COC provides general corporate services to CVC, Carecana, CCI and other affiliated entities. In addition, each of Carecana, CCI and other affiliated entities provide consulting services to COC. Valmor, Blended MIC and COC have common securityholders and directors.

CVC controls these conflicts by: (i) having directors and officers of CVC who have no interest, including as a director, officer or voting shareholder in the products CVC sells, Carecana, CCI or the Funds Administrator; (ii) completing independent product due diligence by individuals who have no interest, including as a director, officer or voting shareholder, in the products CVC sells; (iii) employing a Chief Compliance Officer who has no interest, including as a director, officer or voting shareholder, in the products CVC sells; (iv) controlling access to sensitive information; (v) segregating client records; (vi) providing staff training; and (vii) through monitoring and oversight of its related service providers.

In addition to the above conflicts of interest between CVC and the issuers, there may be additional conflicts of interest between CVC, issuers, borrowers, affiliates or third parties, all of which will be disclosed in applicable offering documents which you are encouraged to read in their entirety before making an investment decision.

2. Syndicated Mortgage Activity

CVC acts as the exempt market dealer engaged to sell securities of Valmor and Blended MIC and is compensated by Carecana for this service. In addition, CVC also acts as the exempt market dealer for CCI, Valmor, Blended MIC and other mortgage investment entities managed by Carecana to execute trades in mortgage securities, and CVC is compensated by CCI for this service. Valmor, Blended MIC and other mortgage investment entities managed by Carecana do not compensate CVC for executing trades in mortgage securities.

CVC’s President and Chief Compliance Officer are both registered as Dealing Representatives and conduct trades in syndicated mortgages between CCI, Valmor, Blended MIC and other affiliated mortgage investment entities managed by Carecana. Other Dealing Representatives of CVC may then recommend securities of Valmor, Blended MIC, CCI or other affiliates to you. This conflict is controlled because your Dealing Representative is required under securities law to only make suitable investment recommendations to you.

In addition, if CVC is selling you a syndicated mortgage issued by CCI, CVC will be acting on behalf of both you as the buyer, and CCI as the seller. This conflict is controlled because any time CVC acts for both the buyer and seller of a syndicated mortgage, CVC does not charge a mark-up, and both sides of the trade will occur at the same price equal to the principal value.

3. Outside Business Activities

Certain dealing representatives of CVC engage in other business activities outside of their duties with CVC from time to time, such as insurance licenses, mortgage broker licenses, financial planning, director or officer positions with other entities, volunteer activities with charitable organizations, industry associations, condominium corporations and other entities. These conflicts are controlled because CVC's Dealing Representatives are subject to regulatory disclosure and approval of these outside business activities, and subject to CVC's internal policies and procedures on outside business activities which will restrict any outside business activities that would interfere with a Dealing Representative's ability to act in your best interest.

If a dealing representative is offering you any products or services beyond exempt market products, these products and services are not business activities of CVC, and CVC will provide you with a *Disclosure of Outside Business Activities* listing the pre-approved outside business activities your dealing representative is engaged in and providing you with important information on those outside business activities. You are not obligated to use any of the products or services offered by your dealing representative that are not business activities of CVC, and you are not obligated to purchase any of the investment products offered by CVC as a condition of receiving additional products or services from your dealing representative.

4. Compensation

Dealing representatives of CVC are compensated partially or solely on a commission basis, and different products have different compensation structures which may involve commissions based on sales volume. The amount of compensation received by CVC on any transaction with you will be disclosed to you in advance of the transaction. On occasion, CVC and/or its dealing representatives may also receive referral fees if they refer you to third parties for the purposes of obtaining other products and services. If CVC and/or its dealing representatives expect to receive a referral fee, that fact will be disclosed to you so that you can independently assess any potential conflict and make an informed decision.

Disclosure

In addition to providing you with this "Conflicts of Interest Disclosure", CVC will also identify any dealings in related or connected issuers in Offering Memorandums or disclosure documents that CVC provides you, before CVC executes a trade for you and on your trade confirmation and client statement after CVC executes a trade for you.

Further information on conflicts of interest is set out in CVC's current Relationship Disclosure Document available on CVC's website at www.cvcmarketpoint.com.

Contact Us

If you wish to obtain further information concerning the relationship between CVC and its related or connected issuers, please contact your Dealing Representative or the Chief Compliance Officer at:

**CVC™ Market Point Inc.
Suite 1800, 555-4th Avenue SW
Calgary, Alberta, T2P 3E7
Toll Free: 1-877-847-6797
Email: enquiries@cvcmarketpoint.com**

CVC™ Market Point Inc. ("CVC") is a captive dealer that solely or primarily distributes securities of related or connected issuers. The issuers referred to herein are related and/or connected issuers of CVC.

This is for information purposes only and is not an offer to sell or a solicitation of an offer to purchase any security. Any offerings of securities will be conducted in specified jurisdictions using offering documentation prepared in accordance with applicable law. You should read those offering documents before making any investment decision as they will contain required disclosure regarding the offering terms, risks, conflicts of interest and other disclosure relevant to making an investment decision. Investment opportunities available through CVC, an exempt market dealer registered in Alberta and British Columbia, are only suitable for investors who are qualified to purchase the securities, are familiar with, and have the ability and willingness to accept the high risk associated with private investments.