



## Conflicts of Interest and Relationship Disclosure

### Information About Your Relationship with CVC™ Market Point Inc.

#### CVC’s Products

CVC™ Market Point Inc. (“CVC”) is an exempt market dealer (“EMD”) registered with the Alberta Securities Commission and the British Columbia Securities Commission, providing investment opportunities in private issuers to qualified investors. All of the products offered by CVC are prospectus-exempt products or exempt market securities, which means they are offered without the issuer having to file a prospectus or having the material reviewed by a securities regulator. Investors must qualify under a prospectus exemption in order to invest in these types of prospectus-exempt products. CVC’s dealing representatives are available to discuss prospectus exemptions, applicable individual investment limits and assess whether you qualify to invest in private issuers.

As a captive dealer, CVC primarily or solely offers securities of related or connected issuers that share common securityholders with CVC. From time to time, CVC’s selection of investment opportunities may include mortgage investment corporations (“MICs”) managed by Carecana™ Management Corp. (“Carecana”), syndicated mortgages offered by CareVest® Capital Inc., limited partnerships or third party products. **If CVC sells you a security of a related or connected issuer, CVC will disclose that fact to you and explain any conflict of interest arising from that relationship. The following issuers are considered related issuers and/or connected issuers of CVC. Refer to “Conflicts of Interest” below for further details and a description of the nature of these relationships.**

Issuer	Related Issuer and/or Connected Issuer of CVC
CareVest® Capital Inc.	Related Issuer and Connected Issuer
Giavest Mortgage Investment Corporation	Connected Issuer and may be considered a Related Issuer

From time to time, CVC’s dealing representatives may be involved in an activity or offer products and services that are unrelated to the business of CVC. These are referred to as “outside business activities”. **Refer to “Conflicts of Interest – Outside Business Activities” below for a list of pre-approved outside business activities that CVC’s dealing representatives are engaged in and important disclosure about those activities that are outside of their registration with CVC.**

#### CVC’s Role

CVC will generally only act as your dealer for your purchase of an exempt product. Following your purchase, all product updates, administrative and investor relations enquiries will be handled directly by the issuer or the investment fund manager. CVC will provide you with the contact information for the issuer or the investment fund manager in writing prior to any purchase you make through CVC.

For each initial purchase, CVC will collect personal information from you by having you complete a Know Your Client (“KYC”) Form, including but not limited to, your specific investment objectives, risk tolerance, time horizon, investment knowledge, overall financial position and personal identification, and will use this information to verify your identity and make an assessment about whether the purchase is suitable for you. As an EMD, CVC is obligated to make this suitability assessment for each purchase you make through CVC, so it is important that you provide full and accurate information to your dealing representative. CVC will provide you with a signed copy of the KYC Form for your records.

CVC will review with you and update your KYC information, if required, for each subsequent purchase you make through CVC and a new KYC form will be collected if the KYC form was completed more than twelve months earlier or if there has been a material change in your information, such as a change in your investment objectives, financial position, risk tolerance, marital status, employment status or other circumstances. It is important for you to keep your information current with CVC and CVC encourages you to contact your dealing representative if any of your information has changed.

CVC will generally only act as your dealer in connection with the purchase of exempt market securities, and will not act as your dealer, make recommendations, accept instructions from you or assess the suitability in connection with any sale, redemption, retraction or purchase of additional securities by way of a dividend reinvestment. For information relating to any sale, redemption, retraction or purchase of additional securities by way of a dividend reinvestment, please contact the issuer or the investment fund manager directly.

## **Where Your Investments Are Held**

CVC will not open any type of account for you or agree to hold, have access to, or maintain knowledge of your cash or securities at any time, other than delivering your cheque payable to a third-party in respect of your purchase in certain circumstances. **CVC does not accept cash or cheques payable to CVC, and will only accept cheques payable directly to the exempt product you are purchasing, or their legal counsel.** CVC and its dealing representatives also will not act as your personal agent or attorney respecting your cash or securities at any time.

Exempt market securities you purchase through CVC will either be held in “client-name” or “nominee-name”, as explained below. Talk to your dealing representative to understand more about the product you are purchasing and where your investment will be held, or refer to your client reporting from CVC for additional information.

**Client-name securities** are securities issued in your name, they are not held in an account and you are both the registered and beneficial securityholder. You may or may not receive a physical certificate representing your ownership of the security from the issuer, because the issuer may retain original certificates in its minute book and provide you with a copy, or the issuer may use an electronic registry system to record your name as the securityholder in the issuer’s books and records.

If you are issued a physical certificate representing your investment, you will be required to safeguard and present the physical certificate to the issuer to facilitate any dealings with your investment and you may be charged a fee and/or be required to provide a surety bond and an indemnity to the issuer in order to replace a lost, stolen or destroyed certificate. If you participate in a dividend reinvestment plan of an issuer that issues physical certificates, you may be issued additional certificates as your dividends are reinvested to purchase additional securities, resulting in multiple certificates for you to safeguard.

You may choose to not have the physical certificate(s) in your possession, and have the issuer instead maintain electronic records or provide you with a copy of your certificate(s). There is no custodian if you are holding client name securities, and there may not be a third-party transfer agent responsible for maintaining the books and records of the registered securityholders in which case you will be relying on the record-keeping of the issuer.

If you hold MICs managed by Carecana, there is no independent transfer agent or qualified custodian holding the MIC’s investments in mortgages. Title to the mortgage investments of the MIC is commonly held in the name of an affiliated mortgage broker in trust for the MIC, as set out in further detail in the Offering Memorandum. Although CVC offers products of related or connected issuers and may share common securityholders with Carecana, MICs managed by Carecana and the mortgage broker holding title to the MIC’s mortgage investments, CVC does not have access to your assets invested in the MICs and is functionally independent from the mortgage broker holding title to the MIC’s mortgage investments.

**Nominee-name securities** are securities issued in the name of someone other than you, such as a broker, trust company, financial institution, custodian, nominee or other intermediary. Although you are the beneficial securityholder of nominee-name securities, the intermediary is the registered securityholder that holds the security for you, commonly in an account. If you decide to hold your investment in a self-directed registered plan, such as an RRSP, RRIF, TFSA, RESP or other deferred plan, your securities will be held in nominee-name.

**CVC is NOT a qualified custodian authorized to hold registered plans such as RRSPs, RRIFs, RESPs or TFSAs pursuant to applicable income tax legislation in Canada, nor is it an agent or representative of any custodian.** However, if you wish to hold your securities in a registered plan, CVC may introduce you to a third-party, independent, qualified Canadian custodian who has agreed to hold the securities in a self-directed registered plan, or you have the option of finding your own custodian who is willing to allow you to hold exempt market securities in your self-directed registered plan. If you use your own custodian, CVC will not make an assessment on whether or not it is a qualified custodian for you. If CVC introduces you to a custodian that uses a sub-custodian to hold your assets, CVC will make you aware of that fact.

Although CVC may make custodian’s applications and forms available to you to complete or be listed as the dealer that sold you investments in your third-party self-directed registered plan, CVC is not acting as your agent or as agent of the custodian in doing so and CVC will not review your custodian application and/or forms for completeness or accuracy. You are solely responsible for completing your custodian application and/or forms accurately and in their entirety. These are forms of the custodians and are not CVC forms.

CVC and its dealing representatives are not authorized to and will not contact or deal with your custodian regarding your self-directed registered plan on your behalf, and will not accept trading authorization for your self-directed registered plan. You must deal directly with your custodian in respect of your self-directed registered plan with that custodian, including, without limitation, the third party custodian's fee schedule, RRSP or TFSA contribution limits, purchases, redemptions, retractions, dividend reinvestment plan or calculating and arranging for the withdrawal of required amounts from your RRIF.

If you have any questions relating to the custodian applications, forms, fees or questions of a general nature surrounding your self-directed registered plan, you must contact the custodian of your self-directed registered plan directly. CVC also encourages you to regularly review any statements from your custodian and contact your custodian directly if you have any concerns with your statement or your custodial agreement.

Using a custodian to hold your securities for safekeeping may minimize the risk of having your certificates lost, stolen or destroyed. Custodians will also be responsible for record keeping relating to your investment and are required to provide you with periodic statements relating to your investment. Not all custodians will agree to hold exempt market securities, and custodians may charge transaction fees and annual fees to purchase, hold or sell your securities. Your dealing representative can arrange for an introduction to a qualified Canadian custodian upon your request.

If you purchase a participating interest in a syndicated mortgage, CVC will disclose to you who will be registered on title as the holder of the syndicated mortgage and associated security. In most cases, you will not be registered on title as the holder of the syndicated mortgage and associated security and the syndicated mortgage will not be held in an account. In most cases, the mortgage broker will be registered on title as the holder on your behalf as the bare trustee and the mortgage broker will hold a registered interest in the mortgage in trust for you as a beneficial owner. There is no requirement to use a qualified custodian if the mortgage is registered in the name of the mortgage broker and the mortgage is held in trust for you. In the event of default, you must rely on the mortgage broker to enforce any mortgage or associated security.

## **Conflicts of Interest**

Securities legislation in Canada is directed at investor protection, including managing conflicts of interest. 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. It is important to us to provide you with 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 draw to your attention, and will explain 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 conflicts of interest prior to any subsequent transaction through CVC. You can visit CVC's website at [www.cvcmarketpoint.com](http://www.cvcmarketpoint.com) to view CVC's current *Conflicts of Interest and Relationship Disclosure* including CVC's conflicts of interest and a description of CVC's relationships with related or connected issuers.

### **1. CVC is a Captive Dealer Selling Securities of Related or Connected Issuers**

CVC is considered a "captive dealer" because it primarily or solely distributes securities of "related issuers" or "connected issuers", as those terms are defined in National Instrument 33-105 *Underwriting Conflicts*. 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 prior to any purchase you make in a security of a related or connected issuer, including a description of the nature and extent of the conflict of interest. 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.

There may be additional conflicts of interest between CVC, issuers, affiliates or third parties, all of which will be disclosed to you in writing by CVC or in applicable offering documents prepared by the issuer, which you are encouraged to read in their entirety. CVC will also identify any dealings in related or connected issuers on your trade confirmation and client statement after CVC executes a trade for you.

Different potential conflicts of interest may arise, depending on the product CVC is selling you. Refer to the applicable section below if you are purchasing securities of a mortgage investment corporation or a participating interest in a syndicated mortgage. If you wish to obtain further information concerning conflicts of interest, please refer to the "**Contact Us**" section below.

## 2. Purchasing a Mortgage Investment Corporation - Related and/or Connected Issuers

If CVC sells you securities of a mortgage investment corporation, the conflicts of interest are set out below.

### **Giavest Mortgage Investment Corporation (“Giavest”) – Connected Issuer and may be a Related Issuer**

*Giavest 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 Giavest and based on the fact that Giavest and CVC have common securityholders. In addition, CVC and Giavest’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 Giavest. Giavest does not compensate CVC for selling its securities.*

*CVC also acts as the exempt market dealer for CareVest Capital Inc., Giavest and other mortgage investment entities managed by Carecana to execute trades in mortgage securities. CVC is compensated by CareVest Capital Inc. for executing these trades (refer to “CareVest Capital Inc.” below), but CVC is not compensated by Giavest or other mortgage investment entities managed by Carecana for executing these trades.*

### **CareVest® Capital Inc. (“CCI”) – Related and Connected Issuer**

*CCI, a registered 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 issued by CCI to CVC clients, including but not limited to Giavest, 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 Giavest for acting as its mortgage broker. Giavest and CCI also have common securityholders.*

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

*If you are buying a participating interest in a syndicated mortgage issued by CCI, refer to the section below titled “Syndicated Mortgages” for further details.*

**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”) – Related and Connected**

*Carecana, the investment fund manager and restricted portfolio manager for Giavest 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 Giavest. Carecana is entitled to receive compensation from Giavest for providing portfolio manager and investment fund manager services, and is entitled to receive early retraction charges paid by shareholders of Giavest. Giavest and Carecana have common securityholders, directors and officers.*

### **Carecana™ Settlement Corp. (the “Funds Administrator”) - Related and Connected**

*The Funds Administrator is related and connected to CVC based on the role of the Funds Administrator and the fact that the Funds Administrator and CVC have common securityholders. Giavest and the Funds Administrator also have common securityholders.*

### **CareVest® Operations Corp. (“COC”) – Related and Connected**

*COC is related and connected to CVC based on the role of COC and 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. Giavest 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, the Funds Administrator or COC; (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.

CVC acts as the exempt market dealer engaged by Giavest to sell securities, and is compensated by Carecana for this service. CVC receives additional compensation from CCI when Giavest and other mortgage investment entities managed by Carecana execute trades in mortgage securities issued by CCI. None of these fees directly or indirectly impact your return in Giavest because Giavest does 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, Giavest and other affiliated mortgage investment entities managed by Carecana. Other Dealing Representatives of CVC may then recommend securities of Giavest, 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 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.**

### **3. Purchasing a Syndicated Mortgage - Related and Connected Issuers**

If CVC sells you a syndicated mortgage issued by CareVest® Capital Inc., the conflicts of interest are set out below.

<b>CareVest® Capital Inc. (the "Administrator") – Related and Connected Issuer</b>
<p><i>CareVest® Capital Inc. (the "Administrator"), a registered mortgage broker, is a related and connected issuer of CVC, by virtue of CVC's role as an exempt market dealer engaged by the Administrator to sell syndicated mortgages and based on the fact that the Administrator and CVC have common securityholders. CVC does not share common directors or officers with the Administrator and CVC does not have access to the Administrator's mortgages.</i></p> <p><i>The Administrator will be registered on title to the syndicated mortgage and additional security as applicable, and you will not be registered on title. Pursuant to the terms of the Loan Participation and Administration Agreement, you irrevocably nominate, constitute and appoint the Administrator as your custodian and bare trustee to your participating interest in the syndicated mortgage, and grant the Administrator full power to administer and manage such participating interest and authorize the Administrator to deal with your participating interest.</i></p> <p><i>The Administrator and its principals, affiliates, associates and employees, may purchase a participating interest in the syndicated mortgage with their own funds.</i></p> <p><i>The directors, officers, employees, affiliates and associates of the Administrator are engaged in a wide range of investing and other business activities which may include real property financing in direct competition with the syndicated mortgage and the Administrator intends to and has established other investment vehicles which may involve transactions which conflict with your interests. Furthermore, the services of the Administrator and its directors, officers and employees are not exclusive to you or the syndicated mortgage, and the Administrator, its directors, officers, employees, associates and affiliates may at any time engage in promoting or managing other entities and their investments, including those which may compete directly or indirectly with the syndicated mortgage.</i></p> <p><i>If the Administrator has an existing mortgage or security registered with the same borrower or guarantors for the syndicated mortgage you are investing in, CVC will disclose this to you and/or this fact will be disclosed to you in the Loan Participation and Administration Agreement.</i></p>
<b>Carecana™ Management Corp. ("Carecana") – Related and Connected</b>
<p><i>Carecana is related and connected to CVC and the Administrator due to common securityholders. CVC does not share common directors or officers with Carecana. Carecana does not manage syndicated mortgages, but is an investment fund manager and restricted portfolio manager that manages a portfolio on behalf of certain mortgage investment corporations (the "MICs"). Carecana may commit, on behalf of the MICs, to participate in a syndicated mortgage, and this fact will be disclosed to you in the Loan Participation and Administration Agreement.</i></p>
<b>Mortgage Investment Corporations ("MICs") Managed by Carecana – Connected Issuers and may be Related Issuers</b>
<p><i>The MICs that are managed by Carecana are connected issuers and may be considered related issuers of CVC and the Administrator due to common securityholders and by virtue of CVC's role as an exempt market dealer engaged to sell securities of certain of the MICs. CVC does not share common directors or officers with the MICs.</i></p> <p><i>Any commitment by Carecana, on behalf of the MICs, to participate in a syndicated mortgage will be disclosed to you in the Loan Participation and Administration Agreement. The participating interests of the MICs will be of equal rank without priority or preference over the other participants.</i></p> <p><i>The Administrator has sole discretion to set and adjust the terms and interest rates for different participants, including the MICs. The Administrator has written agreements with the MICs setting out mortgage brokerage administration fees and other terms that differ from the fees and charges paid by you. As a result, the MICs will have different terms, fees and charges than you and will not enter into the Loan Participation and Administration Agreement. However, the participating interests will be of equal rank without priority or preference over the other participants or MICs.</i></p> <p><i>CVC has an agency agreement with the Administrator setting out sales commission payable to CVC on syndicated mortgages with affiliated MICs that differs from the sales commission CVC will earn from the Administrator for your investment. All sales commission paid by the Administrator to CVC will not impact your return or value of your investment.</i></p> <p><i>The Administrator will be registered on title to the syndicated mortgage on behalf of the MICs, and the title to the syndicated mortgage will be held in trust for the MICs by the Administrator.</i></p>

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, the Funds Administrator or COC; (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.

CVC is acting on behalf of both you as the purchaser, and the Administrator as the seller for this syndicated mortgage. This conflict is controlled because CVC does not charge a mark-up on the syndicated mortgage, and both sides of the trade will occur at the same price equal to the principal value.

CVC's President and Chief Compliance Officer are both registered as Dealing Representatives and conduct trades in syndicated mortgages between CCI and the MICs managed by Carecana. CVC's President or Chief Compliance Officer may also act as your Dealing Representative for your purchase of a syndicated mortgage. This conflict is controlled because your Dealing Representative is required under securities law to only make suitable investment recommendations to you.

In addition to the above conflicts of interest, CVC will also disclose to you if the borrower is related or connected to CVC or the Administrator.

#### **4. Outside Business Activities**

CVC's dealing representatives may be involved in an activity or offer products and services that are unrelated to the business of CVC. These are referred to as "outside business activities" and include any activity for which your dealing representative receives or expects to receive payment, compensation, consideration or any other benefit, either directly or indirectly. Outside business activities also include any position of influence, any officer, director or other equivalent position held by a dealing representative. Examples of outside business activities include insurance licenses, mortgage broker licenses, financial planning, realtor licenses, director or officer positions with other entities, volunteer activities with charitable organizations, industry associations, condominium corporations and other entities. Your dealing representative may only engage in an outside business activity if the activity has been disclosed to regulators and has been pre-approved by CVC. Outside business activities are subject to CVC's internal policies and procedures which 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. Below is a list of the pre-approved outside business activities that CVC's dealing representatives are engaged in that are not business activities of CVC.

<b>Dealing Representative</b>	<b>Outside Business Activity</b>	<b>Description</b>
<b>Qiong (Charles ) Li</b>	<b>Realtor</b>	The dealing representative and his personal real estate corporation, Qiong Li Personal Real Estate Corporation, are licensed as Representatives of Royal Pacific Tri-Cities Realty and regulated by the Real Estate Council of British Columbia.
	<b>Personal Real Estate Corporation - Qiong Li Personal Real Estate Corporation</b>	The dealing representative is the sole director and sole shareholder of Qiong Li Personal Real Estate Corporation, a personal real estate corporation which provides real estate services and is regulated by the Real Estate Council of British Columbia.
<b>Parminder Randhawa</b>	<b>Business Owner – PR Wealth Management Inc.</b>	The dealing representative is an independent business owner and the sole director, sole shareholder and an employee of PR Wealth Management Inc.
	<b>Financial Planner</b>	The dealing representative is a Certified Financial Planner through the Financial Planning Standards Council and offers financial planning services through PR Wealth Management Inc., an independent business which is wholly owned by the dealing representative. PR Wealth Management Inc. also has a relationship with a managing general agency (MGA), which may provide access to wealth management services through a portfolio manager.
	<b>Life, Accident and/or Sickness Insurance License</b>	The dealing representative has an insurance license to sell Life, Accident and/or Sickness Insurance that is sponsored by Industrial Alliance Insurance and Financial Services Inc., through PR Wealth Management Inc. as the insurance agent. The insurance license is regulated by the Alberta Insurance Council.
	<b>Segregated Funds</b>	Segregated funds are variable annuity contracts distributed exclusively through insurance companies, and are exempt from securities legislation. The sale of segregated funds by the dealing representative fall under his insurance license regulated by the Alberta Insurance Council.

**It is important that you read and understand the following if your dealing representative engages in outside business activities:**

- Your dealing representative's outside business activities are not business activities of CVC;
- Your dealing representative's registration with CVC only allows for trading and advising in exempt market securities. Any other products or services offered to you by your dealing representative are outside of his or her registration with CVC. CVC is not registered to sell real estate or offer you insurance, financial planning, portfolio management, segregated funds, mutual funds or exchange traded funds;
- Your dealing representative is regulated by and holds licenses with other regulators that CVC is not regulated by;
- Your dealing representative may also be involved in unregulated business activity;
- You will be dealing with more than one legal entity, corporation, trade name, partnership, sole proprietorship or association depending on the products or services offered;
- You are not obligated to use any of the additional products or services offered by your dealing representative;
- 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;
- CVC is not endorsing, recommending or advising you on any of the products or services offered in connection with your dealing representative's outside business activities;
- CVC makes no representations or warranties, and assumes no liability in connection with your dealing representative's outside business activities;
- CVC will not be liable for any errors or omissions related to the other products or services offered by your dealing representative; and
- The remuneration earned by your dealing representative may vary depending on the products and services purchased, and your dealing representative may earn additional remuneration from offering you other products or services outside of CVC.

If you wish to obtain further information concerning your dealing representative's outside business activities that have been approved by CVC, or if you have any concerns about your dealing representative's outside business activities, please refer to the "**Contact Us**" section below.

## **5. 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.

CVC may receive upfront sales commission from the issuer's manager for selling you products that may have early retraction charges associated. Although the sales commission does not impact your return or the value of your investment, you will have liquidity constraints and retraction limitations associated with these products that will be set out in the Offering Memorandum or disclosure document and discussed with you by your dealing representative. This conflict is controlled because your Dealing Representative is required under securities law to consider your investment time horizon and only make suitable investment recommendations to you.

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.

## **Types of Risks**

Investment products sold in the prospectus-exempt market are generally considered high risk and are only suitable for investors who are qualified to purchase the securities, and are familiar with and have the ability and willingness to accept the high risk associated with private investments. The types of risks that you should consider when deciding to purchase an exempt product include, without limitation: illiquidity (private issuers are not publicly traded on a stock exchange, are subject to resale restrictions, and may have limitations on redemptions or retractions that restrict your ability to sell or liquidate your investment at will), high risk nature of exempt products, no guarantee of return or payment of dividends, speculative nature of the investment, reliance on management, conflicts of interest, absence of voting rights (if applicable) and limited ongoing disclosure from issuers that are not publicly traded.

There are a number of additional industry specific risks that should also be considered and will be described in detail in each product's Offering Memorandum or disclosure document. Examples of industry specific risks in the real estate industry include but are not limited to, general economic conditions, fluctuations in real estate markets, interest rates, and risks related to mortgage extensions, defaults, foreclosure and related costs.

In addition, exempt products are sold under certain statutory prospectus exemptions, which exemptions relieve the exempt products from having to file a prospectus and therefore there is no review of the disclosure documents by the securities commission or similar regulatory authority.

All applicable risks are described in detail in each product's Offering Memorandum or disclosure document and we encourage you to read the entire Offering Memorandum or disclosure document carefully and seek independent legal or tax advice where appropriate before making an investment decision. We also encourage you to read this *Conflicts of Interest and Relationship Disclosure* carefully as it contains important information about the risks associated with your relationship with CVC.

## **Using Leverage**

Using borrowed money to finance the purchase of securities involves greater risk than using cash resources only. The purchase of securities using borrowed money magnifies the gain or loss on the cash invested. This effect is called leveraging. If you borrow money to purchase securities, your responsibility to repay the loan and pay interest on the loan as required by its terms remains the same even if the value of the securities purchased with the borrowed money declines.

Furthermore, many of the products that CVC offers to retail investors do not have guaranteed cash flow or income streams to rely on to repay your loans or make interest payments on your loans. Investing in products with embedded leverage or the ability to utilize leverage may also involve additional risks that will be described in detail in the product's Offering Memorandum or disclosure document, if applicable.

## **Client Reporting**

While you continue to be a client of CVC, CVC will send you the following client reporting, as applicable. It is important for you to review all of the client reporting CVC sends you, and contact your dealing representative if you have any questions or concerns.

1. **Trade Confirmations** - CVC will provide you with a trade confirmation report promptly following a transaction for which CVC acted for you, including the name of the product, number and type of securities purchased, purchase price per security, the security's annual yield (in the case of a purchase of a debt security), commission and charges paid by you to CVC (if any), a description of where your assets are being held and the settlement date. CVC will generally only act as your dealer in connection with the purchase transaction, and will not act as your dealer or issue a trade confirmation in connection with any sale, redemption, retraction or purchase of additional securities by way of a dividend reinvestment. For information relating to any sale, redemption, retraction or purchase of additional securities by way of a dividend reinvestment, please contact the issuer or the investment fund manager directly.
2. **Client Statements** - In the month following a transaction for which CVC acted for you, CVC will provide you with a one-time client statement showing all of your CVC transactions during the month, including the name of the product, number and type of securities purchased, purchase price per security, gross purchase price, the security's annual yield (in the case of a purchase of a debt security), a description of where your assets are being held and the transaction date. The client statement from CVC only includes transaction information and does not include ending balance or market value information. Because CVC does not open client accounts, it does not hold or control any of your cash or securities. **You will only receive a client statement from CVC if you completed a purchase transaction through CVC during the monthly reporting period.** CVC will generally only act as your dealer in connection with the purchase transaction, and will not act as your dealer or issue a client statement in connection with any sale, redemption, retraction or purchase of additional securities by way of a dividend reinvestment. For information relating to any sale, redemption, retraction or purchase of additional securities by way of a dividend reinvestment, please contact the issuer or the investment fund manager directly.

CVC is not required to provide you with an additional statement on securities you hold in client-name. In the future, if CVC has trading authority over your securities or if CVC receives trailing commissions or other continuing payments related to your ownership of securities, CVC will be required to provide you with ongoing client statements that include additional information relating to your client-name securities that you purchase from CVC. The additional client statement information will include the name, quantity, cost and market value of each security, any cash balance you hold

at CVC, the total cost and market value of your cash and securities, a description of how your securities are being held, disclosure in respect of who holds each security, which of the securities might be subject to a deferred sales charge or early redemption/retraction charge if they are sold, and whether the securities are eligible for coverage under an investor protection fund.

3. **Fee Report** – CVC will provide you with a Fee Report at the end of each calendar year during which CVC acts as your dealer, even if CVC acted as your dealer for less than 12 months. **CVC will not send you this report if you did not do any transactions with CVC during the last calendar year.** The Fee Report summarizes all of the compensation CVC received directly and indirectly for acting as your dealer, including but not limited to, operating charges, transaction charges, trading commissions, trailing commissions, payments CVC receives from issuers or other registrants in relation to providing services to you or any mark-ups, mark-downs or service charges on the purchase or sale of debt securities.
4. **Investment Performance Report** – CVC is not required to provide you with an Investment Performance Report to show you the performance of exempt market securities CVC sold to you. Because CVC does not open client accounts, it does not hold or control any of your cash or securities. **For information on the performance of your exempt market securities, please contact the issuer or investment fund manager directly.** In the future if CVC has trading authority over your securities or if CVC receives trailing fees or any other continuing payment related to your securities, CVC will be required to provide you with an Investment Performance Report for certain exempt market securities issued by an investment fund if the market value of your securities can be determined.

If CVC is required to provide you with an Investment Performance Report, it will include the beginning and ending market value of the exempt market securities CVC sold you and your annualized total percentage return for each of the 1-year, 3-year, 5-year, 10-year and since inception period, as applicable, for the exempt market securities CVC sold you.

### **Client Costs**

It is important to CVC that you be an informed investor and understand the fees you pay for your investments that CVC sells you. Prior to any purchase you make through CVC, CVC will provide you with a written summary of the direct and indirect fees and costs associated with your particular investment and CVC will explain how it will be compensated from your investment. CVC will also provide you with a Fee Report at the end of each calendar year during which CVC acts as your dealer to summarize the compensation CVC earned from acting as your dealer. Refer to “Fee Report” above.

CVC may receive a sales commission and/or ongoing trailing commissions from the product and/or the investment fund manager when you purchase an investment, and CVC may receive a due diligence fee from the product and/or the investment fund manager. Your investment may have other indirect fees and costs that are paid by the product, which will reduce the value of your investment, such as management fees, performance fees, mortgage brokerage fees or other fees. If any of these direct or indirect fees are payable to entities related to CVC, this fact will also be disclosed to you in offering documents. You may also be charged direct fees or early redemption or retraction charges when redeeming or retracting your investment within a specified period of time after your purchase, which will be set out in the Offering Memorandum or disclosure document and discussed with you by your dealing representative.

Please refer to the product Offering Memorandum or disclosure document for a detailed description of any fees, deductions or charges applicable to the product’s securities that may be paid directly by you, and a description of any indirect costs associated with your investment in an exempt product.

CVC does not charge its retail clients any direct fees or costs for purchasing, holding or selling investments. However, third party intermediaries or custodians may charge transaction fees and annual or ongoing fees to purchase, hold or sell an exempt product within a registered plan.

### **Benchmarks**

An investment performance benchmark is a market or industry sector index against which you can measure the relative performance of your investment. By comparing your investment to an appropriate benchmark, you can see how your investment performed compared to the market or industry sector in general. Benchmarks should reflect a similar asset class, industry sector and/or risk level so they are comparable to the investment to which you are comparing performance. CVC does not currently offer benchmark comparisons to its clients for the products it sells.

## **Complaint Process**

We encourage you to direct complaints you have regarding CVC to CVC's Chief Compliance Officer by telephone at 1-888-538-5832, by e-mail at [enquiries@cvcmarketpoint.com](mailto:enquiries@cvcmarketpoint.com) or by mail to Suite 1800, 555-4<sup>th</sup> Avenue SW, Calgary, Alberta, T2P 3E7, Attention: Chief Compliance Officer so we may have the opportunity to address your complaint. CVC will acknowledge receipt of your complaint as soon as possible, typically within five business days of receiving your complaint, and in most cases you can expect to receive a final response and decision from CVC within 90 days of receiving your complaint.

If CVC does not provide you with a final response within 90 days of receiving your complaint, you have the right to contact the Ombudsman for Banking Services & Investments ("OBSI") for a further review of any complaints relating to trading or advising activity. You also have the right to contact OBSI within 180 days of receiving CVC's final response if your complaint is not resolved to your satisfaction. OBSI is a national independent dispute resolution service for resolving banking services and investment disputes and provides its services at no cost to you. An alternative to the legal system, OBSI can recommend compensation of up to \$350,000 and its recommendations are not binding. OBSI can be reached by telephone at 1-888-451-4519, by e-mail at [ombudsman@obsi.ca](mailto:ombudsman@obsi.ca) or visit its website at [www.obsi.ca](http://www.obsi.ca).

## **Privacy Policy**

At CVC, your privacy is important to us. We collect and use personal information about you to create and maintain a relationship that allows us to conduct business with you in accordance with the provisions of our [Privacy Policy](#) available at [www.cvcmarketpoint.com](http://www.cvcmarketpoint.com). We are committed to protecting and maintaining the accuracy, confidentiality and security of your personal information. We are also careful to ensure that information is used responsibly, and only for the purposes for which you gave it to us, unless otherwise permitted or required by law.

By submitting your personal information to CVC, you represent and agree that such information is provided with your full consent and is not confidential or proprietary and that CVC is free to use such information in order to conduct business with you. You further consent to the collection, use and disclosure of your personal information as described in our [Privacy Policy](#), including for the purpose of verifying your identity. Your personal information may be stored in a jurisdiction without data protection rules similar to those found in Canada. Personal information may also be disclosed to law enforcement, regulators, or other government agencies, or to other third parties, in each case to comply with legal or regulatory obligations or requests. The information you provide is protected under the Personal Information Protection Act (Alberta) and will only be used in accordance with the provisions of our [Privacy Policy](#).

If you have any questions or concerns about the collection of your personal information, please contact the CVC Privacy Officer as follows:

**Privacy Officer**  
**Suite 1800, 555-4<sup>th</sup> Avenue SW**  
**Calgary, Alberta, T2P 3E7**  
**Telephone: (403) 509-0115**  
**Facsimile: (403) 262-9520**  
**Email: [privacy@carevest.com](mailto:privacy@carevest.com)**

## **Contact Us**

If you wish to obtain further information concerning your relationship with CVC, or if you have any concerns about the information provided herein, please contact your dealing representative or the Chief Compliance Officer at:

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