

# Relationship Disclosure Information



*Information About Your Relationship with  
CVC<sup>TM</sup> Market Point Inc.*

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## CVC and the Products and Services CVC Offers

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 certain exempt market securities to qualified investors. All of the products offered by CVC are exempt market securities, which means there are restrictions on your ability to liquidate or resell these securities and 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 specific exemption in order to be eligible to purchase exempt market securities. CVC’s dealing representatives (“DRs”) are available to discuss exemptions, applicable individual investment limits and assess whether you qualify to invest in the exempt market securities offered by CVC.

**CVC is a captive dealer that exclusively offers “proprietary products”, including issuers that are related or connected to CVC through common securityholders and/or issuers managed by Carecana™ Management Corp. (“Carecana”), an affiliated investment fund manager and restricted portfolio manager.** The following is a list of the proprietary products currently offered by CVC. Refer to “Conflicts of Interest” below for further details and a description of the nature of these relationships.

Issuer / Proprietary Product	Nature of the Relationship with CVC
<b>CareVest® Capital Inc.</b>	Related issuer and connected issuer of CVC, sharing common securityholders
<b>Giavest™ Capital Mortgage Investment Corporation</b>	Connected issuer and may be considered a related issuer of CVC, sharing common securityholders and managed by Carecana, an investment fund manager and restricted portfolio manager that is an affiliate of CVC

From time to time, CVC’s DRs may be involved in an activity or offer products and services that are unrelated to the business of CVC and are carried on outside of CVC. These are referred to as “Outside Activities”. Refer to “Conflicts of Interest – Outside Activities” below for a list of pre-approved Outside Activities that CVC’s DRs 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 exempt market securities. 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 needs and objectives, risk profile, time horizon, investment knowledge, financial circumstances, personal circumstances and personal identification, and will use this information to verify your identity, verify that you qualify to use a prospectus exemption and make a determination about whether the purchase is suitable for you. As an EMD, CVC is obligated to make this suitability determination for each purchase you make through CVC and CVC must determine that any investment action it takes, recommends or decides on for you is suitable for you and puts your interests first, so it is important that you provide full and accurate information to your DR. CVC will provide you with a signed copy of the KYC Form for your records.

**Because CVC exclusively offers a limited number of proprietary products as described above, the suitability determination by CVC and its DRs will not consider the larger market of non-proprietary products or whether those non-proprietary products would be better, worse, or equal in meeting your investment needs and objectives. CVC’s DRs can only provide information regarding the products that CVC offers and cannot provide you with advice on other investments or asset classes that may be beneficial for you to invest in. Should you wish for advice or information about other securities, you will need to seek out a different registered firm.**

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 circumstances, risk profile, 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 DR if any of your information has changed.

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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 make a suitability determination 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.

## Trusted Contact Person

CVC is required to ask individuals to provide the name and contact information of a Trusted Contact Person (“TCP”) when CVC collects KYC information from you and to collect consent for the circumstances CVC may contact your self-appointed TCP.

Your self-appointed TCP is someone to assist CVC in protecting your investments. Your TCP should be an individual you trust, who will be comfortable speaking with CVC about your personal situation and who does not have an interest in your investments or assets and is not involved in making financial decisions with respect to your investments. Your TCP is essentially an “emergency contact” and does not have authority to make any decisions on your behalf or make changes to your investments. You should let your TCP know that you have named them as your TCP and provide an overview of what this means.

CVC will only contact your TCP with your consent to confirm or make inquiries about any of the following:

- Possible financial exploitation affecting your or your investment
- Concerns about your mental capacity as it relates to financial decision making
- Your current contact information if CVC is unsuccessful in contacting you after repeated attempts and where failure to contact you would be unusual
- The identity of any legal guardian, executor, trustee or other personal or legal representative

It is important for you to keep your TCP information current with CVC and CVC encourages you to contact your DR if any of your TCP information has changed. You may withdraw your consent for CVC to contact your TCP or you may change your TCP by contacting your DR for instructions.

## 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.** CVC and its DRs 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 DR 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.

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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 MIC's 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 DRs 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 DR 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.

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## Conflicts of Interest

Securities legislation in Canada requires EMDs such as CVC to take reasonable steps to identify existing material conflicts of interest, and material conflicts of interest that are reasonably foreseeable, between CVC, including each individual acting on CVC's behalf, and clients for which CVC acts as a dealer. CVC must address all such material conflicts of interest in the best interest of the client. 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 DRs and its clients. It is important to us to provide you with information to help you better understand material conflicts of interest that may arise in your dealings with CVC as an EMD.

A conflict of interest is any circumstance where (i) the interests of different parties are inconsistent or divergent, (ii) CVC or its DRs may be influenced to put their interests ahead of yours; or (iii) monetary or non-monetary benefits available to CVC or its DRs (or potential detriments to which CVC or its DRs may be subject) may compromise the trust that a reasonable client has in CVC or its DRs. Conflicts of interest are deemed to be material if the conflict may be reasonably expected to affect the decisions of the client and/or the recommendations or decisions of CVC or its DRs in the circumstances. 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 there are no appropriate controls available in the circumstances sufficient to address the conflict in your best interest.

CVC has identified some material conflicts of interest to draw to your attention, and the below sections provide disclosure of the conflicts identified and how CVC manages them so that you can independently assess these conflicts when making your investment decision. Other material conflicts of interest may arise from time to time, and CVC will inform you of the nature and extent of any additional material 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 *Relationship Disclosure Information* including CVC's material conflicts of interest and a description of CVC's relationships with related or connected issuers.

## CVC Exclusively Offers Proprietary Products

CVC is considered a "captive dealer" because CVC is registered solely as an EMD and exclusively distributes securities of "related issuers" or "connected issuers", as those terms are defined in National Instrument 33-105 *Underwriting Conflicts* ("**NI 33-105**") and securities of issuers managed by an affiliate of CVC.

A "connected issuer" of CVC generally has a relationship with CVC (or a related issuer of CVC) or a director or officer of CVC (or a related issuer of CVC) that may lead a reasonable prospective purchaser of the securities of the connected issuer to question whether CVC and the issuer are independent of each other for the distribution of the issuer's securities. For example, a "connected issuer" of CVC may be managed by an affiliate of CVC, share common securityholders of 20% or less with CVC, share a common director or officer with CVC, or borrow money from or lend money to CVC.

A "related issuer" of CVC generally shares common ownership or control over more than 20% of the voting securities, and is defined in more detail below. For example, a "related issuer" of CVC would include an issuer that shares more than 20% common securityholders with CVC.

*As defined in NI 33-105, a person or company is a "related issuer" to CVC if, through the ownership of, direction or control over, voting securities or otherwise, (i) the person or company issuing securities is an "influential securityholder" of CVC, (ii) CVC is an "influential securityholder" of the person or company issuing securities, or (iii) if each of them is a related issuer of the same third person or company. The term "influential securityholder" generally refers to a situation where a person, company or professional group (which includes*

*CVC and its partners, directors, officers, employees and affiliates) (i) directly or indirectly owns or controls more than 20% of the voting securities of an issuer, (ii) directly or indirectly owns or controls more than 20% of the dividends or distributions to the holders of equity securities of the issuer, or more than 20% of the amount to be distributed to the holders of equity securities of the issuer on the liquidation or winding up of the issuer, (iii) controls or is a partner of the issuer if the issuer is a general partner, (iv) controls or is a general partner of the issuer if the issuer is a limited partnership, (v) directly or indirectly owns or controls more than 10% of the voting securities of an issuer for the election or removal of the issuer's directors, or (vi) directly or indirectly owns or controls more than 10% of the dividends or distributions to the holders of equity securities*

of the issuer, or more than 10% of the amount to be distributed to the holders of equity securities of the issuer on the liquidation or winding up of the issuer, and together with its related issuers is entitled to nominate at least 20% of the directors of the issuer or its officers, directors or employees constitute at least 20% of the directors of the issuer.

Being a captive dealer and exclusively offering proprietary product to clients is a material conflict of interest 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, either through the receipt of this disclosure or otherwise. A material 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 and act in the best interest of the client.

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.

Different potential conflicts of interest may arise, depending on the product CVC is selling you. Refer to the section below if you are purchasing securities of a mortgage investment corporation (a "MIC") or a participating interest in a syndicated mortgage for details on the nature and extent of the conflict of interest, the potential impact on and risk that the conflict of interest could pose to you and how CVC has addressed the conflict of interest.

### Purchasing Securities of a MIC or a Syndicated Mortgage

If CVC sells you securities of a MIC or a syndicated mortgage, the nature and extent of the conflicts of interest as of March 25, 2024, are set out below.

### Related and/or Connected Issuers

#### Giavest™ Capital Mortgage Investment Corporation ("Giavest")

Giavest is a connected issuer and may be considered a related issuer of CVC by virtue of CVC's role as an EMD engaged to sell securities of Giavest and based on the fact that Giavest, Giavest's manager and CVC have common securityholders (refer to "Carecana Management Corp." on the following page). CVC is entitled to receive compensation from Giavest's manager, 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 EMD for CareVest® Capital Inc. ("CCI"), Giavest and other MICs managed by Carecana to execute trades in mortgage securities. CVC is compensated by CCI for executing these trades (refer to "CareVest® Capital Inc." below), but CVC is not compensated by Giavest or other MICs managed by Carecana for executing these trades.

#### CareVest® Capital Inc. ("CCI", the "Mortgage Broker" or the "Administrator")

CCI, a registered mortgage broker, is a related and connected issuer of CVC by virtue of common control and CVC's role as an EMD to execute trades in syndicated mortgages issued by CCI to CVC clients, including but not limited to Giavest, and other MICs managed by Carecana.

Giavest and CCI also have common securityholders and a common director and officer. Mr. Khunkhun is a director and officer of both Giavest and CCI. However, he is not the sole director of either Giavest or CCI and cannot solely make decisions for either Giavest or CCI without the majority consent of all the directors of each respective entity. In light of the potential conflicts of interest, CCI controls these conflicts by presenting mortgage investments to Carecana's credit committee, that does not include Mr. Khunkhun, to approve or decline each mortgage opportunity for Giavest. In addition, Carecana has discretionary authority over Giavest's investments and Mr. Khunkhun is not a director, officer or Advising Representative of Carecana. Mr. Khunkhun will recuse himself where there is a conflict situation between Giavest and CCI. 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 and fees from Giavest for acting as its Mortgage Broker and CCI is entitled to receive compensation, fees and/or priority allocation of interest from acting as Administrator for syndicated mortgages.

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 Giavest. Although CVC shares common ownership with Carecana, Giavest and CCI, CVC does not share common directors or officers with CCI and CVC does not have access to Giavest's mortgage investments or your investments in Giavest, and CVC has concluded it is functionally independent from CCI.

**If you are purchasing a participating interest in a syndicated mortgage issued by CCI, the following conflicts of interest also exist:**

CCI, as 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.

The Administrator and its principals, affiliates, associates and employees, may purchase a participating interest in the syndicated mortgage with their own funds.

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.

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.

If the borrower of the syndicated mortgage you are investing in is related or connected to CVC or the Administrator, CVC will disclose this to you.

**If you are purchasing a participating interest in a syndicated mortgage issued by CCI, Carecana does not manage syndicated mortgages, but is an investment fund manager and restricted portfolio manager that manages a portfolio on behalf of certain MICs that may also participate in a syndicated mortgage. 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.**

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

The Funds Administrator and CVC have common control. Giavest and the Funds Administrator also have common control. In light of the potential conflicts of interest, the assets of Giavest administered by the Funds Administrator are held in distinct and separate bank accounts at a Schedule I bank. The Funds Administrator controls conflicts of interest by not disbursing any assets of Giavest administered by the Funds Administrator without the prior written instructions of Carecana. **If you are purchasing a participating interest in a syndicated mortgage issued by CCI, this is not applicable.**

**CareVest® Operations Corp. (“COC”)**

COC and CVC have common control. 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, COC and CCI also have common control and Giavest and COC have common directors.

**2038231 Alberta Ltd. (the “Lender”)**

The Lender and CVC have common control. Giavest, the Manager and the Lender also have common securityholders and common directors and officers. Carecana is responsible for compliance oversight and monitoring of the loan agreement between the Lender and Giavest. **If you are purchasing a participating interest in a syndicated mortgage issued by CCI, this is not applicable.**

The potential impact and risk associated with your purchase of proprietary products from CVC is that CVC and its DRs will not consider the larger market of non-proprietary products or whether those non-proprietary products would be better, worse, or equal in meeting your investment needs and objectives. The economic success of CVC is tied to the sale of proprietary products, CVC’s affiliates earn revenue and/or retain a priority interest allocation from the proprietary products distributed by CVC, and the proprietary products offered by CVC may take actions that impact the return on your investment or the value of your investment.

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 proprietary products CVC sells, Carecana, CCI, the Funds Administrator, COC or the Lender; (ii) completing independent product due diligence by individuals who have no interest, including as a director, officer or voting shareholder, in the proprietary products CVC sells; (iii)

Relationship between CVC and Other Related Entities

**Carecana™ Management Corp. (“Carecana”)**

Carecana is the investment fund manager and restricted portfolio manager for Giavest and other affiliated MICs. Carecana and CVC have common control and 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.

Giavest and Carecana also have common securityholders, directors and officers. In light of the potential conflicts of interest, Carecana has adopted policies and procedures for identifying and responding to conflicts of interest by avoiding, controlling or disclosing material conflicts of interest. Carecana also employs an independent Chief Compliance Officer who provides oversight through a comprehensive compliance program, monitors borrower concentration and approves any personal trades.



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employing a Chief Compliance Officer who has no interest, including as a director, officer or voting shareholder, in the proprietary products CVC sells; (iv) providing clear disclosure to its clients that CVC exclusively sells proprietary products; (v) developing suitable client profiles to invest in CVC's proprietary products and turning away potential clients who do not fit the profile; (vi) establishing an oversight process for compliance with know your product, know your client and suitability determination in respect of proprietary products to determine that your interests are put first when you purchase a product offered by CVC; (vii) conducting ongoing monitoring and product due diligence on proprietary products being offered by CVC; (viii) obtaining an independent evaluation of the effectiveness of CVC's policies, procedures and controls to address conflicts; (ix) controlling access to sensitive information; (x) segregating client records; (xi) providing staff training; (xii) through monitoring and oversight of CVC's related service providers; and (xiii) not having access to CCI's mortgages.

CVC acts as the EMD engaged by Giavest to sell securities, and is compensated by Carecana for this service. CVC receives additional compensation from CCI when Giavest and other MICs 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.

If you are purchasing a participating interest in a syndicated mortgage issued by CCI, CVC is acting on behalf of both you as the purchaser, and CCI as the seller for the purchase of a 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 DRs and conduct trades in syndicated mortgages between CCI, Giavest and other affiliated MICs managed by Carecana. DRs, including CVC's President or Chief Compliance Officer, may then recommend securities of Giavest, CCI syndicated mortgages or other affiliates to you. These conflicts are controlled because your DR is required under securities law to only make suitable investment recommendations to you and must address all material conflicts of interest in your best interest.

**In addition to the above conflicts of interest (which is not an exhaustive list), 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. If**

**you wish to obtain further information concerning the conflicts of interest described herein or for any further details, please refer to the "Contact Us" section below.**

## Outside Activities

CVC's DRs may be involved in an activity or offer products and services that are unrelated to the business of CVC and carried on outside of CVC, which are referred to as "Outside Activities". Outside Activities include, but are not limited to, other securities-related activities, providing financial or finance-related services, activities with another registered firm or any position of influence held by a DR, whether or not compensation is received and whether or not the activities are business related. Examples of Outside Activities that are reportable include insurance licenses, mortgage broker licenses, financial planning, realtor licenses, director or officer positions with a reporting issuer or an entity raising capital or positions of influence such as religious leaders, medical doctors, nurses or lawyers. Certain Outside Activities are not reportable, such as involvement with non-active operations or volunteer activities that are not securities-related, financial services or positions of influence.

CVC controls material conflicts of interest associated with Outside Activities by: (i) only allowing your DR to engage in an Outside Activity if the activity has been pre-approved by CVC and has been disclosed to regulators if applicable ; (ii) establishing internal policies and procedures which restrict any Outside Activities that would interfere with a DR's ability to act in your best interest; (iii) restricting a DR from trading or advising for you or your relative if the DR has a relationship with you arising from a position of influence; (iv) providing clear disclosure to its clients about Outside Activities; and (v) restricting CVC's DRs, officers and directors from being directors, officers or voting shareholders of any product offered by CVC or recommended to CVC's clients.

If a DR is offering you any products or services beyond exempt market products, these products and services are not business activities of CVC. On the following page is a list of the reportable Outside Activities that CVC's DRs are engaged in that are not business activities of CVC.

Dealing Representative (DR)	Outside Activity	Description of Nature and Extent
Qiong (Charles) Li	Realtor	The DR 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 BC Financial Services Authority.
	Personal Real Estate Corporation - Qiong Li Personal Real Estate Corporation	The DR 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 BC Financial Services Authority.
Danson Nguyen	Associate, Promerita Capital Management Corp.	The DR is an Associate that provides limited back-office and administrative support to Promerita Capital Management Corp., which is a specified affiliate of CVC and shares common securityholders with CVC.

**It is important that you read and understand the following if your DR engages in Outside Activities, as this describes the potential impact on you and the potential risk posed by these Outside Activities:**

- Your DR’s Outside Activities are not business activities of CVC;
- Your DR’s registration with CVC only allows for trading and advising in exempt market securities. Any other products or services offered to you by your DR are outside of his or her registration with CVC. CVC is not registered to sell real estate;
- Your DR may be regulated by or holds licenses with other regulators that CVC is not regulated by;
- Your DR may also be involved in unregulated business activity;
- Your DR is restricted from trading or advising if your DR is in a position of influence;
- 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 DR;
- 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 DR;
- CVC is not endorsing, recommending or advising you on any of the products or services offered in connection with your DR’s Outside Activities;
- CVC makes no representations or warranties, and assumes no liability in connection with your DR’s Outside Activities;
- CVC will not be liable for any errors or omissions related to the other products or services offered by your DR; and
- The remuneration earned by your DR may vary depending on the products and services purchased, and your DR may earn additional remuneration from offering you other products or services outside of CVC.

If you wish to obtain further information concerning your DR’s Outside Activities that have been approved by CVC, or if you have any concerns about your DR’s Outside Activities, please refer to the “**Contact Us**” section below.

## Compensation

DRs 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

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any transaction with you will be disclosed to you in advance of the transaction. The potential impact and risk associated with compensation arrangements is that CVC or your DR may be influenced to sell you products that offer the highest compensation, or to sell you a higher volume of products to receive more compensation, when there may be a more suitable product available on CVC's product shelf for you. However, potential conflicts of interest arising from CVC's compensation arrangements and incentive practices are controlled by maintaining internal compensation arrangements and commission splits that do not materially differ by product, by avoiding incentives or compensating DRs for reaching sales targets and the fact that your DR is required under securities law to put your interest first when recommending a product to you.

CVC may receive upfront sales commission from the issuer's manager for selling you products. The potential impact and risk associated with purchasing products is that you will have liquidity constraints associated with these products, as set out in the Offering Memorandum or disclosure document and explained to you by your DR. This conflict is controlled because the sales commission received by CVC is not paid by the issuer and does not impact your return or the value of your investment and your DR is required under securities law to only make suitable investment recommendations to you and must put your interest first when recommending a product to you.

On occasion, CVC and/or its DRs may also pay or receive referral fees if they refer you to third parties for the purposes of obtaining other products and services or if third parties refer you to CVC. If CVC and/or its DRs expect to pay or 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. The potential impact and risk associated with CVC receiving referral fees is that CVC or your DR may be influenced to refer you to a third party's products or services in exchange for compensation. The potential impact and risk to you of CVC paying a referral fee to obtain a client can influence CVC or the DR to put their interest in growing their business ahead of your interest. These conflicts are controlled through oversight, training and the fact that your DR is required under securities law to conduct all registerable activities without delegation to the Referral Agent and to put your interest first when determining if the Securities are suitable for you and determining that making the referral is in your best interest before you are referred to a third party. Furthermore, you do not pay the referral fee and you will not pay more for CVC's products and services as a referred client than if you were not a referred client.

## 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 such securities, and are familiar with and have the ability and willingness to accept the high risk associated with exempt market securities. 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 market products are sold under certain statutory prospectus exemptions, which exemptions relieve the exempt market products from having to file a prospectus and therefore there is no review of the disclosure documents by any securities commission or similar regulatory authority.

Risk factors 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 document 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

**Neither CVC nor the issuer will provide you with updates about your investments and CVC is not obligated to notify you of any significant changes to your investment. The issuers in the exempt market are not reporting issuers and are not subject to any continuous reporting obligations. 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 and we encourage you to contact them directly if you have any concerns. Some issuers may make available periodic investor statements, communication and/or audited financial statements at their discretion.**

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 DR if you have any questions or concerns.

**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.

**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.

**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 CVC did not act as your dealer on a transaction 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.

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**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, including any management fees, mortgage brokerage fees, trailing commissions or other ongoing fees related to your ownership of the security, 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 from the product and/or the investment fund manager when you purchase an investment, and this will be disclosed to you in the product’s offering documents. CVC may also 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 not charged directly to you, but are paid by the product and deducted from the returns, which will reduce your returns and/or reduce the value of your investment as long as you own it, such as management fees, performance fees, mortgage brokerage fees or other ongoing fees. Ongoing indirect fees and costs reduce the amount available for the product to operate its business, and negatively impact the overall return and/or value of your investment for as long as you own it.

Ongoing fees will have a negative compounding effect over time as a deduction to the overall return and/or value of your investment. As ongoing fees continue to be charged over the life of the investment, investment returns will compound at a lower rate. Owing to the compounding effect, management fees, mortgage brokerage fees and other ongoing fees paid by the issuer will have a negative impact on your overall return and/or value of your investment by an increasing amount each year.

If any of these direct or indirect fees are payable to entities related to CVC, this fact will also be disclosed to you in the product’s 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 explained to you by your DR.

Please refer to the product’s 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, including sales commission or other benefits CVC may receive in connection with your purchase or ownership of such 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, participate in a dividend reinvestment plan, redeem, retract or sell an exempt product within a registered plan.

## Temporary Holds

CVC may place a temporary hold on your investment transaction if CVC reasonably believes that you do not have the mental capacity to make decisions involving financial matters or you are a vulnerable client and CVC reasonably believes financial exploitation has occurred, is occurring, has been attempted or will be attempted.

If CVC were to place a temporary hold, you will be provided notice of the temporary hold and the reasons as soon as possible after placing the temporary hold, and CVC will provide you with an update every 30 days for the duration of the temporary hold that outlines the decision to continue the hold and the reasons for that decision.

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## 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 1450, 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 directly or through your self-appointed trusted contact person. Your information provided to us 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 1450, 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<sup>TM</sup> Market Point Inc.**  
**Suite 1450, 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)**