

## SVX COMPLAINTS POLICY AND PROCEDURES

### GENERAL

A complaint is any verbal or written statement from a current, former or prospective Client, (the “Complainant”), or person acting on behalf of a Complainant, alleging a grievance or dissatisfaction with any product or service offered by SVX or a representative of SVX (“Complaint”).

SVX will document and reasonably respond to each Complaint made to SVX.

Complaints can relate to any of the following matters:

- a trading or advising activity;
- a breach of Client confidentiality;
- theft, fraud, misappropriation or forgery;
- misrepresentation;
- an undisclosed or prohibited conflict of interest; or
- personal financial dealings with a Client.

The Chief Compliance Officer may determine that a Complaint relating to matters other than those listed above are of a sufficiently serious nature to be responded to in the manner described below.

### RESPONSIBILITY FOR HANDLING COMPLAINTS

Any employee, officer or director of SVX may be the first person to receive a Complaint. Only the Chief Compliance Officer has the responsibility and authority to deal with and resolve Complaints. Any complaints should be made to [info@svx.ca](mailto:info@svx.ca) and addressed to the Chief Compliance Officer. If the Complaint is regarding the Chief Compliance Officer, the Complaint will be handled by the Ultimate Designated Person and should be addressed to them.

### COMPLAINT HANDLING PROCESS

1. **Complaint Acknowledgement Letter** – SVX will send an acknowledgement letter to a complainant within **five** business days of receipt of the complaint which will include the following:
  - The name, title and contact information of the person handling the complaint;
  - A statement indicating that the client should contact the person to enquire about the status of the complaint;
  - An explanation of the firm’s internal complaint handling process, including the role of the Designated Complaints Officer;
  - A reference to an attached copy of an approved complaint handling process policy and a reference to the statutes of limitations contained in the document;

- The 90 calendar days timeline to provide a substantive response to the complaint; and
- A request for any information reasonably required to investigate the complaint.

All Complaints and any other concerns received in writing will be entered onto a Complaint Form and given to the Chief Compliance Officer. The Chief Compliance Officer will enter the Complaint onto a Complaint Log. The Complaint file will include a copy of any written correspondence from the Complainant, any notes taken during a verbal Complaint, and all follow up notes and memos regarding the Complaint.

If a Complaint is made verbally, and is not clearly expressed, the Chief Compliance Officer may request that the Complainant put the Complaint in writing in order to try to resolve confusion about the nature of the issue.

2. **Complaint Substantive Response Letter** – SVX will send a substantive response letter to the complainant, with a copy of the firm’s complaint handling process, no later than **90** days from the date the complaint was received. If the firm requires more time to address a complaint it will write to the complainant to explain the delay and to provide an estimated time of completion. The substantive response letter will contain the following:

- A summary of the complaint;
- The results of the dealer member’s investigation;
- The firm’s final decision on the complaint, including an explanation; and
- A statement describing to the client the options available if the client is not satisfied with the firm’s response, including:
  - Arbitration;
  - If a request is made within 180 days from the date of the firm’s final response, the Ombudsperson for Banking Services and Investments (“OBSI”)\* services including the estimated length of time the process is expected to take based on historical data;
  - Submitting a regulatory complaint to Investment Industry Regulatory Organization of Canada (“IIROC”) for an assessment of whether disciplinary action is warranted;
  - Litigation; and
  - Other applicable options.

3. **Investigation and Decision** – The nature of the Complaint will determine the course, coverage and extent of the investigation. The Chief Compliance Officer will review the Complaint, SVX employee statements and all supporting documentation. Settlements will be approved by the Chief Compliance Officer and Director of the SVX and will require the Complainant to sign a release prior to payment.

SVX employees may not under any circumstances enter into private settlements with Complainants.

## DUTY TO ASSIST IN CLIENT COMPLAINT RESOLUTION

Registered representatives are required to co-operate with the SVX if they were employed or acted as an agent, when moving to a different firm after events or activities resulted in a client complaint. Firms are required to co-operate with each other if events relating to a complaint took place at more than one firm or if the registered representative is an employee or agent of another firm.

## SETTLEMENT AGREEMENTS

A release entered into between a firm and a client may not impose confidentiality or similar restrictions aimed at preventing a client from initiating a complaint to the securities regulatory authorities, self-regulatory organizations or other enforcement authorities, or continuing with any pending complaint in progress, or participating in any further proceeding by such authorities.

## COMPLAINT RECORD RETENTION

A complaint file will be maintained for **7** seven years and retrievable within a reasonable period of time. Each firm will keep an up-to-date record in a central, readily accessible place of all recorded submissions and follow-up documentation received by it relating to the conduct, business and affairs of the firm, or an employee or agent of the firm for a period of **2** two years from the date of receipt of the complaint.

The following information will be kept for each complaint:

- the complainant's name;
- the date of the complaint;
- the nature of the complaint;
- the name of the individual who is the subject of the complaint;
- the materials reviewed in the investigation;
- the name, title and date individuals were interviewed for the investigation; and
- the date and conclusions of the decision rendered in connection with the complaint.

## \*OMBUDSNETWORK

The OmbudsNetwork gives Canadian consumers access to independent complaint resolution services involving the banking, insurance, securities and mutual fund industries. The OBSI is the branch of the OmbudsNetwork that processes securities-related complaints.

As required by securities legislation, SVX has retained the Ombudsman for Banking Services and Investments (“OBSI”) to act as an independent dispute resolution service, at SVX’s expense, to mediate Complaints. A client must attempt to resolve the complaint with the firm before the OBSI will review it. If a Complaint is not resolved within 90 days, or if the Complainant is not satisfied with the resolution within 180 days of receiving SVX’s decision, the Complainant will have the option to request OBSI act as mediator for the Complaint, provided the amount claimed is \$350,000 or less, and is related to a trading or advising activity conducted by SVX within 6 years of the Complainant discovering the action. There is no charge to the client for dispute resolution with OBSI.

The services of the OBSI does not apply in respect of a complaint made by a permitted client that is not an individual. In Québec, the Autorité des marchés financiers (the AMF) provides a separate mediation service to clients residing in Québec.