

# COMPLAINT HANDLING PROCEDURES OF PEMBROKE MANAGEMENT LTD. AND PEMBROKE PRIVATE WEALTH MANAGEMENT

In this document, “we”, “us” and “Pembroke” refer to Pembroke Private Wealth Management Ltd. or Pembroke Management Ltd., as the case may be.

Pembroke has procedures in place to handle, in a fair and prompt manner, any written or verbal complaints received by (i) a person having an interest in a product or service Pembroke provided (a “**Client**”), (ii) a former Client, (iii) any person acting on behalf of a Client and has written authorization to so act, or (iv) a prospective client (together with a Client, a “**Complainant**”). This is a summary of those procedures, which we provide to Complainants who have filed a complaint.

A complaint is the expression of at least one of the following:

- a reproach against Pembroke or one of its registered representative;
- the identification of a real or potential harm that a Complainant has sustained or may sustain; or
- a request for remedial action.

Any informal step to correct a particular problem is not a complaint, insofar as the problem is settled as part of Pembroke regular activities and without the filing of a complaint by the Complainant.

## *The Client Complaint Information Form*

We provide new Clients on account opening, existing Clients and Complainants wishing to file a complaint, a separate information form called the *Client Complaint Information Form* (“**CCIF**”) which provides general information about their options for making a complaint and the escalation options.

## *How to File a Complaint with Pembroke*

Clients wishing to file a complaint to Pembroke may make their complaint to our head office by contacting *Michael McLaughlin* at [mmclaughlin@pml.ca](mailto:mmclaughlin@pml.ca) or to the head office branch manager *Cassandra Delli Colli* at [cdeliccolli@pml.ca](mailto:cdeliccolli@pml.ca) or to the Toronto branch manager *Caroline Taylor* at [ctaylor@pml.ca](mailto:ctaylor@pml.ca).

All complaints are forwarded to qualified compliance or supervisory personnel to be handled. We encourage clients to make their complaint in writing or by e-mail where possible. However, complaints may also be made verbally to any of the aforementioned individuals. Where clients have difficulty putting their complaint in writing, they should advise us so that we can provide assistance. For confidentiality reasons, Pembroke will only deal with the Complainant.

## *Complaint Handling Procedures*

Upon receipt of a complaint, Pembroke will engage in an adequate and reasonable assessment of it. If it is determined, in the reasonable professional judgment of Pembroke’s supervisory staff handling the complaint, that it alleges a matter similar in nature or seriousness to (i) a breach of client confidentiality, (ii) unsuitable investments or leveraging (except for non-clients), (iii) theft, fraud, misappropriation, forgery, misrepresentation, unauthorized trading, (iv) engaging in securities related business outside Pembroke, (v) engaging in an undeclared occupation outside Pembroke, or (vi) personal financial dealings with a client, money laundering, market manipulation or insider trading, the requirements set forth under the heading “*Additional Complaint Handling Requirements*” will apply to such complaint.

If it is determined that additional complaint handling requirements do not apply, we will acknowledge receipt of complaints promptly, generally within 5 business days of its receipt. We will review all

complaints fairly, taking into account all relevant documents and statements obtained from Complainant, our records, or other staff members and any other relevant source. Every complaint will be factually investigated and matters specific to the complaint analyzed diligently.

Once our investigation is complete we will provide the Complainant with our response, which will be in writing if the complaint was made in writing, including, for the avoidance of doubt, complaints which were subject to informal resolution. Our response may be an offer to resolve the Complainant's complaint, a denial of the complaint, with reasons, or another appropriate response. Responses will be provided to the Complainant within 90 days from the date of receipt of the complaint. If the Complainant fails to cooperate during the complaint resolution process, or if the matter requires an extensive amount of fact-finding or complex legal analysis, the time frame for providing a response may be extended, in which case Pembroke will advise the Complainant as such and provide an explanation for the delay and an estimate of time required for the completion of such response.

#### Additional Complaint Handling Requirements

##### a) Initial response

An initial response letter shall be sent to the Complainant within a reasonable time (generally within 5 business days from receipt of the complaint). Such initial response letter must include:

- a written acknowledgment of the complaint;
- a request to the Complainant for any additional reasonable information required to resolve the complaint;
- the name, job title and full contact information of the individual at Pembroke who's handling the complaint;
- a statement indicating that the Complainant should contact the individual at Pembroke handling the complaint if he/she would like to inquire about the status of the complaint;
- a summary of Pembroke's internal complaint handling process, including general timelines for providing a substantive response to complaints and a statement advising Complainants that each province and territory has a time limit for taking legal action; and
- a reference to an attached copy of the CCIF, and a reference to the fact that the CCIF contains information about applicable limitation periods.

##### b) Substantive response

The substantive response letter to be provided by Pembroke to the Complainant, generally within 90 days from receipt of the complaint, must include:

- an outline of the complaint;
- a copy of the CCIF;
- Pembroke's substantive decision on the complaint, including reasons for the decision; and
- a reminder to the Complainant that he/she has the right to consider:
  - presenting the complaint to the Ombudsman for Banking Services and Investments which will consider complaints brought to it within six months of the substantive response letter;
  - making a complaint to the Mutual Fund Dealer Association (MFDA), if applicable;
  - litigation/civil action; or
  - any other applicable options, such as an internal ombudservice provided by an affiliate of Pembroke.

We will respond to communications received from the Complainant after the date of our substantive response to the extent necessary to implement a resolution of the complaint or to address any new issues or information you provide.

#### For Quebec residents

In addition to the above, Complainants residing in Quebec, may at their request, ask Pembroke to transfer their complaint file to the Autorité des marchés financiers (“**AMF**”), if they are dissatisfied with the outcome of the examination of their complaint or the examination itself. The AMF may also offer mediation for an amicable settlement if it deems it appropriate and all parties agree. The filing of a complaint with the AMF does not interrupt the prescription relating to recourses against Pembroke before civil courts.

### Settlements

Any settlement agreement, payment of compensation or restitution shall be authorized by Pembroke. Any such settlement, payment or restitution may be accompanied by a release and waiver of the Complainant for legal reasons.

## Client Complaint Information Form

Persons having an interest in a product or service provided by a mutual fund dealer (“clients”), who are not satisfied with a financial product or service have a right to make a complaint and to seek resolution of the problem. MFDA Member dealers have a responsibility to their clients to ensure that all complaints are dealt with fairly and promptly. If you have a complaint, these are some of the steps you can take:

Contact your mutual fund dealer. Member firms are responsible to you, the investor, for monitoring the actions of their representatives to ensure that they are in compliance with by-laws, rules and policies governing their activities. The firm will investigate any complaint that you initiate and respond back to you with the results of their investigation within the time period expected of a Member acting diligently in the circumstances, in most cases within three months of receipt of the complaint. It is helpful if your complaint is in writing.

Contact the Mutual Fund Dealers Association of Canada (“MFDA”), which is the self-regulatory organization in Canada to which your mutual fund dealer belongs. The MFDA investigates complaints about mutual fund dealers and their representatives, and takes enforcement action where appropriate. You may make a complaint to the MFDA at any time, whether or not you have complained to your mutual fund dealer. The MFDA can be contacted:

By completing the on-line complaint form at [www.mfda.ca](http://www.mfda.ca)  
By telephone in Toronto at (416) 361-6332, or toll free at 1-888-466-6332  
By e-mail at [complaints@mfda.ca](mailto:complaints@mfda.ca)  
In writing by mail to 121 King Street West, Suite 1000, Toronto, ON M5H 3T9 or by fax at (416) 361-9073

In the province of Quebec, the regulatory body is the Autorité des marchés financiers (“AMF”), clients residing in Quebec, may at their request, ask Pembroke to transfer their complaint file to the Autorité des marchés financiers (“AMF”), if they are dissatisfied with the outcome of the examination of their complaint or the examination itself. The AMF may also offer mediation for an amicable settlement if it deems it appropriate and all parties agree. The filing of a complaint with the AMF does not interrupt the prescription relating to recourses against Pembroke before civil courts. The AMF can be contacted:

By telephone in Montreal at (514) 395-0311, at Quebec City at (418) 525-0311, or toll free at 1-866-526-0311  
By e-mail at [renseignements-consommateur@lautorite.qc.ca](mailto:renseignements-consommateur@lautorite.qc.ca)

### Compensation:

The MFDA does not order compensation or restitution to clients of Members. The MFDA exists to regulate the operations, standards of practice and business conduct of its Members and their representatives with a mandate to enhance investor protection and strengthen public confidence in the Canadian mutual fund industry. If you are seeking compensation, you may consider the following:

Ombudsman for Banking Services and Investments (“OBSI”): After the dealer’s Compliance Department has responded to your complaint, you may contact OBSI. You may also contact OBSI if the dealer’s Compliance Department has not responded within 90 days of the date you complained. OBSI provides an independent and impartial process for the investigation and resolution of complaints about the provision of financial services to clients. OBSI can make a non-binding recommendation that your firm compensate you (up to \$350,000) if it determines that you have been treated unfairly, taking into account the criteria of good financial services and business practice, relevant codes of practice or conduct, industry regulation and the law. The OBSI process is free of charge and is confidential. OBSI can be contacted:

By telephone in Toronto at (416) 287-2877, or toll free at 1-888-451-4519  
By e-mail at [ombudsman@obsi.ca](mailto:ombudsman@obsi.ca)

Legal Assistance: You may consider retaining a lawyer to assist with the complaint. You should be aware that there are legal time limits for taking civil action. A lawyer can advise you of your options and recourses. Once the applicable limitation period expires, you may lose rights to pursue some claims.

Manitoba, New Brunswick and Saskatchewan: Securities regulatory authorities in these provinces have the power to, in appropriate cases, order that a person or company that has contravened securities laws in their province pay compensation to a claimant. The claimant is then able to enforce such an order as if it were a judgment of the superior court in that province. For more information, please visit:

Manitoba: [www.msc.gov.mb.ca](http://www.msc.gov.mb.ca)

New Brunswick: [www.nbsc-cvmb.ca](http://www.nbsc-cvmb.ca)

Saskatchewan: [www.sfsc.gov.sk.ca](http://www.sfsc.gov.sk.ca)

Québec: The Autorité des marchés financiers (“AMF”) pays indemnities to victims of fraud, fraudulent tactics or embezzlement where those responsible are individuals or firms authorized to practice under the legislation governing the provision of financial services in Quebec. It also rules on the eligibility of claims and sets the amount of the indemnities to be paid to victims. Consumers can thus be compensated to a maximum of \$200,000 per claim, through funds accumulated in a financial services compensation fund. For more information, please visit [www.lautorite.qc.ca](http://www.lautorite.qc.ca).