

## B Corp Certification - Disclosure Questionnaire Documentation

PROVIDED BY: **Genus Capital Management Inc.**

UPDATED AS OF: **July 21, 2021**

DISCLOSURE QUESTIONNAIRE CATEGORY [1]	Litigation and Arbitration
ISSUE DATE [2]	7.19.2019
TOPIC [3]	Misuse of finances
SUMMARY OF ISSUE [4]	Genus Capital Management Inc. admitted that between 2009 and 2016 it used \$1.67 million in soft dollars to pay for the development of in-house software, and then transferred the software to a company in exchange for part-ownership of that company and a permanent license to use it. British Columbia Securities Commission has settled with Genus over the misuse of client brokerage commissions.
SIZE/SCOPE OF ISSUE (e.g. \$ financial implication, # of individuals affected) [5]	Genus Capital Management spent \$1.67 million in soft dollars to pay for in-house software.
IMPACT ON STAKEHOLDER(S) [6]	As a result of the misuse of finances, all clients were provided with a free credit or repayment in addition to the continued use of the developed software.
RESOLUTION [7]	British Columbia Securities Commission has settled with Genus over the misuse of client brokerage commissions. To provide external and independent oversight on conflict of interest matters Genus established an Independent Review Committee (IRC) to review all matters of conflict. We believe that this practice will avoid such conduct in the future. I've attached the COIM Policy Manual that outlines the operating parameters of the IRC.  As part of commission led client focused reforms, Genus will be sending the attached to clients addressing disclosures of conflict of interests. The document is also available for all clients and prospective clients on our website ( <a href="https://genuscap.com/investor-information/">https://genuscap.com/investor-information/</a> ) under Conflict of Interest Disclosure.
RELATED INCIDENTS (YES/NO) [8]	No

- [1] Summary of Disclosure Questionnaire item/category (e.g., Material Product Recall, Financial Reporting, Labor Issue, etc.)
- [2] Date (or date range) to indicate time period of the reviewed issue.
- [3] High level summary of the issue (e.g., Voluntary Product Recall)
- [4] Facts-based, informative summary of the essential details about the issue requiring disclosure.
- [5] Information about the scale/scope of the issue. (e.g., \$ amount of the fine assessed; gallons/litres of liquid leaked to environment)
- [6] Summarize impact on affected stakeholders
- [7] Specifics about how the issue was resolved (voluntarily, court decision, arbitration, fine, sanction, remediation, etc.)
- [8] List any other related issues or incidents to this disclosure item (e.g., any other material recalls, or litigation about labor standards?)