



Ethical Misconduct Process for CSI Designation & Fellowship Holders

CSI has a responsibility to oversee the individuals who have been granted a CSI designation or fellowship. This oversight is carried out in the best interest of the public and the holders of a designation or fellowship.

All designation and fellowship holders have attested to abide by a Code of Ethics. Adherence to the Code and this Ethical Misconduct Process is mandatory for all holders of a CSI designation or fellowship. A breach of the Code of Ethics can result in disciplinary action.

This document sets out the process a member of the public (the complainant) can follow to submit a complaint against a CSI designation or fellowship holder and the process to be followed for a designation or fellowship holder to self-declare any past or pending legal action. It also sets out the procedures followed by CSI to deal with complaints, self-declarations or other relevant information received on a designation or fellowship holder that relates to a possible breach of the Code of Ethics.

All designation and fellowship holders have agreed to take on a duty to cooperate with any CSI investigation and to abide by the processes described herein; failure to do so can be grounds for discipline and/or sanction in addition to that which may be the result of the complaint or report itself, in the discretion of the Designation Ethics Committee (DEC).

For ease of reading, the term "holder" will be used throughout the remainder of this document and will refer to both designation and fellowship holders.

Definitions

Allegation

An assertion relating to a breach of the Code of Ethics on the part of a CSI designation or fellowship holder, yet to be proved and supported by evidence.

Appeal Hearing

A proceeding of the Appeal Panel.

Appeal Panel

The panel of members chosen to preside over an appeal hearing. An appeal panel is created on an ad hoc basis as described herein to deal with specific appeal situations.

Chair of the Designation Ethics Committee

An individual nominated by the Designation Ethics Committee and appointed by CSI to lead the Designation Ethics Committee and review case files prior to committee meetings to determine the status for moving each file forward to the full committee. In the case of the Chair being absent or unable to carry out his or her duties due to a conflict of interest, a designated Vice-Chair will act in a temporary capacity of Chair.

Code of Ethics

There is a specific Code of Ethics for each CSI designation and for the fellowship. Each code is published on the specific designation and fellowship websites. Each CSI designation or Fellowship holder has attested to their agreement to abide by the Code of Ethics.



Ethical Misconduct Process for CSI Designation & Fellowship Holders

Complainant

An individual, partnership or body corporate who brings to the attention of the CSI an allegation of the breach of the Code of Ethics by a holder.

Days

Calendar days - All days of the year including weekends and statutory holidays.

Ethics Review Coordinator (ERC)

CSI Ethics Review Coordinator – a CSI staff member appointed by CSI to receive allegations, communicate with complainants and prepare files for review by the Designation Ethics Chairperson and committee members and the Chairperson and members of the Appeal Panel.

Designation Ethics Committee (DEC)

A committee appointed by CSI and/or CSI Advisory Councils to review complaints against CSI designation and fellowship holders and potential violations of the Code of Ethics and determine appropriate action.

1. Complaint Process

A suspected violation of the Code of Ethics by a holder can be brought to CSI's attention by:

- i. an external party (including, but not limited to, client, colleague, employer, member of the public, regulator);
- ii. the holder; or
- iii. any other communication/information avenues (e.g., regulator reports, social network sites, newspapers)

1.1 Allegation is brought to CSI's Attention by an External Party (including holder's employer)

The party making the allegation must send the complaint to CSI in writing. The complaint must:

- outline which section(s) of the Code of Ethics were allegedly breached;
- include all known relevant details of the allegation; and
- provide any supporting documentation

When CSI receives the complaint, the CSI Ethics Review Coordinator (ERC) reviews the allegation to assess its scope within the Code of Ethics and the timing of the alleged breach in relation to the date of filing of the complaint. The complaint is then prepared for referral to the Chair of the Designation Ethics Committee (DEC) who will, in his or her sole discretion, determine whether or not to take the complaint to the full Designation Ethics committee.

If the Chair determines that the allegation is not within the scope of the Code of Ethics, CSI advises the party alleging the violation (in writing) explaining why the complaint will not be considered by the DEC.



Ethical Misconduct Process for CSI Designation & Fellowship Holders

If it is determined that the allegation is within the scope of the Code of Ethics the case is added to the agenda for the appropriate DEC meeting. At that time the ERC will:

- Advise the party making the allegation of the process and timing
- Collect any readily available additional information and/or evidence regarding the alleged violation (available from the complainant or through other communication avenues (including, but not limited to regulatory postings or newspapers).
- Advise the designation/fellowship holder of the complaint and request a written response. CSI may provide the name of the complainant to the designation holder and the nature of the complaint, and if requested, a copy of the complaint letter. The holder is given at least thirty (30) days' notice of the complaint to respond. The notice outlines the section(s) of the Code of Ethics the holder allegedly violated and describes how the alleged violation occurred. The notice also states the date the Designation Ethics Committee will meet to consider the violation and the date by which a response must be received. The holder (or representative) must send a written response only. This response must be received by the deadline in order to be considered. The deadline for response will, in no circumstances, be less than seven (7) days prior to the relevant Designation Ethics Committee meeting. If no response is received from the holder, the file will go to the scheduled meeting and will be considered without a response from the holder.
- Prepare a written summary which includes information about the complaint, evidence, and any explanations of defense by the holder. The written summary is forwarded to the DEC by the ERC in accordance with this process.

When the Designation Ethics Committee meets to review the case, the designation/fellowship holder is not entitled to be present at the DEC meeting.

1.2 Allegation Brought to CSI's Attention by the Holder at the time of Application or Annual Renewal

CSI will not process an application for a CSI designation until the holder sends to CSI all relevant documentation relating to the allegation and the allegation is reviewed by the ERC, Chair of the DEC and, if recommended, by the Designation Ethics Committee according to the following process.

CSI will process an application for renewal of a designation upon receipt of the application with all relevant documentation attached. The application will be processed with the provision that the application will be reviewed by the ERC, Chair of the DEC and/or the DEC at the next meeting for further consideration. The applicant will be advised of the final decision with regard to the allowing the renewal of the designation after the application is reviewed.

When CSI receives the application and accompanying documentation, the ERC prepares the file for review by the Chair of the DEC. The Chair of the DEC will determine if:

- The application or renewal will be processed as long as the holder agrees to keep CSI informed of all developments relating to the allegation and understands that any changes in the situation can be considered by the DEC.
- The application or renewal should not be processed until the allegation is investigated by CSI and adjudicated by the Designation Ethics Committee.



Ethical Misconduct Process for CSI Designation & Fellowship Holders

1.3 Allegation Comes to the Attention of CSI Through other Communication Means

CSI may become aware of potential violations of the Code of Ethics by holders by other means, including but not necessarily limited to situations in which a holder may be in breach of regulatory rules (generally through the posting of penalty panel findings from IIROC, MFDA or a securities commission, an organization granting a designation in financial services; or through social media or the press.

When CSI becomes aware of the situation, the CSI Ethics Review Coordinator (ERC) reviews the information to assess its scope within the Code of Ethics, possible damage to the CSI designation brand and the timing in relation to the designation holder's upcoming license renewal. The information is then referred to the Chair of the Designation Ethics Committee (DEC) who will, in his or her sole discretion, determine whether or not to take the information to the full Designation Ethics committee for consideration.

If the Chair determines that the allegation is not within the scope of the Code of Ethics and bears no threat to the designation brand, no action is taken.

If the holder is already under external regulatory or legal investigation or subject to other external proceedings, the Designation Ethics Committee may delay consideration of the matter until the investigation or proceedings are concluded. During this time period, depending on the nature of the allegation/proceedings, the DEC may allow the holder to continue to maintain their designation/fellowship or they may choose to temporarily suspend the holder in their sole discretion.

If external findings result in disciplinary action, the findings are forwarded to the Designation Ethics Committee to review prior to making a final decision.

1.4 Allegation Review and Decision

Once the allegation is referred by CSI to the Chair of the Designation Ethics Committee, the Chair considers any alleged violations of the Code of Ethics and will determine if the allegation should be referred to the DEC for consideration. If the broader DEC is involved, it will consider the alleged violation of the Code of Ethics specific to the designation or fellowship and determine whether the Code of Ethics has been breached. If it is determined that there has been such a breach, an appropriate penalty will be determined, communicated to the holder and will be binding on the holder (subject to any appeals process that may be set out herein).

In the case of receipt of a public complaint, the Complainant, will be advised of the decision once all appeal options have been exhausted.

2. Confidentiality

All proceedings and investigations are confidential in nature. Exceptions may only be made where required by law or where, in CSI's view, it is necessary to conduct the investigation or procedures set out herein or if the relevant individuals have agreed to the release of information.



Ethical Misconduct Process for CSI Designation & Fellowship Holders

3. Designation Ethics Committee (DEC)

The DEC has been established to ensure all complaints are heard promptly and fairly.

3.1 Composition of the Designation Ethics Committee (DEC)

The DEC consists of between five and eight members who hold a CSI designation and/or are appointed by a CSI Advisory Council. One representative from CSI fulfills the role of the Ethics Review Coordinator (ERC) and provides administrative support but is not a voting member of the DEC. The DEC members will appoint a Chairperson and a Vice-Chair who will be approved by CSI.

3.2 Conflict of Interest

If a member of the DEC has a conflict of interest in relation to a particular complaint (for example, has participated in a previous or concurrent investigation of an allegation against the holder or has any interest personally or through an employer in the outcome of a hearing), he or she shall be excused from the discussion and decision on that specific file. All DEC members must sign a confidentiality and conflict of interest agreement and are not entitled to discuss the activities of the DEC outside of the DEC environment.

The DEC Chair and members are volunteers and their names are not published or otherwise made available in order to protect their privacy.

3.3 Meeting Schedule & Structure

The Designation Ethics Committee meets on a quarterly basis, or by special request of the DEC Chair. Meetings are typically held via conference call.

A majority of the members of the DEC must be present to adjudicate a complaint. If a vote ends in a tie, the Chairperson's vote will break the tie.

At the DEC meeting, the Chairperson presents the matters in issue. The DEC considers all of the evidence presented, including applications or any other written explanations submitted by the holder. The DEC determines if a violation of the Code of Ethics has occurred. If it is decided that a violation has occurred, the DEC may impose one or more penalties.

The ERC takes notes at all meetings and notes are strictly confidential within the CSI and DEC along with all other meeting documents and are at no point made available to the holder at issue or the public.

4. Types of Penalties Imposed

After considering the evidence of the alleged violation, and any submissions made by the holder, the Designation Ethics Committee may either dismiss the complaint where there is no evidence of a breach or come to the opinion that the holder has violated the Code of Ethics. Where a violation has been determined to have occurred, the DEC may impose one or more penalties. The DEC responds to each case and imposes whatever penalty, in their sole discretion, is determined to be the most appropriate. The penalties may include one or more of (but are not limited to) the following actions:

- A written reprimand from CSI
- Notifying the appropriate regulatory body for possible further investigation



Ethical Misconduct Process for CSI Designation & Fellowship Holders

- Recording the violation in the holder's CSI records (in the case of a suspension, the suspension is automatically recorded on the holder's record which includes the CSI transcript.)
- Requiring the holder to complete a supplementary ethics or professional development course(s)
- Suspending the holder's designation and use of any related Certification Mark:
 - for a specified period; or
 - indefinitely, specifying conditions for reinstatement ; or
 - permanently
(If a designation is suspended the holder will be required to discontinue use of the designation and remove any references to holding the designation from business or marketing materials and will return current letters of certification to CSI).
- Publicizing the violation on the CSI website and/or elsewhere
- Notify the holder's employer and/or professional or designation granting organization of the violation

5. Designation Ethics Committee Decision

The CSI Ethics Review Coordinator sends a letter to the holder within fifteen (15) days of the DEC decision. This letter states the decision of the DEC, summary reasons for the decision and the penalty imposed, if any. This letter is kept on file indefinitely at CSI . The letter is signed by the ERC on behalf of the DEC.

The letter may be sent by e-mail. However, if a response is not received from the holder acknowledging receipt, a paper copy of the decision will be delivered either by courier or registered mail.

6. Appeals of Decisions of the Designation Ethics Committee

If the DEC decision imposes a penalty the designation or fellowship holder has the right to appeal the decision. Typically, penalties are not enforced until the Appeal Panel makes a decision. However, in circumstances where the protection of the public is at stake, penalties may be applied immediately and kept in force until the appeal has been filed and heard.

All holders have a duty to cooperate with CSI during the Appeals process and to abide by the processes set out herein. Failure to do so can result in grounds for additional penalties in the discretion of the DEC.

6.1 Grounds for Appeal & Request Submission

The holder may appeal only on the following three grounds - that the DEC has:

- a) made a significant and material error regarding its interpretation of the Code of Ethics,
- b) made a significant and material misapprehension of the facts, or
- c) imposed a penalty that is manifestly unreasonable in light of the proven facts.

The request must provide a written submission for the Appeal Panel's consideration stating the relevant reasons why the DEC decision is not reflective of the situation, why the sanctions are unfair and the relief being requested.



Ethical Misconduct Process for CSI Designation & Fellowship Holders

A request for an appeal must be sent to the CSI Ethics Review Coordinator in writing within thirty (30) days from the date the notice of the DEC decision is sent to the holder via email. The ERC's role is to ensure that the required information is provided within the request for the appeal, not to review the appeal's substantive merit. If the request for appeal does not contain the required information, the ERC will request any additional required information from the holder. If the required information is not provided within a further ten (10) days, the appeal will be denied.

6.2 Fees and Costs of the Appeal

In order to appeal the DEC decision, the holder must provide a fee of \$200 plus applicable taxes at the time that the appeal is requested. If the Appeal Panel modifies or overturns the decision of the DEC, the \$200 is refunded to the holder. If the Appeal Panel upholds the DEC decision there is no refund to the holder.

The costs of the Appeal to the holder are borne entirely by the holder and each of CSI and the holder are responsible for their own costs incurred – whether these be legal or travel or other such costs. Neither CSI nor any holder is entitled to claim costs from the other or any other parties to the appeal (e.g. the DEC, Appeal Panel members, The Chair of the DEC or the Appeal Panel, Ethics Review Coordinator, or any appeal participant) regardless of the outcome.

6.3 Appeals Process

Once the holder properly appeals the decision of the DEC, the Ethics Review Coordinator advises the holder of receipt of the proper appeal request. At this time the ERC also advises the holder of the date of the appeal hearing and that any further documentation to support the appeal must be provided to the ERC no later than thirty (30) days before the appeal hearing date. No other documents will be allowed to be relied upon at the hearing.

Each of CSI and the holder will disclose all information pertinent to the appeal and deliver copies of all documents to be considered at the hearing, including documents referred to by the DEC in making the original decision and any new documents provided by the holder in support of the appeal no later than thirty (30) days before the appeal hearing date.

The holder is provided with fifteen (15) days from the date the confirmation of appeal is provided by CSI to confirm that they are available on the date of the appeal and that any additional documentation will be provided within the stated timeline. If the holder does not respond within the given time frame, the ERC will consult with the Chair of the Appeal Panel to determine whether the appeal will be subsequently denied, or will go ahead without confirmation from the holder or provision of further documentation.

6.4. Appeal Panel

This Panel is formed only when an appeal is formally requested.

6.4.1 Composition of the Appeal Panel

The Chair of the Appeal Panel will be legal counsel or other individual is typically external Legal Counsel with relevant experience in the carrying out of such hearings. The Chair will have no personal or business interest in the outcome of the decision. The CSI Ethics Review Coordinator will carry out the administrative and secretarial functions for the panel.



Ethical Misconduct Process for CSI Designation & Fellowship Holders

Members of the Appeal Panel are determined by CSI. Each panel shall consist of between three and five members who may have one or more of the following qualifications:

- Hold the same designation as the appellant;
- Be senior representatives of a relevant regulatory body or financial institution; and/or
- Be members of a CSI Designation or Fellowship Advisory Council

No member of the Designation Ethics Committee that conducted the prior hearing concerning a given matter may sit on an Appeals Panel.

6.4.2 How the Appeal Panel Functions

A minimum of three of the Panel members, the Panel Chair and the CSI ERC must be present to hear any appeal. Each member votes on an appeal decision and the decision is based on the majority vote of the present members. The Chairperson can provide counsel, but only votes in the event that the members' vote results in a tie. The ERC does not have a vote and carries out a strictly administrative function.

6.5 The Appeal Hearing

Proceedings of the Appeals Committee are typically held via secure telephone conference.

Participating persons in the appeal call are the Panel Chair, the Appeal Panel members, the Designation Ethics Committee representative, the holder and his or her representative (if any), and the ERC and any required witnesses only. All proceedings are confidential.

At the beginning of the hearing all participating persons are present. The representative of the Designation Ethics Committee presents the basis upon which the Designation Ethics Committee formed its decision and determined any penalties and sanctions. This representative may be a member of the DEC or the ERC may make the presentation on behalf of the DEC.

The holder (or his or her representative) presents the appeal, may call witnesses with information germane to the matters in issue and may ask questions to the DEC representative regarding the decision under appeal.

The ERC will prepare notes on this segment of the hearing.

Once all relevant information has been presented and any witnesses heard to the extent the appeal panel requires, the Panel Chair and the Panel members will confer without the presence of the other participants. This segment of the hearing will not be formally transcribed.

6.6 Appeal Panel Decision

The Appeal Panel will determine if there was an error in the prior decision and will confirm, modify or overturn the prior decision of the DEC. The Panel may impose any additional penalties it deems appropriate in its sole discretion.

All decisions of the Panel shall be in writing and prepared by the Panel Chair. Copies of the decision and the reasons for the decision are sent by the Panel Chair directly to the holder and to the CSI Ethics Review Coordinator concurrently within fifteen (15) days of the date of the appeal decision. This decision letter is kept on file with CSI indefinitely and a notice of same is attached to the holder's record.



Ethical Misconduct Process for CSI Designation & Fellowship Holders

The decision of the Panel shall take effect immediately unless otherwise indicated in the appeal decision. The decision is final and there are no further appeals or reviews of the decision available to the holder.

7. Publication and Disclosure of Ethics Related Decisions

Notices of disciplinary action are only published on the CSI designation website where there is a concern for the welfare of the public as determined in CSI's sole discretion. If it is determined that it is appropriate to publish a decision of the Designation Ethics Committee or the Appeal Panel, publication will include the holder's name and additional information will be available to third parties upon request.

Note: While under suspension the holder's name will not appear on the directory of holders in good standing. If CSI is asked by a third party why an individual is not included on the directory, the third party will be advised that the holder is not in good standing. Unless the suspension has been publicly posted, a reason for the status of not in good standing will not be provided.

8. Ongoing Monitoring

CSI will monitor holders who have been sanctioned to ensure they are complying with the decision of the Designation Ethics Review Committee or the Appeal Panel including any sanctions. Individuals who are found to be in contravention of the decisions of the DEC or the Appeal Panel will be dealt with through the appropriate legal channels, as required. Additionally, CSI may advise the holder's employer and relevant regulator(s) of non-compliance with any decision and subsequent unauthorized use of a CSI designation or fellowship.

9. Reinstatement Following Suspension

A holder who has received a suspension of the right to be granted a CSI designation or license to use the designation or fellowship trademark will be reinstated on the expiration date of the period of suspension provided the holder:

- i. files an application or renewal request for the designation or fellowship;
- ii. agrees to the then current relevant Code of Ethics and Ethical Misconduct Review Process;
- iii. confirms that there have been no additional breaches of the Code of Ethics since the suspension became effective;
- iv. confirms that the continuing education or industry contribution requirements of the relevant designation or fellowship have been met; and
- v. provides the applicable application or renewal fee.