

SECURITIES TRADING ON MULTIPLE MARKETPLACES

The Canadian capital markets have recently evolved with the emergence of several Alternate Trading Systems (ATS) and other marketplaces which improve liquidity and provide more competitive pricing than the TSX, the predominant marketplace for Canadian securities. As our client, you should be aware how we send orders to each marketplace and, further, how various order types are handled.

For the purposes of this policy, the primary marketplace for all securities listed on the Toronto Stock Exchange (TSX), whether or not the security is trading on other alternate marketplaces, will be the TSX. The TSX operates between 9:30 am (Toronto local time) and 4:00 PM (Toronto local time), Monday through Friday, not including statutory Ontario holidays. For the purposes of this policy all references to time are references to Toronto local time.

Our trading staff will be available for order execution during principal marketplaces hours. While our trading staff may also be available outside of principal marketplace hours, we will not guarantee order taking and/or trading execution outside of the hours of 9:30 am to 4:00 pm.

Order Handling

An order received prior to the opening of the principal market (9:30 am) will book to the pre-opening of the principal marketplace for execution on the opening as these orders will not route to an alternate marketplace.

An order received after the principal marketplace close (4:00 pm) will be entered to the pre-opening of the principal marketplace on the next business day as these orders will not route to an alternate marketplace.

An order received during principal marketplace operating hours will be entered immediately into the trading system and will be automatically routed to the marketplace with the best bid (in the case of a buy) or best ask (in the case of a sell) or a marketplace that has the highest probability of execution.

Any portion of an order that cannot be immediately filled will be booked to the principal marketplace and will remain booked in the principal marketplace until the order is filled, expired, changed or cancelled.

It is important to note that certain types of orders may be handled differently based on the emergence of multiple marketplaces. Accordingly, a description of how each type of order will be handled has been included below.

Market Orders

A Market Order is an order to buy or sell a security at whatever prices are available in the marketplace to help ensure a complete and full fill. These orders require immediate completion when entered on the marketplace. If not filled in full, these orders will expire on the marketplace where the last portion of the order remains live, at the close of that marketplace.

Day Orders

A “Day Order” is only valid for the day on which it was entered. Day Orders will only be valid between the hours of 9:30 AM to 4:00 PM.

Good Till Cancelled Orders

Good Till Cancelled Orders will be entered into the principal marketplace. The order will remain in the principal marketplace until execution or expiry (whichever comes first) and Good Till Cancelled Orders will only last for a maximum of 30-calendar-days. The client is required to contact us if they require the order to be re-instated after the 30- calendar-day period has lapsed.

All or Nothing Orders

In a multiple marketplace environment, an All or Nothing order may not be executed due to limited volume on more than one marketplace. While the total volume on all marketplaces might complete the order, it is important to note that the All or Nothing terms apply only to the individual marketplace where the order was entered.

An All or Nothing orders received prior to the opening of the principal marketplace will be booked on the principal marketplace and routed to the best market at the time of order entry (ie. the marketplace with the best bid (in the case of a buy) or best ask (in the case of a sell) or a marketplace that has the highest probability of execution.

Special Terms Orders

Special Terms Orders are orders with specific terms that are not executable in the regular marketplace. Special Terms Order will only post to the Special Terms Market of the principal marketplace unless they are immediately executable on an alternate marketplace at the time of entry; they will expire at the close of the principal marketplace.

Stop Loss Orders

Stop Loss Orders will only be directed to the principal marketplace until executed or expiry, whichever comes first.

Trade Confirmations

As your orders may be sent to multiple marketplaces for execution you may, at times, receive a trade confirmation which indicates that your order has been executed on multiple marketplaces and details of each execution are available upon request. In these cases, you have the right to contact us and obtain information about each fill including the marketplace on which that fill was obtained.