



Trading of Canadian Listed Securities on Multiple Marketplaces

1. Principal Marketplace

The principal marketplace for all securities listed on the Toronto Stock Exchange and TSX Venture Exchange (together to be further referred to as the “TSX”) will be the TSX, whether or not the security is trading on other alternate marketplaces, unless otherwise notified to the client by Kingsdale Capital Markets Inc (hereinafter KCM).

Hours of operation at the TSX are between 9:30 a.m. to 4:30 p.m. EST, Monday to Friday, with the exception of statutory holidays.

2. Hours of Operation for Trading in Listed Canadian Securities

KCM trading staff will be available for order execution during principal marketplace hours, and though they may be available before and/or after these times, KCM will not guarantee order entry outside of the hours noted above.

3. Standard handling of Orders

All orders for TSX securities will be routed as follows:

- An order received before the opening of the principal marketplace will be entered on the TSX for execution. Orders received prior to the market opening will not be routed to an alternate marketplace.
- An order received after the close of the principal marketplace will be entered to the pre-opening book of the TSX for the following business day.
- An order received during trading hours of the principal marketplace will be entered into the “best market” at the time of entry.
- If the entire order cannot be immediately filled on the TSX or alternate marketplace, the unfilled portion of that order will be entered on the principal marketplace and remain there until filled, expired, change or cancelled.

Note: For the purposes of order handling, “best market” is defined as the market with the lowest offering price in the case of a buy order and the highest bid price in the case of a sell order, and/or the best historical liquidity.

4. Order Execution

- Day Orders – an order to trade valid only on the day it is entered, day orders will be handled in accordance with the above noted “Standard Handling of Orders.” The order will expire at the end of the trading day where the last unfilled portion of the order is located.
- Good Till Cancelled Orders – an order that will remain open until a specified expiration date, GTC orders will be entered in the principal marketplace, if they are not immediately executable on an alternate marketplace at the time of entry. The order will remain there until the first of its execution or expiry.

- Market Orders – an order to buy or sell at the current price existing in the marketplace, market orders will be handled in accordance with the “Standard Handling of Orders.” The order will expire at the end of the trading day where the last unfilled portion of the order is located.
- Limit Orders – an order for a security at a specific minimum sale price or a maximum purchase price, limit orders will be handled in accordance with “Standard Handling of Orders.” The order will expire at the end of the trading day where the last unfilled portion of the order is located.
- Stop Loss Orders – Stop-loss orders will be entered in the order book of a transparent trading facility or marketplace in accordance with KCM’s policies in effect at the time the order is received. The stop-loss order will become an active order once the trigger price is achieved on the trading facility or marketplace the order is housed. Once triggered, trading staff will undertake, on a best efforts basis to ensure that the best possible fill price is obtained taking all available facilities and marketplaces into consideration at the time.
- Special Term Orders – an order with specific terms that is not executable in the regular marketplace, STO orders will be posted to the Special Terms Market of the TSX, unless immediately executable on an alternate marketplace. The order will expire at the close of the TSX on that day.
- Market- On-Close Orders – Currently the TSX is the only marketplace which offers a market-on-close (“MOC”) facility. All orders must be entered on the TSXs’ MOC facility prior to 3:40 p.m. EST and will be executed at the calculated closing price for that security on the TSX. It should be noted that trading on the MOC facility will be executed at the same time as other trading facilities or marketplaces will be offering quotes on their visible order book and therefore KCM can not guarantee that the order will be executed at the best price.
- Orders relating to Normal Course Issuer Bids – Orders for the purchase of securities will be executed on the trading facility or marketplace displaying the best offering price for the security. Such trading will be subject to price restrictions based on the last sale price on a transparent, Canadian trading facility or marketplace for the security in question. KCM’s reporting, pursuant to TSX requirements, will include all trading activity on all trading facilities and marketplaces.
- Fill or Kill Orders – KCM will accept “fill or kill” orders but will only execute these orders on the understanding that they will execute the fills on the trading facility or marketplace which will provide the best price for our client. All trading facilities and marketplaces will be received for “fill” opportunities before the order will be “killed.”

5. Trading Halts

If a halt is announced in a particular security on a particular marketplace, all orders for that security shall remain on that marketplace, unless specifically requested by the client to be re-routed.

6. Disclosure if Marketplace

If an order is executed on one or more marketplaces, trades will be reported to the client using a singular confirmation at an average price, with the trailer “average price order executed on multiple markets – details available on request.” The marketplace on which each portion of the total order was filled will be identified by trading support staff to any clients requesting those details.

7. Amendments

KCM reserves the right to make changes to this trading policy, and any such changes will be posted and accessed at www.kingsdalecapital.com