

Canaccord Genuity Corp. Order Handling and Execution Policy

www.canaccordgenuity.com

With multiple alternative marketplaces in Canada recognized by the Investment Industry Regulatory Organization of Canada (“IIROC”), Canaccord Genuity Corp. (“CGC”) wishes to advise all clients and market participants of how CGC plans to handle client orders with multiple transparent markets. Please be advised that unless our clients provide us with specific instructions to the contrary, the following policies will apply to all Client orders.

1. Hours of Operation

For Canadian listed equities, CGC trading desk will be available to accept orders for execution between the hours of 8:30 a.m. and 5:00 p.m., Eastern Time (“ET”), Monday through Friday, not including statutory Canadian holidays. Staff may be further available before and after these hours.

Marketplaces in Canada hours of business for order execution are as follows:

Marketplace	Trading hours (EST)
TSX ¹	9:30 a.m. to 4:00 p.m.
TSX-Venture (“TSX-V”)	9:30 a.m. to 4:00 p.m.
CNSX ²	9:00 a.m. to 5:00 p.m.
MatchNow ³	9:30 a.m. to 4:00 p.m.
Chi-X Canada ⁴	8:30 a.m. to 5:00 p.m.
Alpha ⁵⁶	9:30 a.m. to 4:00 p.m.

Please note that the sequence of markets listed above is not intended to indicate the priority of order routing.

¹ TSX offers extend hours trading from 4:15 p.m. to 5:00 p.m. www.tmx.ca

² CNSX’s continuous auction market launched September 14, 2007 formerly called Pure Trading. To obtain more information, please visit www.cnsx.ca

³ Match Now is a product offering of TriAct Canada Marketplace LP (“TriAct”), member CIPF and a subsidiary of ITG Canada Corp. Executions occur inside the Canadian bid-offer spread. To obtain more information, please visit www.triactcanada.com

⁴ Chi-X Canada continuous auction market launched February 20, 2008. To obtain more information, please visit www.chi-xcanada.com

⁵ Alpha Trading Systems continuous auction market launched November 7, 2008. Alpha Trading Systems offers extend hours trading from 4:15 p.m. to 5:00 p.m. To obtain more information, please visit www.alphatradingsystems.ca

⁶ CGC, through its parent company, holds a minority equity ownership of Alpha Trading Group, but this does not effect CGC’s order routing decisions which are driven by Best Execution principles of UMIR 5.1.

Vancouver
San Francisco
Calgary
Houston
Toronto
Montreal
New York
Boston
Edinburgh
London

2. Principal or Default Marketplace (“Principal Marketplace”)⁷

Unless directed otherwise, all orders for those securities listed on the Toronto Stock Exchange (“TSX”), Toronto Venture Exchange (“TSX-V”) or CNQ will be directed to the Principal Marketplace⁷ as designated by IIROC (www.iiroc.ca). Currently the principal marketplaces remain TSX or TSX-V, unless notified otherwise by IIROC.

An order received prior to 9:30 a.m. will book to the pre-opening of the principal marketplace (currently the TSX or TSX-V) for execution on the opening; and an order received after 4:00 p.m. will be entered the next business day to the pre-opening of the principal marketplace (currently the TSX or TSX-V).

3. Best Execution and Price Improvement Opportunities

It is the goal of CGC to always provide our client’s with Best Execution as per IIROC’s Universal Market Integrity Rule (“UMIR”) 5.1 and find the Best Price as per UMIR 5.2. CGC will take all reasonable steps to obtain the best possible results for its clients on a consistent basis.

To achieve the best available price, CGC uses a Smart Order Router “SOR” to try to seek out price improvement opportunities in all transparent, IIROC-recognized, alternative marketplaces. Orders are sent to the Principal marketplace unless another marketplace destination offers a better market price.

There is some risk that a marketplace may offer a better price on a smaller volume than the order size, and the order may remain on said marketplace after a partial fill. While this order can not be traded through by others legally, it might not provide timely complete fills. For this reason the SOR seeks out the Principal Marketplace which in theory should provide the best liquidity.

Between the hours of 9:30 a.m. ET and 4:00 p.m. ET, "Best market" is defined as the market(s) that provide pre-trade transparency and have the best bid (buy price) or offer (sell price). As noted above, orders received before 9:30 a.m. and after 4:00 p.m. will be directed to the Principal Marketplace unless otherwise directed by the Client.

4. Day Orders

A Day Order is an order that is only valid on and for the day it is entered. Day Orders will only be valid until the closing of the market on which they are booked (e.g. TSX and TSX-V day orders will expire at 5:00 p.m. ET). A Day Order received prior to the opening of the principal marketplace at 9:30 a.m. ET will route into the opening sequence of the principal marketplace. The order will expire, if not filled in full, on the market where the last portion of the order remains live and the Market has closed for the day. Any remaining unfilled amounts from your Day Orders will not be automatically moved to

⁷ Principal Marketplace as defined in Market Integrity Notice 2006-017 – Guidance – Securities Trading on Multiple Marketplaces (September 1, 2006) updated with MIN 2008-002 – “Principal Market” Determination for 2008.

another marketplace after the close of the primary market. A new order is required to participate in any other marketplace that may still be open for trading.

5. Good-To-Cancel (“GTC”) Orders

As a default, all client orders, unless otherwise confirmed back to the client as a GTC order, will be considered as Day orders and expire at the end of the day they were received.

6. Market and Limit Orders

A Market Order is an order to buy or sell that is to be executed immediately within the context of the marketplace. Limit Orders are orders to buy or sell at a specified price or better. Market and Limit Orders received before 9:30 a.m. ET will be entered on the Principal Marketplace with the intent to participate in the Principal Market opening rotation.

7. Market on Close Orders

A Market on Close (“MOC”) order is intended to trade on the close, at the calculated closing price, of the Principal marketplace. To participate in the MOC match at 4:10 p.m., orders must be entered by 3:40 p.m. All orders before 3:40 p.m. must be market orders. Offsetting Limit orders can be entered to satisfy the imbalance published from 3:40 p.m. until 4:00 p.m. TSX will then calculate the closing price and publish it at 4:10 p.m. There is no guarantee that the MOC order will be completed. The TSX MOC is an anonymous price facility. Therefore you will not know the price and volume of your execution until after execution has completed.

8. Special Terms Orders (i.e. delayed settlement, all-or-none and minimum size)

Orders with specific terms that are not immediately executable in the regular marketplace. As of January 19th, 2009 All-or-None (“AON”) orders are no longer permitted for the TSX and TSX-V. As a matter of practice this order type will no longer be available for Canadian Marketplaces. Other special terms orders such as minimum size orders will only be posted to the Special Terms Market of the principal marketplace, currently the TSX or TSX-V. Client’s should request guidance from the CGCC trading desk on entry of all other special terms orders that would include non standard settlement (short or delayed), short exempt, insider or significant shareholder order markers and specialty crosses such as internal cross or VWAP cross.

9. Fill or Kill (“FOK”) Orders

FOK orders will hit the market, either receive a fill, or expire. FOK orders can receive both full and partial fills. Depending on the marketplace who may define a FOK order to operate as an all-or-kill (not fill partial kill remaining) while an Immediate or Cancel (“IOC”) marker will fill partial, kill remaining. Consult with the CGC trading desk or the Marketplace website for additional details.

10. Disclosure of Marketplace

The details of your trade executions will be reported to the client. If multiple fills and/or prices or marketplaces were used in the completion of the order, this disclosure will be provided.

11. Circuit Breakers Halts

Canadian Marketplaces will only halt when the US Markets (Dow Jones Industrial Average) reach circuit breaker triggers. If the US markets are closed for a Holiday then the Canadian Circuit Breaker is based on the decline of the TSX. The Canadian Markets do not have independent circuit breaker thresholds when the US markets are open.

12. Request for additional order details

If you have any questions about this policy or to request details on your orders and executions please contact your Account Executive, the CGC Institutional Trading Desk or our Compliance Department at 604 643 7075
(email: bmaranda@canaccordgenuity.com)

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