

Management of Conflicts of Interest

Under IIROC's rules all existing or potential material conflicts of interest between a Dealer Member and a client must be addressed "in a fair, equitable and transparent manner, and considering the best interest of the client or clients".

In general, we deal with and manage relevant conflicts in one of the following manners:

Avoidance: This includes avoiding conflicts that are prohibited by law as well as conflicts that cannot effectively be addressed.

Control: We manage acceptable conflicts through means such as physically separating different business functions and restricting the internal exchange of information.

Disclosure: By providing you with information about conflicts, you are able to assess independently their significance when evaluating our recommendations and any actions we take.

Existing and potential material conflict of interest situations, where not avoided, will be disclosed to you as they arise.

The following information is intended to assist you in understanding and assessing material potential and actual conflicts of interest, including how we address them. This is an overview of a complex subject. Despite that, we believe the simplest control is the most effective - your continued satisfaction and patronage. If you ever have any questions or concerns, whether they involve conflicts of interest or anything else, you should never hesitate to say so and ask your advisor for an explanation and more information.

We document our core values and standards, including general standards for how we deal with conflicts of interest. This is summarized in the table below.

Possible Conflicts and How They Are Managed

Conflict of Interest	Address By	How Conflicts Will Be Addressed
Ongoing Conflict of Interest		
We earn compensation by selling products and services to you for which you pay us.	Disclose/ Control	We will inform you of fees, commissions and other compensation in advance so that you know what you will be paying.
	Control	We have policies and procedures prohibiting recommendations solely for the purpose of generating revenue for us without any benefit to you.
	Avoid	We may choose not to offer a complex product that carries a high commission.
We may sell you securities of companies that are related or connected to us.	Disclose	We are required by regulation to disclose this when we make a recommendation to you. We inform you whether a transaction involved a related or connected security on the trade confirmation.
	Control	Our advisors receive the same commission compensation regardless of the product originator.

<p>We are paid by issuers of securities when we advise on or underwrite a new issue which we may recommend to you.</p> <p>When we advise on or underwrite a new issue, we are acting for the issuer that wants to obtain the highest price while recommending the investment to purchasers who are interested in obtaining the lowest price.</p>	Control	We have structurally segregated our institutional corporate finance and retail advisory businesses, which prevents the sharing of non-public information by our institutional corporate finance business (with the relationship with the issuer) with our retail and institutional advisory businesses (with the relationship with clients like you).
	Disclose	The offering documents provide full disclosure of all relationships we may have with the issuer.
<p>If you hold an applicable security, we may be paid by issuers, offerors or others to solicit your proxy or vote in their favour with respect to takeover bids, corporate reorganizations, solicitation of proxies and other corporate actions.</p>	Disclose	Securities regulations require specific disclosure of such arrangements and the compensation we will receive in documents such as information circulars, takeover bid circulars and issuer bid circulars.
<p>As a result of business relationships with issuers of securities, we may be exposed to non-public information that we cannot disclose.</p>	Control	We operate our corporate finance and retail and institutional advisory business separately so that such information is tightly controlled and not shared by corporate finance with our retail and institutional advisory businesses.
		Our internal information barriers are designed to ensure regulatory requirements are complied with and retail advisory employees do not have access to any nonpublic information that may be available to our corporate finance businesses.
<p>We may have access to commercially sensitive or inside information.</p>	Avoid/ Control	We may decline to provide a service to avoid insider trading provision in securities legislation. We have specific procedures for responding to conflicts of interests that involve inside information and for complying with insider trading provisions.
<p>We provide investment research on securities of companies that may have other business relationships with us.</p>	Control	<p>We have and follow written procedures under IIROC regulations that govern the distribution of research.</p> <p>Our research and recommendations are subject to extensive and detailed regulatory requirements and internal standards.</p>

<p>We may permit certain individuals who are registered with us (including your investment advisor) to be employed by, participate in, or accept compensation from other persons or firms, outside the scope of his/her relationship with us.</p>	<p>Control</p>	<p>Your advisor or representative must declare and have approved by us any such private investments before they are made.</p> <p>Your advisor must declare any outside business activities to the firm. These activities, in particular those activities involving publicly traded companies, are reviewed for real or potential conflicts and approved by the firm.</p>
<p>Individuals may serve on a board of directors or take on other activities that could take time or attention away from your account.</p>	<p>Avoid -</p>	<p>Securities legislation prohibits an individual from serving as a director of another registered firm that is not an affiliate of our firm.</p>
	<p>Control</p>	<p>When an advisor or representative sits on a board of directors of a charity or undertakes other community activities in any substantive way, they are subject to regulatory guidance on the disclosure and approval of outside business activities.</p>