

Instinet Canada Limited Best Execution Policy – Canadian Equities

Instinet Canada Limited and its affiliates in North America, Europe and Asia (collectively “Instinet”) have long been committed to obtaining best execution and we are pleased to provide you with our policy for obtaining best execution for our clients when trading Canadian listed equities.

In this policy we set out information concerning the execution of Canadian orders.

In general, the approach taken by Instinet to achieve best execution is dependent on how you interact with Instinet. There are two main methods of interacting with Instinet:

1. electronically, through one of our front-ends or a direct FIX connection, or
2. telephonically, by contacting one of our agency sales traders.

Instinet periodically assesses its methods and its execution venues to ensure that we have taken all reasonable steps to obtain best execution of client orders.

Agency Sales Trading Desk

To the extent that the order is handled by our agency sales trading desk, we will take into account a variety of factors relevant to your order including (but not limited to):

1. your instructions,
2. the size of the order and,
3. its likely market impact, the average daily volume of the security and its trading patterns

The traders on the desk will assess whether the order can be better handled manually or through the use of our trading algorithms or routers.

Direct Electronic Access (“DEA”)

Canadian regulations require that clients accessing the Canadian marketplaces directly have a signed agreement in place with Instinet outlining conditions which must be met. The Instinet DEA agreement lists the Canadian marketplaces that Instinet currently accesses. It is possible

that new Canadian marketplaces may have commenced operations subsequent to the signing of a DEA agreement. Instinet assumes that any client which has signed an earlier version of the DEA agreement will want access to any new Canadian marketplace which Instinet determines may be beneficial to trade execution. If this is not the case, DEA clients should notify Instinet immediately.

Marketplaces

A list of marketplaces to where Instinet currently routes orders is listed in Appendix A. Where Instinet is given specific instructions with regards to the execution of an order, Instinet will execute the order in accordance with the specific instruction(s) given. Best execution obligations will not apply to the extent of that instruction, but will comply with applicable regulations (e.g. Best Price Obligation).

In the absence of specific instructions, Instinet will determine where best execution may be obtained. In selecting marketplaces suitable for this execution policy, Instinet's primary considerations will be liquidity, efficient price formation, speed of execution and sound infrastructure to enable efficient trading and settlement. Instinet may also route an order to a dark pool marketplace for price improvement opportunities and/or to minimize market impact.

Marketplaces to where Canadian orders may be posted or routed also include Instinet Canada Cross Limited, an affiliated company of Instinet Canada Limited.

SmartRouter

One of the key tenets of best execution is obtaining the best price available at a given time. SmartRouter is a tool that, on receipt of an order, scans all Canadian marketplaces (if applicable, SmartRouter will also evaluate US marketplaces for inter-listed securities) that Instinet accesses and determines the venue on which the order will execute on the best terms. The order is then routed to that execution venue. As a broker, ICL has an obligation to the marketplace not to trade through better-priced orders and normally achieves this objective through the use of SmartRouter. ICL may reject any client instruction or order which may cause ICL to trade-through any better-priced order. Instinet will continue to closely monitor each of the

execution venues it accesses for trading Canadian stocks to determine if alternative sources of execution provide a material opportunity to achieve best execution.

Intentional Crosses

From time to time Instinet may source natural liquidity from our global client base for the other side of your order and cross the trade internally. The execution price of this cross will depend on your limit, if any, and any other circumstances such as liquidity. Instinet will transact at a price within the consolidated best bid and offer.

Hours of Operation

The hours of operation for Marketplaces trading in publicly listed Canadian equities vary by marketplace.

Instinet considers the hours of operation for trading to be 8:00 a.m. to 5:00 p.m., Eastern Standard Time (“EST”), Monday through Friday, not including Canadian statutory holidays.

Market-on-open and Market-on-Close order types will be routed to the principal marketplace for execution. The principal marketplace for Canadian securities is currently open for continuous trading from 9:30 a.m. to 4:00 p.m. EST. If at any time you have questions or concerns about how a particular order was handled, Instinet would be pleased to demonstrate how the order was handled and what steps were taken to achieve best execution.

Appendix A: Canadian Marketplaces to which Instinet Routes

Alpha ATS
Nasdaq CXC
Nasdaq CX2
Nasdaq CXD
Instinet Canada Cross Limited*
MATCH Now
Aequitas NEO
Aequitas LIT
Omega ATS
Omega Lynx
CSE
Toronto Stock Exchange (TSX)

TSX Venture Exchange

* Instinet Canada Cross Limited is a wholly owned subsidiary of Instinet Canada Limited.