Disclosure of Order Handling and Best Execution Policies for JonesTrading Canada Inc.

Introduction

JonesTrading Canada Inc. ("JTC") is an investment dealer registered with the Investment Industry Regulatory Organization of Canada ("IIROC") and is a member of the Canadian Investor Protection Fund. As part of its registration with IIROC, JTC must establish, maintain, and ensure compliance with policies and procedures that are reasonably design to achieve best execution when handling transactions for a customer in accordance with IIROC Rule 3300. Best execution for JTC also includes compliance with "trade-through" protection under NI 23-101 (the Order Protection Rule). JTC's customer base only consists of institutional accounts as defined within Canada.

When JTC is working an order, our traders will review the various market centers, venues, and other sources of liquidity so our orders are executed in a manner that is in the overall best interest of the customer. Additionally, institutional sized orders require specialized handling to reduce market impact. Reducing market impact is based on reviewing various factors including price, volume, capitalization, momentum, liquidity, and trade size.

In order to achieve the best possible execution, JTC treats all orders as "not held". Therefore, unless a customer gives us specific instructions to treat each order differently at the time they place the order, JTC will treat all orders as "not held" and will work the order accordingly. We will try to use the term "not held" when taking customer orders. Additionally, to provide the best possible execution we may work an order by executing it in more than one transaction during the course of a trading day, or we may aggregate an order with other orders and execute them as a block or in multiple transactions. In such cases, our policy is to provide our customers with an "average price confirmation" which summarizes the aggregate amount of securities purchased or sold and the "average price" of the executions.

JTC may execute certain orders for an account on an aggregate ("net") basis. If a customer has requested an aggregate ("net") price, then the price on their confirmation may not necessarily be the same as the reported price. The difference is attributable to the remuneration received by JTC. And we may also aggregate an order with those of other customers where we reasonably believe that this will enable us to obtain the best possible result for our customers.

If we receive a specific instruction from a customer, for example, to execute an order on a particular venue we will comply with such instruction. However, our best execution obligation will not apply to that part of the order execution covered by the customer's specific instruction and that such specific instruction may prevent us from taking the steps and considerations to obtain the best possible result with respect of those aspects covered by the customer's instructions.

Execution Factors

JTC takes various execution factors into account that are relevant to the execution of the order. In determining the relative importance of these factors, JTC will consider the following characteristics when accessing the customer's order:

(i)   price;
(ii)   the speed of execution;
(iii)   the certainty of execution; and
(iv)   the overall cost of the transaction.

JTC will also consider the following factors for listed securities and foreign-exchange traded securities:

(i) appropriate routing strategies based upon customer instructions;

(ii) considerations of the fair pricing of Opening Orders when entering an Opening Order based upon customer instructions;

(iii) available marketplaces open and available for trading;

(iv) available liquidity and pricing from all appropriate marketplaces, including unprotected marketplaces and foreign organized regulated markets; and

(v) whether order completion can be accomplished by sending orders to a foreign intermediary for execution.

Finally, JTC will take into account the prevailing market conditions and will consider the following characteristics when manually handling a customer orders for a listed security or a foreign-exchange traded security that trades on a marketplace in Canada:

(i) the direction of the market for the security;

(ii) the depth of the posted market;

(iii) the last sale and the prices and volume of previous trades;

(iv) the size of the spreads; and

(v) the liquidity of the security.

For further information please contact JonesTrading Canada and/or your covering trader.

Order Handling and Routing

JTC is required under the Order Protection Rule to access all "protected" marketplaces. JTC connects to and considers market data from all Canadian marketplaces (both protected and unprotected) when routing customer orders for execution. The current protected marketplaces include: TSX, TSX Venture, CSE, Nasdaq CXC, Nasdaq CX2, Omega, and Aequitas Lit Book. Along with these marketplaces JTC also accesses various third party algo providers and has access to the US markets via JTC's parent company JonesTrading Institutional Services LLC, a FINRA registered broker-dealer in the USA.

When determining which venue or marketplace to route a customer order, JTC will primarily consider the liquidity of the security as well as the current pricing during its best execution analysis. Additional factors may include speed, size improvement and overall execution quality. JTC may receive remuneration, compensation or other consideration for directing orders to particular broker-dealers or market centers for execution. JTC however does not consider any fees paid or payments received when making routing decisions of customer orders. We have also taken steps to ensure that our commissions and fees are not structured in such a way to discriminate unfairly between execution venues or services.

Finally, all accessed venues have been evaluated and reviewed for their order handling and routing practices, including any intermediary, and JTC is satisfied they are reasonably designed to achieve best execution.

Additional details, such as the specific marketplace(s) of a customer's order's execution, can be obtained upon request to JTC.