



Order Handling Procedures
for Trading in Multiple Marketplaces

The Canadian Securities Administrators have introduced securities laws that allow for alternative marketplaces to compete with the traditional Canadian stock exchanges the Toronto Stock Exchange (TSX) and the TSX Venture Exchange (TSX-V). Securities that are listed on the TSX and TSX V may now also trade on an alternative marketplace. Gravitas Securities Inc. (GSI) wishes to advise you of some of the conditions that could affect the execution of your orders now that there are multiple marketplaces in Canada.

GSI is a non-trading participating organization of the TSX V. This means that we do not trade directly on any marketplace but we place our trades by jitney through our carrying brokers. GSI has two carrying broker arrangements. Our equities trading order flow is placed through National Bank Correspondent Network ("NBCN"). We do not permit equities trading through B2B Bank Securities Services Inc. ("B2B") as B2B is not a participating organization and does not have full equities trading facilities or supervision. As such all equities trading is limited to selling or liquidating holdings only. Both NBCN and B2B trade through National Bank Financial ("NBF").

Under Canadian securities regulations, GSI is required to ensure that our clients get the best price and best execution for our client orders. We rely on NBF to ensure that GSI meets our obligations to our clients. NBF uses a variety of automated systems as well as a sophisticated understanding and expertise of the Canadian marketplaces.

1) Trading in Listed Canadian Securities – Hours of Operation

GSI trading staff will be available to ensure that client trades placed by our reps will be executed the same day if these orders are placed between the hours of 9:30am and 4:00pm Eastern Standard Time or Eastern Daylight Time Monday through Friday, excluding statutory holidays. Staff may be further available before and after these hours.

For orders received before 9:30am, GSI will make every effort to ensure that orders will be executed within the same day unless otherwise specified by the client. For orders received after 4:00pm, GSI will make every effort to ensure the order will be executed. Some marketplaces have order execution facilities after the normal trading hours. If clients want to place trades after hours, it may be possible but price determination and liquidity may vary from market to market. There may be instances where order execution may not be possible after this time. Your Investment Advisor will discuss this with you at the time the order is received.

2) **Smart Order Routing to Canadian Marketplaces**

NBF uses a Fidessa Sweep Smart Order router to sweep the Canadian marketplaces to target quotes on the different market venues. The smart router will access the best-priced quotes first. Any unfilled portion of an order will be directed to a booking market determined by NBF and remain on that market until the order is filled, modified, cancelled or expires.

3) **Alpha-Trading Systems**

NBF is a limited partner of Alpha Trading Systems Inc. which is an alternative trading system operating in Canada. NBF is a subscriber to Alpha and NBF's automated trading systems probe Alpha's liquidity on all of its orders as well as the other Canadian marketplaces.

4) **Day Orders**

A Day Order is an order that is valid only on the day it is received and will expire at the end of the day.

5) **Good Till Cancelled Orders**

A Good Till Cancelled Order ("GTC") is an order that remains open until the client cancels the order or until its specified date of expiry. NBF will only allow orders with a maximum 30 calendar days. The order will remain booked until executed or expiry, whichever comes first. It is the client's responsibility to ensure they know what the date of expiry will be and to contact their Investment Advisor on the expiry date should they wish the order to be re-instated.

6) **Good Till Date Orders**

A Good Till Date Order ("GTD") is an order with a specified duration that will remain open until it is filled or until a specified date of expiry.

7) **Market Orders**

A Market Order is an order to execute a trade immediately at the best price available at the time the order is received. Market Orders will be filled in whichever marketplace has the best bid or offer at the time the order is received. GSI cautions clients from entering market orders given the different treatment that market orders receive in each marketplace. NBF routes orders through the automated system and enters the order in the market that secures the best price.

8) Limit Orders

A Limit Order is an order with a set maximum or minimum purchase or sale price. If the limit order is not immediately fillable, NBF will book the order on the market with the highest likelihood of being executed. In multiple markets, it is possible that once a limit order is booked on a particular market place, the security may trade on another marketplace without the client's booked order participating.

9) Special Terms Orders

Special Terms Orders ("STO") have special terms that cannot be traded on the regular markets. These orders will only trade if the special terms are satisfied prior to execution of the order.

10) Market on Close Orders

A Market on Close ("MOC") Order is a special order that only trades on the close of the market at the calculated closing price. Not all markets support MOC orders.

11) Marketplace Disclosure

If your trade was executed on a single exchange, that exchange will be noted on your trade confirmation with either an abbreviation (with details on the back of the confirmation) or noted in the trailer field.

An order executed on more than one marketplace will be disclosed on your trade confirmation as "Traded on Multiple Markets/Trans. Plus Marchés. All orders executed on more than one marketplace or ATS will receive a confirmation listing the transactions on the different marketplaces. You may request full details of the order execution from your Investment Advisor.

If you have any questions regarding this notification, please contact our CEO and UDP, Neil Gilday 416-848-0739