

Dundee is registered under the *Securities Act* (Ontario) as an investment dealer and is registered in various other jurisdictions in Canada in the equivalent category. We are required to establish, maintain and apply policies and procedures that provide reasonable assurance that Dundee and each individual acting on its behalf will ensure fairness in the allocation of investment opportunities among clients and that a copy of the policies established shall be furnished to each client.

Dundee has in place a fairness policy (the “**Policy**”) which sets out the procedures for the fair treatment of all clients of Dundee with respect to the allocation of investment opportunities. Trade allocation must be determined on a basis that is fair, reasonable and equitable to all clients, based on the Policy and client investment objectives, in order to avoid the appearance of favouritism or discrimination among clients in favour of a preferred client or group of clients. Each portfolio manager is responsible for selecting investments on behalf of the accounts he or she manages and for ensuring that such investment is suitable for each account having carefully considered the client’s stated investment objectives. The Policy also sets out detailed procedures to be followed by portfolio managers and traders with respect to trade order entry, execution, and allocation.

The executed portion of any trade transacted through a specific broker on the same trading day, which combines two or more accounts (regardless of the portfolio manager involved), will be allocated on a pro rata basis. Each account involved will receive a percentage of the executed portion of the order based upon such account’s percentage participation in the entire order. This procedure applies to all accounts participating in the trade falling under the same trading details. The price at which a security was purchased or sold, and the transaction costs incurred upon the trade, will be determined by calculating the average price of all executions taken as well as the expenses incurred pursuant to the particular order.

There may be circumstances where the automatic pro rata apportionment will be inappropriate. Should such a circumstance arise, an allocation will be determined by Dundee on a fair and reasonable basis. In making the determination, the Dundee shall consider among other things: the potential investment needs of the participating client accounts; the appropriateness of the investment to a portfolio’s style, investment objectives and risks; whether the investment fits more closely to the client account’s industry or investment specialization or region of investment and the significance of the order in relation to the size of the account; and existing levels of portfolio ownership in the intended investment and in similar types of companies.

Dundee has established supervisory procedures for the ongoing monitoring of the Policy. Dundee will review the Policy on an annual basis or more frequently as required to ensure its continuous effectiveness.