

## **BEST EXECUTION AND TRADE DISCLOSURE**

The Canadian Securities Administrators have introduced securities laws that allow for alternative marketplaces to compete with the traditional stock exchanges, such as the Toronto Stock Exchange (TSX). Securities which trade on the TSX or the TSX Venture Exchange (TSX-V), currently the primary markets for Canada, may now also trade on an alternative marketplace. With the introduction of alternative marketplaces in Canada, NPW wishes to advise you of some of the conditions that could affect the execution of your orders.

The firm's trading is not done directly on the exchanges; we are not a participating organization. NPW's carrying broker, FCC, is a member of all the required exchanges and ATS's. All trades are entered through the FCC trading infrastructure and the Dataphile order entry system. All orders entered through this system utilize a smart order router system and, therefore, cover all the required marketplaces.

NPW is committed to using all reasonable efforts to ensure that clients achieve "best execution" of their orders in respect to Canadian listed securities that are quoted or traded on Canadian marketplaces.

### **Marketplace Disclosure**

An order executed on more than one marketplace will be disclosed on your trade confirmation as "Executed on Multiple Markets – Details on Request". If you wish to know what quantities were executed on what marketplaces, please contact your Advisor, who can provide you with this information promptly and without charge.

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.

### **Execution on Foreign Marketplaces**

All Orders for Canadian and non-Canadian listed equities to be traded on marketplaces outside of Canada may be executed by third party broker dealers ("Third Parties"). Third Parties may execute such orders as either an agent or principal. The fees or commissions charged to us by Third Parties for such orders may be reported as a net price. NPW and/or FCC may earn a fee or premium on foreign exchange transactions resulting from or required by such orders. If you have any questions regarding this notification, please contact your account Advisor.

### **Foreign Currency Exchange**

For transactions in currencies other than that of the currency of the account, a conversion of currency may be required and will be carried out by the firm. FCC and/or NPW maintain a foreign exchange market spread. In performing foreign currency transactions, we may act as an

agent or principal. We attempt to make a profit on providing foreign exchange transactions. The rates depend on the size, currency and timing of the transaction. If you are initiating a transaction that will require an accompanying foreign exchange component, ask your advisor about the available rates. Unless otherwise specified or agreed to, the currency conversion will take place at our applicable bid and ask spread, based on the prevailing currency rates. NPW currently only permits U.S. dollar foreign currency holdings in registered plans (e.g. RRSP, RRIF). Thus, any transactions in such accounts involving any other foreign currency will be automatically converted by us into Canadian currency as described hereinabove.

### **Fair Allocation Procedures**

When NPW is involved in small financings or has a small participation in a larger financing, it is impractical to solicit interest from all the firms' advisors or from all our clients. NPW has a small retail account base and they show little interest in such products. Nevertheless, client priority must be respected. NPW will add a message to all statements annually outlining our clients' obligation to express their interest in any such private placements to their advisor. This statement is now also part of the NPW new client application package and reads:

“For any company attempting to raise funds via small private placement transaction, NPW has a policy that any client of the firm will be considered solely responsible for reflecting their interest to their advisor. All such interest reflected by any client will be dealt with on a best efforts basis only.”

We are required to have policies and procedures that provide reasonable assurance that we will ensure fairness in the allocation of investment opportunities among our clients. Trade allocation must be determined on a basis that is fair, reasonable and equitable for all clients. All client orders which are received before the books are closed will participate in any new issue on a pro-rata allocation basis.