



TRADING POLICIES IN A MULTIPLE MARKET ENVIRONMENT

As a result of new marketplace being introduced in Canada, we have prepared this policy to inform our clients of how various trades could be impacted in this new environment. All TSX eligible securities will be eligible.

Principal Market

Our principal market place for TSX listed securities will be the TSX, unless otherwise agreed by us and our clients on a specific trade.

Hours of Operation

Our staff will be available to execute client orders during the principal market's hours which are 9:30 am to 4:00pm EST. Staff may be available outside the principal marketplace hours, however, Clarus cannot guarantee trade execution outside the hours 9:30am to 4:00pm EST. While other marketplaces may operate outside of the TSX's hours, Clarus will not guarantee order execution outside of the TSX's hours.

Order Handling

The following will apply to orders received for TSX listed securities:

- Orders received prior to 9:30am will be entered onto the pre-opening book of the principal marketplace (currently the TSX)
- Orders received after 4:00pm will be entered onto the pre-opening book of the principal marketplace (currently the TSX) on the following day.
- Orders received from 9:30am to 4:00pm will be entered into the best market. The "best market" will be that which offers the best bid (buy price) or best ask (sell price) which when then coupled with liquidity, Clarus feels has the highest probability of being executed.
- Orders (or portions of orders) that are unfilled will be entered on to the principal marketplace until it is completed, changed or cancelled.

Order Execution

Certain types of orders have specific handling implications in a multiple marketplace environment as follows:

- a) Day Orders
A Day Order is an order to trade that expires if it is not executed the day that it is booked to the marketplace. Day Orders will be handled in accordance with regular order routing procedures. All Day Orders expire, if not filled in full, upon the close of the marketplace where last portion of the order remains effective, unless otherwise agreed.
- b) Good Til Cancelled (Open) Orders
Open orders are orders that will remain valid until a specific date of expiry. These

orders will be entered in the principal marketplace (TSX) if they are not immediately executable on an alternative, marketplace at the time of entry. The order will remain in the default marketplace until executed or expiry, whichever comes first.

c) Market Orders

A Market Order is an order to buy or sell a security at whatever prices are available in the marketplace to help ensure a complete and full fill. Upon entry to the marketplace, these orders require immediate completion. Market Orders will be handled in accordance with the normal order handling procedures. These orders will expire, if not filled in full, on the marketplace where the last portion of the order remains live, at the close of the marketplace.

d) Limit Orders

A Limit Order is an order for a security at a specific minimum sale price or maximum purchase price that is not to be exceeded. Limit Orders will be handled in accordance with normal order handling procedures. The order will expire, if not filled in full, upon the close of the marketplace where the last portion of the order remains live.

e) Special Terms Orders

Special Terms Orders are orders with specific terms that are not executable in the regular marketplace. Special Terms Orders will be executed by Clarus and will only be entered to the Special Term Market of the principal marketplace, unless they are immediately executable on an alternative marketplace at the time of entry. Special Terms Orders will expire at the close of the principal marketplace.

f) Stop Loss Orders

Stop Loss Orders are orders that become limit orders when a board lot is traded at, or superior to, then stop loss price on the marketplace in which the order has been booked. These orders will only be entered in the principal marketplace order book, and will remain there until the order is executed or expires, whichever comes first.

Extenuating Circumstances

In the event of technical or other issues that limit our access to specific marketplaces, orders received will be directed to either the principal marketplace as circumstances warrant and as determined at the sole discretion of Pacific.

Disclosure of Marketplace

Orders executed on more than one marketplace will be confirmed as: "Order executed on more than one marketplace".

Amendments

Changes to this policy may be made from time-to-time at the sole discretion of Clarus. Changes will be posted to Clarus' website www.clarussecurities.com