



## **Best Execution Policy**

Acumen Capital Finance Partners Limited (“Acumen”) is committed to using all reasonable efforts to ensure that clients achieve Best Execution of their orders in respect to all securities, including listed securities, foreign-exchange traded securities, and transactions in OTC securities.

Best Execution represents the obligation on marketplace participants to diligently pursue the execution of each client order on the most advantageous execution terms reasonably available under prevailing market conditions at the time of execution. Best Execution includes, but is not limited to the best price available at the time of execution. It also includes optimizing liquidity, minimizing order signaling effects, speed and certainty of execution.

## **Best Execution Criteria Considerations**

Best Execution considers, but is not limited to the best price available at the time of execution. Other factors which may be considered include:

- Price at which the trade would occur
- Speed of execution
- Certainty of execution / % Fill Criteria
- Overall cost of execution
- Market disclosure/signaling
- Prices and volumes of the last sale and previous trades
- Prevailing market conditions at the time of execution
- Direction of the market for the security
- Posted size on the bid and offer
- Size of the spread
- Liquidity of the security
- Execution quality over the order duration, determines the price at which the order was executed relative to the time of entry and average execution price over the time in which the order was actively traded in the market
- Client instructions when received, are always considered and will execute the order in accordance with those instructions, so far as reasonably possible

Acumen meets its best execution obligations to client orders through:

- Use of SOR technology: Acumen endeavors to employ the most technologically advanced SOR technology available relevant to the trading application and execution venue. Acumen is responsible for adjusting our own SOR strategies, utilizes Third-Party SOR's, and typically uses a spray strategy.

- Provision of client liquidity: In order to minimize price, certainty of execution, and adverse market signaling impacts of large client order types, Acumen may at its discretion enhance visible market liquidity through the provision of principal liquidity facilitation.
- Marketplace access/information: Acumen is a member of all visible Canadian markets that offer pre-trade transparency and certain markets that offer no pre-trade transparency. Information from all appropriate marketplaces (including unprotected marketplaces and protected marketplaces) are taken into account in accordance to the Best Execution criteria considerations.
- Unprotected Marketplaces: Unprotected Marketplaces are taken into account if that marketplace has demonstrated a reasonable likelihood of liquidity for a specific security relative to the size of the client order.
- Speed Bumps: Marketplaces with Speed Bumps are taken into account if that marketplace has demonstrated a reasonable likelihood of liquidity for a specific security relative to the size of the client order.
- Access dark liquidity: Acumen accesses dark liquidity facilities when market factors indicate a reasonable likelihood of material liquidity for a security in these trading venues.
- Monitoring order execution quality: Acumen performs periodic, systemic reviews of order routing criteria to ensure optimum routing for client orders and by order execution performance against relevant quantitative metrics.
- Personnel: Acumen is committed to employing professional and experienced trading personnel capable of evaluating market characteristics and suitable execution strategies in the context of market conditions. Trading personnel are registered with IIROC, where required, and have a responsibility to comply with their continuing education requirements.

## **Hours of Operation for Trading in Listed Canadian Securities**

### Hours of Operation

Exchanges in Canada offer trading between the hours of 9:30 a.m. and 4:00 p.m., Eastern Standard Time (EST), Monday through Friday, not including statutory Canadian holidays. Most Alternative Trading Systems (ATS) in Canada offer trading between the hours of 8:00 a.m. and 5:00 PM EST. Client orders placed during normal business hours will be transmitted to the Acumen trading staff or trading systems and executed based on the instructions of the client and in accordance with the hours of operation on the market where the order is placed.

### Pre-Open/Opening Auction

For marketplaces that support an opening auction, trade allocation and imbalance/price volatility management methodology may differ. An order received prior to 9:30 a.m. EST will be booked to the pre-opening of the principal listed marketplace for that particular security. Orders may be entered on a marketplace that has offers trading prior to 9:30 a.m. EST.

### Post-open/ Continuous Auction

Where markets support an opening auction, unfilled orders from the auction will rollover to the post-open market session of the market that they were entered on. New Market and Limit Orders received by Acumen

during the Post-open session will be routed using a smart order router that will direct the order to the best available market at the time of receipt. Changes to an outstanding order, or a portion of an outstanding order, will be handled in the same capacity as if a new order was received.

Orders received after 4 p.m. EST

An order received after 4:00 p.m. EST is typically held for transmission until the next business day and will be booked to the pre-opening on the principal listed marketplace. Orders may be entered on a marketplace that offers after-hour trading if specifically directed per client instructions.

## **Order Handling**

Order Execution

In a multiple marketplace environment, certain types of orders may have specific handling implications. Unless otherwise specified, orders will be handled in accordance with the description provided in this document. Duration refers to the lifespan of the order within a trading system.

Day Orders

A Day Order instructs the receiving marketplace to automatically expire the order if it is not executed in the same trading day.

Good Till Date Orders

Good Till Date Orders (GTD) have an order duration that specify that the order remain open until it is either filled or until it expires at a specified date.

## **Order Types**

Market Order

A market order is an order to buy or sell a security at whatever prices are available in the marketplace at the time of order entry. Market orders are therefore used when certainty of execution is a priority over price of execution. Caution should be taken given the different treatment that market orders receive in a multiple market environment. Acumen will route market orders through its automated system that examines each available marketplace and enters the order in the market that secures the best price.

Limit Order

A limit order is an order for a security at a specific minimum sale price or a maximum purchase price not to be exceeded. A limit order provides control over the execution price but reduces the certainty of execution. If a limit order is not immediately executable, Acumen will route this order to the marketplace, which in its judgment, provides the Best Execution possibility. These orders will remain until the order is filled, cancelled or expired.

Special Terms Orders

Special terms orders are orders with specific terms that are not executable in the regular marketplace. These orders are only booked to the Special Terms Market of the principal listed marketplace, unless they are immediately executable on an alternative marketplace at the time of entry. Any unfilled portions of the Special terms orders will expire at the close of the principal listed marketplace. Note that the use of special terms orders can delay or decrease the chance of execution, as the receiving market must ensure the "special terms" of the order are satisfied prior to executing the order.

Stop Loss Orders

Stop loss orders are orders that are triggered when a board lot trades at or through the stop price (trigger price) on the principal marketplace of that security.

## Market on Close Orders

Market on Close (MOC) Orders are intended to trade at the calculated closing price of the principal listed marketplace. To participate in the MOC, orders must be received by 3:40 p.m. and can be both Market and Limit MOC Orders. Offsetting MOC Limit orders can be entered to satisfy the imbalance published from 3:40 p.m. until 4:00 p.m. The principal listed marketplace will then calculate the closing price and publish it at 4:10 p.m. There is no guarantee that the MOC Order will be completed. The TSX MOC is an anonymous price facility, so the price and volume information will not be known until after executions have completed.

## Order Routing Criteria

Marketplace liquidity, primarily defined as traded volume, combined with subjective evaluation of factors noted below are used to determine the appropriate order routing destination for individual securities:

- Volume
- Order to trade ratios
- Technology and support
- Broker attribution
- Market making and primary markets
- Costs and rebate models
- Other criteria influencing Retail & Institutional Routing Strategy
  - Latency of execution
  - Latency of data
  - Client preference
  - Potential crossing/internalization opportunities

## Technical and Self Help

Consistent with our Best Execution obligations, Acumen endeavors under all circumstances to access visible liquidity on all marketplaces at the best price available at the time of execution. Acumen may invoke “Technical-Help” in the event there are reasonable grounds to believe client executions may be adversely affected by system malfunctions or excessive latency originating from a marketplace system malfunction, vendor infrastructure, or proprietary systems. When dealing with a marketplace that is experiencing a failure, malfunction or material delay of its systems, equipment or ability to disseminate marketplace data of a temporary or longer-term nature, Acumen may rely on “Self-Help” in these particular circumstances.

If either “Technical-Help” or “Self-Help” is invoked, the affected marketplace may be removed from existing SOR systems until such time as the cause of the malfunction has been determined and there are reasonable grounds to believe that the identified issues have been resolved. Acumen will endeavor to limit the impact of “Technical-Help” or “Self-Help” to affected systems and SOR’s with the primary consideration being the preservation of Best Execution on behalf of our clients.

## Execution on a Foreign Marketplace

Acumen uses the services of National Bank Financial Inc (“NBF”) to execute orders to be traded on marketplaces outside of Canada for Canadian and non-Canadian listed equities. NBF has a policy to achieve best execution on orders executed on a foreign marketplace.

## Over-the-counter (OTC) Fair Pricing

An aggregate fair and reasonable price will be used for executing over the counter securities (OTC) including

fixed income and private security trades.

“Reasonable efforts” must be made to provide or procure a fair market price for each order under the circumstances of the prevailing market conditions. Markup/down, commissions, and services charges cannot be excessive. A markup/down is an amount added and subtracted from the price in the case of a purchases and sale respectively.

### **Conflicts of Interest Relating to Best Execution**

Acumen considers a conflict of interest to be any circumstance where the interests of different parties, such as the interests of a client and those of Acumen, are inconsistent or divergent. Acumen takes reasonable steps to identify all existing material conflicts of interest, and those we would reasonably expect to arise with regards to Best Execution. Acumen does not charge marketplace trading fees or pass on marketplace rebates to clients.

### **Best Execution Committee**

Acumen’s Best Execution committee reviews the firm’s best execution policy at least annually to ensure the Best Execution Policy is being followed and determine if any changes need to be made to the policy.

*For clients who do not have access to the online Best Execution public disclosure statement, a hardcopy version is available upon request. Please contact your Investment Advisor for further information.*