



**CANACCORD FINANCIAL INC.**

**DISCLOSURE CONTROLS POLICY**

**FOR TORONTO STOCK EXCHANGE AND**

**AIM LISTINGS**

**Updated Fiscal Q1/10**  
*Revision of Policy Implemented Fiscal Q3/09*

**For information on who are the designated  
officers, please contact:  
Joy Fenney, Vice President,  
Investor Relations & Communications**

## TABLE OF CONTENTS

		<u>PAGE #:</u>
<b>I</b>	<b>OBJECTIVE AND SCOPE</b>	<b>3</b>
<b>II</b>	<b>DISCLOSURE COMMITTEE</b>	<b>3</b>
<b>III</b>	<b>REPORTING PHILOSOPHY</b>	<b>5</b>
<b>IV</b>	<b>DESIGNATED SPOKESPERSONS</b>	<b>5</b>
<b>V</b>	<b>DISCLOSURE ENVIRONMENT</b>	<b>6</b>
<b>VI</b>	<b>PRINCIPLES OF DISCLOSURE OF MATERIAL INFORMATION</b>	<b>7</b>
<b>VII</b>	<b>DISCLOSURE PREPARATION PROCESS</b>	<b>8</b>
<b>VIII</b>	<b>DISCLOSURE CONTROLS</b>	<b>11</b>
<b>IX</b>	<b>TRADING RESTRICTIONS AND BLACKOUT PERIODS</b>	<b>12</b>
<b>X</b>	<b>MAINTAINING CONFIDENTIALITY</b>	<b>15</b>
<b>XI</b>	<b>CONFERENCE CALLS</b>	<b>15</b>
<b>XII</b>	<b>RUMOURS</b>	<b>16</b>
<b>XIII</b>	<b>CONTACTS WITH ANALYSTS, INVESTORS AND THE MEDIA</b>	<b>16</b>
<b>XIV</b>	<b>REVIEWING ANALYST REPORTS AND FINANCIAL MODELS</b>	<b>17</b>
<b>XV</b>	<b>LIMITS ON DISTRIBUTING ANALYST REPORTS</b>	<b>17</b>
<b>XVI</b>	<b>FORWARD-LOOKING INFORMATION</b>	<b>17</b>
<b>XVII</b>	<b>PROVIDING GUIDANCE</b>	<b>18</b>
<b>XVIII</b>	<b>QUIET PERIODS</b>	<b>18</b>
<b>XIX</b>	<b>DISCLOSURE RECORD</b>	<b>19</b>
<b>XX</b>	<b>RESPONSIBILITY FOR ELECTRONIC COMMUNICATIONS</b>	<b>19</b>
<b>XXI</b>	<b>COMMUNICATIONS, EDUCATION AND ENFORCEMENT</b>	<b>20</b>
<b>XXII</b>	<b>APPENDICES:</b>	<b>20</b>
	<b>A. Internal Disclosure Approval Requirements Matrix</b>	<b>22</b>
	<b>B. Disclosure Responsibility Matrix</b>	<b>23</b>
	<b>C. Disclosure Controls &amp; Reporting Cycle Checklist</b>	<b>24</b>
	<b>D. Sub-Certification Management Letter</b>	<b>25</b>
	<b>E. CEO/CFO Certification Requirements</b>	<b>27</b>
	<b>F. Timetable for Preparation of Disclosure for:</b>	<b>28</b>
	▪ Interim Results Press Releases/Quarterly Report to Shareholders	
	▪ Quarterly Supplemental Information	
	▪ Quarterly Conference Calls with Analysts and Institutional Investors	
	▪ Quarterly Results Forum with Employees	
	<b>G. Timetable for Preparation of Disclosure for:</b>	<b>30</b>
	▪ Annual Report	
	▪ Annual Information Form	
	▪ Information Circular and Proxy Form	
	▪ Annual General Meeting	
	<b>H. EXAMPLE PRESS RELEASE FOR DISCLOSING DEALINGS BY DIRECTORS AND LARGE SHAREHOLDERS</b>	<b>32</b>
	<b>I. TERMS OF REFERENCE FOR CANACCORD FINANCIAL INC.'S DISCLOSURE COMMITTEE</b>	<b>33</b>
	▪ INTRODUCTION	<b>33</b>
	▪ DUTIES AND RESPONSIBILITIES	<b>33</b>
	▪ MEMBERSHIP	<b>36</b>
	▪ MEETING FREQUENCY	<b>37</b>
	▪ ADMINISTRATION	<b>37</b>
	▪ OTHER RESPONSIBILITIES	<b>38</b>

**CANACCORD FINANCIAL INC.’S DISCLOSURE CONTROLS POLICY**

**I OBJECTIVE AND SCOPE**

- A. The objective of this disclosure policy is to ensure that communications with the investing public about Canaccord Financial Inc. (“CF”) are:
  - Timely, factual and accurate; and
  - Broadly disseminated in accordance with all applicable legal and regulatory requirements.
- B. This disclosure policy confirms in writing CF’s disclosure policies and practices as approved by CF’s Audit Committee of the Board of Directors. Its goal is to raise awareness of CF’s approach to disclosure among the Board of Directors, senior management and employees.
- C. The term “senior officers” refers to the Chief Executive Officer, President, Chief Operating Officer and Chief Financial Officer of CF and the terms “senior managers” and “senior management” refer to the Executive Committee members of CF.
- D. This disclosure policy extends to all employees of CF, including its wholly owned subsidiaries, its Board of Directors, those authorized to speak on its behalf and all other insiders. It covers disclosures in documents filed with the securities regulators, financial and non-financial disclosure, including management’s discussion and analysis (“MD&A”) and written statements made in CF’s annual and quarterly reports, press releases, letters to shareholders, presentations by senior management and information contained on the Investor Relations section of CF’s website and other electronic communications. It extends to oral statements made in meetings and telephone conversations with analysts and investors, interviews with the media as well as speeches, press conferences and conference calls.

**II DISCLOSURE COMMITTEE**

- A. The Audit Committee of the Board of Directors has established a Disclosure Committee responsible for all regulatory disclosure requirements and for overseeing CF’s disclosure practices. The Chair of the Committee is the CFO and the Vice Chair is the Vice President, Investor Relations & Communications. The Committee consists of:

Mr. Brad W. Kotush	Executive Vice President, Chief Financial Officer
Ms. G. Joy Fenney	Vice President, Investor Relations & Communications
Mr. J. Scott Davidson	Managing Director, Global Head of Marketing & Communications

Mr. Donald D. MacFayden	Chief Financial Officer, Canaccord Adams Inc.
Mr. Martin L. MacLachlan	Senior Vice President, Legal Affairs & Corporate Secretary
Mr. Anthony G. Ostler	Senior Vice President, Enterprise Information & Risk Management
Mr. Peter M. Brown	(Ex-Officio) Chairman of the Board
Mr. Paul D. Reynolds	(Ex-Officio) President & CEO
Mr. Mark G. Maybank	(Ex-Officio) Executive Vice President & COO
Mr. Peter A. Virvilis	(Ex-Officio) Executive Vice President & Treasurer
Mr. Bruce J. Maranda	(Ex-Officio) Executive Vice President & Director Global Compliance & Chief Compliance Officer

- B. It is essential that the Committee be kept fully apprised of all pending material CF developments in order to evaluate and discuss those events to determine the appropriateness and timing for public release of information. If it is deemed that material information should remain confidential, the Committee will determine how that inside information will be controlled.
- C. It is not possible to define all categories of material information. However, information should be regarded as material if there is a reasonable likelihood that it would be considered important to an investor in making an investment decision regarding the purchase or sale of CF's securities. While it may be difficult under this standard to determine whether particular information is material, there are various categories of information that are particularly sensitive and, as a general rule, should always be considered material. Examples of such information are included in the discussion of material information in section II.D. of Appendix I: Terms of Reference on page 33.
- D. The Committee has endorsed the Internal Controls over Financial Reporting (ICFR) Project's definition of materiality to financial statements balances. The generally accepted practice for determining planning materiality for external audit purposes was used to make an initial determination of provisional materiality for the purposes of the ICFR Project, i.e., a factor of 5% of Net Income Before Income Taxes was applied as the principal materiality guideline. This materiality level will be reviewed from time to time by CF and its external auditors. It has been reviewed with the external auditors.
- E. The Committee is responsible for ensuring appropriate systems, processes and controls for disclosure and will review all press releases and core disclosure documents prior to their release or filing, including CF's MD&A. The Committee will meet as conditions dictate and the CFO, as Chair, will keep records of these meetings, but may delegate these duties to the Vice President, Investor Relations & Communications or the Senior Vice President, Legal Affairs &

Corporate Secretary. The Disclosure Committee is governed by its Terms of Reference, which is attached in Appendix I beginning on page 33.

- F. The Committee will review and update, if necessary, this disclosure policy and the Committee's Terms of Reference annually, or as needed, to ensure compliance with changing regulatory requirements. The Committee will report to the Audit Committee of the Board of Directors quarterly. The Committee is also responsible for ensuring that CF spokespersons receive adequate training.
- G. The Committee may grant waivers of this policy and will consider legal advice where appropriate. The Committee will not grant any waivers to those portions of this policy that re-state AIM or TSX rules without the approval of the Nomad or TSX, respectively.

### **III REPORTING PHILOSOPHY**

- A. Senior management must take part in the disclosure process. Management believes in a collaborative approach to disclosure and will, to the extent appropriate, solicit input from the following sources before issuing the information:
  - Senior managers.
  - Board of Directors (and relevant committees thereto).
  - Independent legal counsel – to the extent appropriate.
  - External auditors (financial disclosure primarily).
- B. A key control tool is the annual financial plan, which sets the tone for management and represents a key benchmark in the continual evaluation of the performance of CF. Each business's performance is evaluated against the plan and the monthly reporting processes are focused on explaining variances from plan.
- C. In addition, CF has structured its Finance and Investor Relations departments and deployed financial personnel in a manner that better facilitates timely and accurate information flows. The design of this team was guided by external benchmarking, best practices, disclosure requirements and external auditor review of process flows.

### **IV DESIGNATED SPOKESPERSONS**

- A. CF designates a limited number of spokespersons with authority for communication with the investment community and the media. The official spokespersons for CF include:
  - Chairman of the Board
  - President & Chief Executive Officer ("CEO"),
  - Executive Vice President & Chief Operating Officer ("COO"),
  - Executive Vice President & Chief Financial Officer ("CFO"),
  - Managing Director, Global Head of Marketing & Communications, and
  - Vice President, Investor Relations & Communications.Individuals holding these offices may, from time to time, designate others within CF with authority to speak on behalf of CF as back-ups or to respond to specific inquiries.
- B. Employees who are not authorized spokespersons must not respond under any circumstances to inquiries from the investment community, the media or others, unless specifically asked to do

so by an authorized spokesperson. All such inquiries are to be referred to the Vice President, Investor Relations & Communications.

Furthermore, an Employee may not give press interviews, circulate press releases or appear on radio or television in respect to matters relating to the financial services industry without the prior written approval of one of the following designated spokespersons: Chairman of the Board, President & CEO, Executive Vice President & COO, Executive Vice President and CFO, Vice President, Investor Relations & Communications, or Managing Director, Global Head of Marketing & Communications and the officer within the Compliance Department responsible for marketing and advertising compliance. However, Authoring Analysts, in connection with their coverage sector and their research, with the approval of a Director of Research, are exempt from this policy.

## **V DISCLOSURE ENVIRONMENT**

- A. CF is a leading Canadian independent full service investment dealer. CF has substantial operations in each of the two principal segments of the securities industry: Private Client Services and Global Capital Markets. Together these operations offer a wide range of complementary investment products, brokerage services and investment banking services to CF's retail, institutional and corporate clients. Canaccord Financial Inc. is a public company listed as CF on the Toronto Stock Exchange (TSX) and as CF. on AIM, a market operated by London Stock Exchange plc (LSE), under the stock symbol CF.
- B. CF is a reporting issuer in all Canadian provinces and territories listed on the TSX. As a result CF is governed by securities legislation across Canada and the rules and policies of the TSX. CF is also a reporting issuer in the United Kingdom and is thus governed by UK securities legislation and the rules and policies of AIM.
- C. CF has a March 31 fiscal year end and has the following mandatory periodic disclosure deadlines under Canadian securities legislation (in both English and French):
- Jun. 30 period end – Q1 interim financial statements and MD&A – due Aug. 14.
  - Sep. 30 period end – Q2 interim financial statements and MD&A – due Nov. 14.
  - Dec. 31 period end – Q3 interim financial statements and MD&A – due Feb. 14.
  - Mar. 31 period end – annual financial statements, MD&A and AIF – due Jun. 29; information circular and proxy form for the Annual General Meeting of Shareholders – due at a minimum 21 days before meeting date.
- D. The CSA has released rules that require Canadian public entities to perform assessments and provide reports on internal control over financial reporting in their quarterly and annual reports.

In particular the CSA Multilateral Instrument 52-109 requires a certification of disclosure in corporate annual and interim filings, where the CEO and CFO are required to personally certify the design of disclosure controls and procedures and effectiveness of disclosure controls and the design of internal control over financial reporting, in particular to ensure that senior management is aware of material information filed with securities regulators and released to investors, that there is reasonable assurance of the reliability of financial reporting and the preparation of financial statements, and that they are accountable for the fairness and accuracy of this information.

Also the CEO and CFO are also required to certify that annual and interim filings do not contain any misrepresentations and that the financial statements and other financial information in the filings fairly present the financial condition, results of operations and cash flows for the period (and in particular, that the “fairly presents” test must be met in addition to and notwithstanding generally accepted accounting principles).

Part XXIII.I of Ontario's *Securities Act*, R.S.O. 1990, c. S.5, as amended, came into effect on December 31, 2005. The new regime introduces statutory civil liability dealing with the secondary securities market (i.e., resale market). Under the new provisions in Ontario, issuers, directors, officers, influential persons (control persons, promoters, insiders, investment fund managers) and experts (including but not limited to accountants, actuaries, appraisers, auditors, engineers, financial analysts, geologists and lawyers) are all expressly subject to liability. The new liability for misrepresentations in secondary market disclosure is tempered by a range of enumerated defences and the imposition of liability caps. Under the new provisions, civil liability may be imposed for: (1) a misrepresentation contained in a publicly released document; (2) a misrepresentation in a public oral statement; or (3) a failure to report material changes under the continuous disclosure provisions of the *Securities Act*. Similar regimes have since come into effect in several other provinces.

## **VI PRINCIPLES OF DISCLOSURE OF MATERIAL INFORMATION**

- A. In complying with the requirement to immediately disclose all material changes in the affairs of the corporation (as defined in section II.C. on page 4) under applicable laws and stock exchange rules, CF will adhere to the following basic disclosure principles:
- Material changes will be publicly disclosed immediately via press release.
  - In certain circumstances, the Committee may determine that such disclosure would be unduly detrimental to CF (for example, if release of the information would prejudice negotiations in a corporate transaction), in which case the information will be kept confidential until the Committee determines it is appropriate to publicly disclose. In these circumstances, the Committee will cause a confidential material change report to be filed with the applicable securities regulators, and will periodically (at least every 10 days) review its decision to keep the information confidential (see “Rumours” on page 15).
  - Disclosure must include any information the omission of which would make the rest of the disclosure misleading (half truths are misleading).
  - Unfavourable material information must be disclosed as promptly and completely as favourable information.
  - There must be no selective disclosure. Previously undisclosed material information must not be disclosed to selected individuals (for example, in an investor meeting or during a telephone conversation with an analyst). If previously undisclosed material information is inadvertently disclosed, this information must be broadly disclosed immediately via press release.
  - Disclosure should be consistent among all audiences, including the investment community, the media, customers and employees.
  - Disclosure on CF’s website alone does not constitute adequate disclosure of material information.
  - Disclosure must be corrected immediately if CF subsequently learns that earlier disclosure contained a material error at the time it was given.

## **VII DISCLOSURE PREPARATION PROCESS**

- A. CF's public disclosure takes the form of three distinct types: regularly scheduled disclosure (see section V.C. on page 6), unscheduled press releases and other disclosure statements. In the preparation of public releases, CF ensures the integrity of the information through the process highlighted below and detailed in the Appendices.
- B. The preparation of disclosure documents follows a rigorous process, beginning with the regular monthly financial reporting and culminating with Board of Directors approval of material financial disclosure documents.
- C. The process for the development of disclosure documents is as follows:
- i The interim results press releases are comprised of a press release, interim MD&A and unaudited interim financial statements. The financial disclosure contained in the quarterly reports to shareholders (fiscal quarters one, two and three) is entirely based on the material contained in the interim results press releases. Therefore, the preparation of these two disclosure documents at the end of each quarter is considerably streamlined. Primary responsibility for preparation of these disclosures lies with the Investor Relations and Finance members of the Disclosure Committee.
    - o Although it is only mandatory to disclose the first three interim periods and the annual results, CF also discloses its fiscal fourth quarter interim results on a press release basis to minimize the length of time that material information is kept confidential.
    - o Notes to the financial statements are prepared by the Group Controller in accordance with section 1751 of the Institute of Chartered Accountants ("CICA") Handbook, *Interim Financial Statements*. Prior to their release the notes are reviewed by:
      - Senior Vice President, Finance
      - Group Controller
      - Chief Financial Officer
      - Disclosure Committee
      - Audit Committee
      - Board of Directors
    - o In addition, the external auditors are asked to read the unaudited interim financial statements and provide input regarding content, completeness and compliance with GAAP. The external auditors perform a review of the interim financial statements in accordance with CICA Handbook Section 7050, *Auditor Review of Interim Financial Statements*.
    - o The MD&A is prepared by the Finance and Investor Relations departments, with input from members of the Disclosure Committee. The form and content is in accordance with the regulations as outlined by the securities regulators. The primary source of the financial information is CF's consolidation process. Non-financial information is gathered from numerous sources including, but not limited to:
      - Monthly reporting system.
      - Operational management.
      - Human Resources.
      - External public sources.
      - Disclosure Committee.
      - In-house counsel.
      - External counsel.
      - External auditors.

- The MD&A is reviewed in a manner similar to the unaudited interim financial statements with the exception that management, where needed, also solicits comments from external counsel regarding form, content and completeness.
  - The Audit Committee and Board of Directors review and approve all interim results press releases, and thereby approve the three quarterly reports to shareholders.
- ii** The annual report to shareholders, including MD&A, is prepared in a manner similar to the interim results press releases with the additional following elements.
- The annual financial statements are subject to audit.
  - Note disclosure in the audited statements is prepared in accordance with the disclosure requirements for annual financial statements as promulgated by the CICA.
  - Note disclosure includes a discussion of new accounting standards.
  - The MD&A is prepared in accordance with regulations for annual MD&A.
- Review and approval processes are identical to those used for quarterly financial reporting.
- iii** The AIF is prepared in accordance with regulations. Primary responsibility for the preparation of the AIF has been assigned to the Group Controller with assistance from financial members of the Disclosure Committee.
- The source of information, method of preparation and review process is similar to that of the interim results press releases, annual report and MD&A.
- iv** The information circular and proxy form are prepared primarily by the Senior Vice President, Legal Affairs & Corporate Secretary, with support from the Finance and Investor Relations departments and in cooperation with external counsel and financial members of the Disclosure Committee from the same sources of information as the other annual public disclosure materials.
- This document conforms with corporate and securities regulations and is reviewed by the following individuals:
- Disclosure Committee.
  - Board of Directors.
  - Corporate Governance and Compensation Committee.
  - External counsel.
  - External auditors.
- v** The Company will issue a press release with respect to the following matters.
- The events include:
- Quarterly results announcements.
  - Material change.
  - Immaterial event or transaction deemed newsworthy.
  - Earnings warning (positive or negative).
  - Notice of quarterly conference call.
  - Any dealings in CF securities by Directors of CF or holders of more than 3% of CF's common shares within 24 hours of the transaction, except for pre-determined purchases conducted through the Employee Stock Purchase Plan (ESPP), which need to be disclosed every six months. ESPP purchases are to be reported prior to the end of January for the trading period of July 1 to December 31 and prior to the end of July for the trading period of January 1 to June 30. In the case of holders of more than 3% of CF's common shares only changes which increase or decrease

the holding by one full percentage point will be disclosed. Please also see “Trading restrictions and blackout periods” on page 12.

- The text of the release is drafted by senior management. Members of the Disclosure Committee participate in the drafting process.
- All material financial press releases are reviewed by the Audit Committee and the Board of Directors before release. Financial results will be publicly released following Audit Committee and Board approval of the MD&A, financial statements and notes. The external auditors are provided a copy of all financial related releases prior to their release.
- The exceptions to the above are releases that are not deemed to be material disclosures.
- Once the Committee determines that a development is material, it will authorize the issuance of a press release unless the Committee determines that such developments must remain confidential for the time being. If developments are to remain confidential, appropriate confidential filings must be made and control of the inside information must be instituted. Should a material statement inadvertently be made in a selective forum, CF will immediately issue a press release to fully disclose that information.
- If the TSX is open for trading at the time of a proposed announcement, prior notice of a press release announcing material information must be provided to its market surveillance division (i.e., RS Inc. on the TSX) to enable a trading halt, if deemed necessary by the TSX. If a press release announcing material information is issued outside of trading hours, the TSX must be notified promptly and in any event before the market reopens. Similarly, CF’s nominated adviser (Nomad), Fox Pitt Kelton, must be advised in advance of any proposed announcement and be given the opportunity to provide feedback and input into the disclosure prior to it being released into the United Kingdom London Stock Exchange (UK LSE) Disclose circuit.
- To help ensure fairness for investors on AIM and TSX, CF will attempt to distribute its press releases while both markets are open for trading. Overlapping open market hours, except when daylight savings time adjustments are different between the UK and Canada, are from 6:30 AM to 8:30 AM Pacific, which is equivalent to 9:30 AM to 11:30 AM Eastern and 2:30 PM and 4:30 PM Greenwich. If one of the two markets insist upon a trading halt prior to the release of the information, CF will ask the other market to also suspend trading in its stock until there has been sufficient time for the information to be disseminated into the markets. Both RS Inc. and the Nomad have indicated that suspension of trading prior to the distribution of a release would be reserved for only highly sensitive disclosure material. In all instances, CF will ensure that the Nomad is provided with ample notice of any material events and will provide ample opportunity for the Nomad to provide feedback to (and ultimately, approval of) draft announcements prior to any release. There may be rare occasions where RS Inc. deems a press release to be sufficiently significant/material that RS Inc. requires the release to be announced immediately whilst the Canadian market is open for trading but, due to the time difference, the UK market is closed. In this circumstance, CF will attempt to notify the Nomad (by phone and/or email) of this situation prior to the release.
- In Canada press releases will be disseminated through an approved news wire service that provides simultaneous national distribution. Full-text press releases will be transmitted to all stock exchange members, relevant regulatory bodies, major business wires, national financial media, and the local media in areas where CF has its headquarters and operations.

- In the UK press releases will be disseminated through the UK LSE Disclose circuit, which satisfies all AIM exchange and regulatory requirements and on to the UK IRW and UK Business and Finance news wires, which covers the target media and news outlets in the UK that CF would like to be aware of its results.
  - Press releases will be posted on CF's website immediately after confirmation of dissemination over the news wire. The website includes a notice that advises the reader that the information posted was accurate at the time of posting, but may be superseded by subsequent disclosures.
- vi** A sub-group, consisting of a minimum of three members of the committee, will review all formal investor presentations prior to release or posting on CF's website. The Investor Relations section of the website will be reviewed at least annually. All disclosure statements are posted to CF's website on a timely basis.
- vii** The Disclosure Committee and the Audit Committee will review each quarterly supplementary financial information package prior to its posting on CF's website. The package is developed by the Finance and Investor Relations departments. The posting of the package is to occur after the confirmation from the news wire service of the dissemination of the interim results press release.
- viii** The senior officers and the Vice President, Investor Relations & Communications will review the remarks and prepared questions and answers for each quarterly conference call with analysts and institutional investors prior to the commencement of the call. The material is based on information that is to be disclosed via press release prior to the call and is developed by the Finance and Investor Relations departments. A review of the call will be conducted immediately after the call to determine if any new material information was disclosed that would need to be more widely disseminated via press release. For more detail see "Conference Calls" on page 14.

## **VIII DISCLOSURE CONTROLS**

- A. CF has numerous daily, weekly, monthly and annual processes that, when considered in the aggregate and in conjunction with internal controls, are effective disclosure controls. Background detail on these disclosure controls is contained in the attached Appendices.
- B. As new Canadian accounting standards are released, the Senior Vice President, Finance and Group Controller undertake the following steps:
- The new standard is reviewed and evaluated to determine if it is applicable to CF. If it is clearly not applicable, the process is documented and stops there. If there is any uncertainty in its applicability, CF solicits the input of the external auditor.
  - If the new standard is applicable to CF, it is then analyzed and summarized in a manner that effectively documents and evaluates the impact on CF.
  - The next step is to determine the immediate action, if any, CF would need to undertake in order to comply with the new standard.
  - Annually, the documented standards are reviewed, and updated as required, to ensure (i) the standard is still applicable; and (ii) that CF is still in compliance.
- C. In addition, CF has created the Disclosure Committee, which supplements these periodic processes.

## IX TRADING RESTRICTIONS AND BLACKOUT PERIODS

- A. Purchases and sales of securities of CF are regulated by rules under Canadian and UK securities legislation and the policies of the TSX and AIM. You should therefore read this section in conjunction with the definitions set out below which will assist you with complying with both regimes.
- B. It is illegal for an insider (and certain other people) with knowledge of a material fact or change affecting a public company that has not been publicly disclosed to purchase or sell securities of that company. It is also illegal for anyone to inform any other person of material non-public information, except in the necessary course of business. Therefore, insiders and employees with knowledge of material information about CF or counter-parties in negotiations of potentially material transactions are prohibited from trading securities of CF or any counter-party until the information has been fully disclosed and a reasonable period has passed for the information to be widely disseminated. The purpose behind the self-imposed blackout periods is to help establish a diligent effort to avoid any improper transaction.
- C. Insiders are personally responsible for filing accurate and timely insider trading reports.
- D. Directors (whether or not officially appointed) must notify CF immediately of any Deals (which includes Deals by Family Members whether or not there has been a change in beneficial ownership or control but excludes any Deals involving the regular purchase of securities under CF's subsidiaries employee stock purchase plan ("ESPP")) disclosing the supplemental information and any other information requested by CF for it to comply with its obligations under the AIM Rules. CF is in turn obligated to notify AIM of such transaction without delay. Directors must notify CF promptly after June 30 and December 31 in each year of all Deals involving the regular purchase of securities under CF's ESPP for the six months preceding those dates disclosing the supplemental information and any other information requested by CF for it to comply with its obligations under the AIM Rules. CF is in turn obligated to notify AIM of such transactions within 31 days following those dates (that is, by July 31 and January 31 in each year).
- E. Quarterly trading blackout periods will apply to directors (and their respective Family Members) and to all employees of CF's subsidiaries during periods when financial statements are being prepared but results have not yet been publicly disclosed. During such quarterly trading blackout periods directors and their respective Family Members and employees shall not be permitted to Deal in any of CF's securities. Conforming with the AIM Rules, quarterly trading blackouts are as follows: (a) for Q1, Q2 and Q3, the period of one month immediately preceding the issuance of a press release disclosing quarterly financial results up to two hours following the issuance of a press release disclosing the results; (b) for Q4, the period commencing on April 1 up to two hours following the issuance of a press release disclosing the annual financial results. It is important to note that this time period is a particularly sensitive period of time for transactions in CF's securities from the perspective of compliance with applicable securities laws. This sensitivity is because officers, directors and certain other employees will, during that period, often possess material non-public information about the financial results for the quarter. Therefore, the safest period for trading in CF's securities, assuming the absence of material non-public information, is typically the first ten days of the trading window.

- F. Blackout periods may be prescribed from time to time by the Committee as a result of special circumstances relating to CF when insiders would be precluded from trading in its securities. All parties with knowledge of such special circumstances should be covered by the blackout. These parties may include external advisors such as legal counsel, investment bankers, investor relations consultants and other professional advisors, and counter-parties in negotiations of material potential transactions. Please also see “Quiet Periods” on page 17.
- G. It should be noted, however, that even during the trading window, any person possessing material non-public information concerning CF should not engage in any transactions in CF’s securities until such information has been known publicly for at least two trading days, whether or not, CF has recommended a suspension of trading to that person. **Trading in CF’s securities during the trading window should not be considered a “safe harbour,” and all directors, officers and other persons should use good judgment at all times.**
- H. To protect the reputation of CF and avoid the appearance of impropriety, proposed trades (including Deals) must be pre-cleared by the following people in the following manner:
- i. A director of CF (other than the Chairman of the Board, President & CEO or the COO) or the Corporate Secretary must not deal in any securities of CF without first notifying the Chairman of the Board, President & CEO or the COO (or another director designated by the Board for this purpose) and receiving clearance to deal from them.
  - ii. The Chairman of the Board must not deal in any securities of CF without first notifying the Lead Director, President & CEO or the COO (or another director designated by the Board for this purpose) and receiving clearance to deal from them.
  - iii. The President & CEO must not deal in any securities of CF without first notifying the Chairman of the Board, the COO, or the Lead Director (or another director designated by the Board for this purpose) and receiving clearance to deal from them.
  - iv. The COO must not deal in any securities of CF without first notifying the Chairman of the Board, President & CEO or the Lead Director (or another director designated by the Board for this purpose) and receiving clearance to deal from them.
  - v. Any other person who is required under Canadian securities law to file insider reports in relation to CF (a “Reporting Insider”)<sup>1</sup> must not deal in any securities of CF without first notifying the Chairman of the Board, the President & CEO, the COO, another director designated by the Board for this purpose or the Corporate Secretary and receiving clearance to deal from them.

I. Definitions:

For the purposes of this section the following words shall have the following meanings:

---

<sup>1</sup> Senior officers of subsidiaries of CF who meet the following criteria are exempt from the requirement to file insider reports in relation to CF and are therefore not included in the definition of “Reporting Insider” in this Policy: (i) they are vice-presidents; (ii) they are not in charge of a principal business unit, division or function of CF or a “major subsidiary” of CF; (iii) they do not, in the ordinary course of business, receive or have access to information as to material facts or material changes concerning CF before the material facts or material changes are generally disclosed; and (iv) they are not insiders of CF in any other capacity.

“**AIM Rules**” means the rules for AIM companies published by London Stock Exchange plc;

“**Deals**” means any change whatsoever to the legal or beneficial interest, whether direct or indirect, in securities including any sale or purchase of, or any agreement to sell or purchase, any securities of CF and the grant, acceptance, acquisition, disposal, exercise or discharge of an option (whether for the call, or put, or both) or other right or obligation, present or future, conditional or unconditional, to acquire or dispose of securities or any interest in securities of CF or any securities taken into or out of treasury;

“**Family Members**” include the following:

- (i) A director’s spouse and any child where such child is under the age of eighteen; and
- (ii) Any trust in which such individuals are trustees or beneficiaries and any company over which they have control or more than 20% of its equity or voting rights (excluding treasury shares) in a general meeting. It excludes any employee share or pension scheme where such individuals are beneficiaries rather than trustees.

“**Supplemental information**” includes the following:

- (i) The identity of the relevant director;
- (ii) The date on which the deal was effected;
- (iii) The price, amount and class of the relevant AIM security; and
- (iv) The nature and extent of the directors interest in the transaction.

## **X MAINTAINING CONFIDENTIALITY**

- A. Any employee privy to confidential information about the business and affairs of CF is prohibited from communicating such information to anyone else, unless it is necessary to do so in the course of business. Efforts will be made to limit access to confidential information to only those who need to know the information and those persons will be advised that the information is to be kept confidential.
- B. Outside parties privy to undisclosed material information concerning CF will be told that they must not divulge this information to anyone else, other than in the necessary course of business and that they may not trade in CF’s securities until the information is publicly disclosed. Such outside parties will confirm their commitment to non-disclosure in the form of a written confidentiality agreement.
- C. To prevent the misuse or inadvertent disclosure of material information, the following procedures should be observed at all times:
  - Documents and files containing confidential information should be kept in a safe place, with access restricted to individuals who “need to know” that information in the necessary course of business. Code names should be used if necessary.
  - Confidential matters should not be discussed in places where the discussion may be overheard, such as elevators, hallways, restaurants, bars, airplanes or taxis.
  - Confidential matters should not be discussed on cell phones or other wireless devices.

- Confidential documents should not be read or displayed in public places and should not be discarded where others can retrieve them.
- Employees must ensure they maintain the confidentiality of information in their possession outside of the office as well as inside the office.
- Transmission of documents by electronic means, such as by fax, e-mail or directly from one computer to another, should be made only where it is reasonable to believe that the transmission can be made and received under secure conditions.
- Unnecessary copying of confidential documents should be avoided and documents containing confidential information should be promptly removed from conference rooms and work areas after meetings have concluded. Extra copies of confidential documents should be shredded or otherwise destroyed.
- Access to confidential electronic data should be restricted through the use of passwords.

## **XI CONFERENCE CALLS**

- A. Conference calls will be held for quarterly earnings and major corporate developments, accessible simultaneously to all interested parties, some as participants by telephone and others in a listen-only mode by telephone or via a webcast. The call will be preceded by a press release containing all relevant material information. At the beginning of the call, a CF spokesperson will provide appropriate cautionary language regarding any forward-looking information and direct participants to publicly available documents containing the assumptions, sensitivities and a full discussion of the risks and uncertainties applicable to the news.
- B. CF will provide advance notice of the conference call and webcast by issuing a press release announcing the date, time and topic and providing information on how interested parties may access the call and webcast. These details will be provided on CF's website. In addition, CF may send invitations to analysts, institutional investors, the media and others. Any non-material supplemental information provided to participants will also be posted to the website for others to view.
- C. An archived audio webcast will be made available on CF's website for a minimum of 45 days.
- D. The senior officers and Vice President, Investor Relations & Communications will hold a debriefing meeting immediately after the conference call and if they determine that selective disclosure of previously undisclosed material information has occurred, CF will immediately disclose the information broadly via press release.

## **XII RUMOURS**

- A. CF does not comment, affirmatively or negatively, on rumours. This also applies to rumours on the Internet. CF's spokespersons will respond consistently to any rumours, saying, "It is our policy not to comment on market rumours or speculation."
- B. Should the stock exchange request that CF make a definitive statement in response to a market rumour that is causing significant volatility in the stock, the Committee will consider the matter and decide whether to make a policy exception. If the rumour is true in whole or in part, this may be evidence of a leak, and CF will immediately issue a press release disclosing the relevant material information.

### **XIII CONTACTS WITH ANALYSTS, INVESTORS AND THE MEDIA**

- A. Disclosure in individual or group meetings does not constitute adequate disclosure of information that is considered material non-public information. If CF intends to announce material information at an analyst or shareholder meeting or a press conference or conference call, the announcement must be preceded by a press release.
- B. CF recognizes that meetings with analysts and significant investors are an important element of its investor relations program. CF will meet with analysts and investors individually or in small groups as needed and will initiate contacts or respond to analyst and investor calls in a timely, consistent and accurate fashion in accordance with this disclosure policy. All analysts will receive fair treatment regardless of whether they are recommending buying or selling CF's securities.
- C. CF will provide only non-material information through individual and group meetings. People providing information to outsiders should recognize that the selective disclosure of non-material information can be re-constructed into a mosaic of potentially material information. Therefore, people should pay special attention to discussions on topics that could potentially reveal material information.
- D. CF will provide the same sort of detailed, non-material information to individual investors or reporters that it has provided to analysts and institutional investors and may post this information on its website.
- E. Spokespersons will keep notes of telephone conversations with analysts and investors and where practicable more than one CF representative will be present at all individual and group meetings. A debriefing will be held after these meetings and if it is determined that selective disclosure of previously undisclosed material information has occurred, CF will immediately disclose the information broadly via press release.
- F. The Vice President, Investor Relations & Communications and/or the Managing Director, Global Head of Marketing & Communications should be present for all meetings with analysts and investors, and for all media interactions. This includes both conference calls and in-person meetings. If it is not possible for the Vice President, Investor Relations & Communications or the Managing Director, Global Head of Marketing & Communications to be present, there should be an appropriate substitute as designated by one of them.

### **XIV REVIEWING ANALYST REPORTS AND FINANCIAL MODELS**

- A. Upon request, CF may review analyst's draft research reports or financial models for factual accuracy based on publicly disclosed information. CF will not confirm, or attempt to influence, an analyst's opinions or conclusions and will not express comfort with the analyst's financial model and earnings estimates.
- B. To avoid appearing to endorse an analyst's report or model, CF will provide its comments orally or will attach a disclaimer to written comments to indicate the report was reviewed only for factual accuracy.

## **XV LIMITS ON DISTRIBUTING ANALYST REPORTS**

- A. Analyst reports are proprietary products of the analyst's firm. Distributing or referring to analyst reports, or providing links to them, may be viewed as an endorsement by CF of the reports. For these reasons, CF will not provide analyst reports through any means to persons outside of CF, including posting such reports on its website. Notwithstanding the foregoing, CF will distribute analyst reports to its directors and senior officers to monitor the communications of CF and to assist them in understanding how the marketplace values CF and how corporate developments affect the analysis. Analyst reports may also be provided to CF's financial and professional advisors in the necessary course of business. CF may post on its website a complete listing, regardless of the recommendation, of all the investment firms and analysts who provide research coverage on CF. If provided, this list will not include links to the analysts' or any other third party websites or publications.

## **XVI FORWARD-LOOKING INFORMATION**

- A. A consistent approach to disclosure is important. Should CF elect to disclose forward-looking information in continuous disclosure documents, speeches, conference calls, etc., the following guidelines will be observed:
- All material forward-looking information will be broadly disseminated via press release;
  - The information will be clearly identified as forward looking;
  - CF will identify the material assumptions used in the preparation of the forward-looking information;
  - A statement that identifies, in specific terms, the risks and uncertainties that may cause the actual results to differ materially from those projected in the statement will accompany the information;
  - The information may be accompanied by supplementary information such as a range of reasonably possible outcomes or a sensitivity analysis to indicate the extent to which different business conditions may affect the actual outcome;
  - The information will be accompanied by a statement that the information is stated as of the current date and subject to change after that date, and CF disclaims any intention to update or revise this statement of forward-looking information, whether as a result of new information, future events or otherwise;
  - Once disclosed, CF's practice for updating forward-looking information will be to regularly assess whether new financial outlooks should replace previous statements of forward-looking information, and ensure that past disclosure of forward-looking information is accurately reflected in current MD&A; and
  - CF will review the efficacy of its forward-looking cautionary statement on a quarterly basis to ensure that it encapsulates all significant known risk factors.
- B. If CF has issued a forecast or projection in connection with an offering document covered by National Policy 48 (Future Oriented Financial Information), CF will update that forecast or projection periodically as required by National Policy 48.

## **XVII PROVIDING GUIDANCE**

- A. CF will try to ensure, through its regular public dissemination of quantitative and qualitative information, that analysts' estimates are in line with CF's expectations. CF will not confirm, or attempt to influence, an analyst's opinions or conclusions and will not express comfort with analysts' financial models and earnings estimates.
- B. If CF has determined that it will be reporting results materially below or above publicly held expectations, it may decide to disclose this information in a press release to enable discussion without risk of selective disclosure (see "Forward-Looking Information" on page 17).

## **XVIII QUIET PERIODS**

- A. To avoid the potential for selective disclosure or even the perception or appearance of selective disclosure, CF will observe quiet periods prior to quarterly earnings announcements or when material changes are pending. Regular quiet periods will begin at the same time as the quarterly trading blackouts and end with the issuance of a press release disclosing results for the quarter just ended. See "Trading Restrictions and Blackout Periods" on page 12.
- B. During a quiet period, CF will not initiate any meetings or telephone contacts with analysts and investors, but will respond to unsolicited inquiries concerning factual matters. If CF is invited to participate, during a quiet period, in investment meetings or conferences organized by others, the Committee will determine, on a case-by-case basis, if it is advisable to accept these invitations. If accepted, extreme caution will be exercised to avoid selective disclosure of any material, non-public information.

## **XIX DISCLOSURE RECORD**

- A. The Vice President, Investor Relations & Communications will maintain a seven-year record of all public information about CF, including continuous disclosure documents, press releases, analysts' reports, transcripts or tape recordings of conference calls, debriefing notes, notes from meetings and telephone conversations with analysts and investors, and newspaper articles.

## **XX RESPONSIBILITY FOR ELECTRONIC COMMUNICATIONS**

- A. This disclosure policy also applies to electronic communications. Accordingly, officers and personnel responsible for written and oral public disclosures are also responsible for electronic communications.
- B. The Vice President, Investor Relations & Communications is responsible for updating the Investor Relations section of CF's website and, along with the Senior Vice President, Legal Affairs & Corporate Secretary, for monitoring information placed on the Investor Relations portion of CF's website to ensure that it is accurate, complete, up-to-date and in compliance with relevant securities laws.
- C. Disclosure on CF's Investor Relations portion of the website alone does not constitute adequate disclosure of information that is considered material non-public information. Any disclosures of material information on the website will be preceded by the issuance of a press release.

- D. All continuous disclosure documents will be provided in the Investor Relations section of CF's website. All information posted, including text and audiovisual material, will show the date the material was issued. Any material changes in information must be updated immediately, following issuance of a press release. The website will include a notice that advises the reader that the information was accurate at the time of posting, but may be superseded by subsequent disclosures.
- E. The Vice President, Investor Relations & Communications will maintain a record of material information that is posted to the Investor Relations section of the website. Material documents will be maintained on the website for a minimum of two years.
- F. The Vice President, Investor Relations & Communications must approve all links from CF website to third party websites. The website will include a disclaimer that advises readers they are leaving CF's website and that CF is not responsible for the contents of the other site.
- G. The Vice President, Investor Relations & Communications will also be responsible for responses to electronic inquiries. Only public information or information that could otherwise be disclosed in accordance with this disclosure policy shall be used to respond to electronic inquiries.
- H. In accordance with this disclosure policy, employees (including designated spokespersons) are prohibited from participating in Internet chat rooms or newsgroup discussions on matters pertaining to CF's activities or its securities. Similarly, Employee chat room discussions regarding firms other than CF are still required to have the pre-approval of either the Employee's branch manager or the Vice President within the Compliance Department responsible for Marketing and Advertising.

## **XXI COMMUNICATION, EDUCATION AND ENFORCEMENT**

- A. This disclosure policy extends to all employees of CF and subsidiaries, its Board of Directors and its authorized spokespersons. New Directors, Officers and employees will be provided with a copy of this disclosure policy and educated about its importance. This disclosure policy will be posted on CF's internal website and changes will be communicated to all employees.
- B. Any Employee who violates this disclosure policy may face disciplinary action up to and including termination of employment with CF and subsidiaries without notice. The violation of this disclosure policy may also violate certain securities laws, which could expose directors, officers or employees to personal liability. If it appears that an Employee may have violated such securities laws, CF may refer the matter to the appropriate regulatory authorities, which could lead to fines or other penalties.

## **XXII APPENDICES**

Please note that the appendices are viewed as guidelines for the various disclosure processes, which may evolve and change over time due to the dynamic nature of the disclosure environment (e.g., regulatory changes, best practices, etc.). Any significant changes in disclosure processes will be captured in the annual review of the Disclosure Controls Policy.

- A. **Internal Disclosure Approval Requirements Matrix**
  - Lists the key disclosure documents and events and associated approval mechanism.
- B. **Disclosure Responsibility Matrix**
  - Lists the key disclosure documents and events and associated responsibilities for development.
- C. **Disclosure Controls & Reporting Cycle Checklist**
  - Lists the key disclosure controls, documents and events and associated deliverable deadlines.
- D. **Sub-Certification Management Letter**
  - Example of sub-certification checklist and management letter for support of interim and annual CEO and CFO certification process.
- E. **CEO/CFO Certification Requirements**
- F. **Timetable for Preparation of Disclosure for:**
  - Interim Results Press Releases/Quarterly Report to Shareholders
  - Quarterly Supplemental Information
  - Quarterly Conference Calls with Analysts and Institutional Investors
  - Quarterly Results Forum with employees
- G. **Timetable for Preparation of Disclosure for:**
  - Annual Report
  - Annual Information Form
  - Information Circular and Proxy Form
  - Annual General Meeting
- H. **Example Press Release for Disclosing Dealings by Directors and Large Shareholders**
- I. **Terms of Reference**

**Appendix A:  
Internal Disclosure Approval Requirements Matrix**

<b>Disclosure item/event</b>	<b>Senior Officers</b>	<b>Sub-Committee of Disclosure Committee</b>	<b>Disclosure Committee &amp;/or Advisors</b>	<b>Audit Committee</b>	<b>Corporate Governance and Compensation Committee</b>	<b>Board of Directors</b>
Interim Results Press Releases/Quarterly Report to Shareholders	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>
Quarterly Supplemental Information	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>
Quarterly Conference Calls with Analysts and Institutional Investors	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>				
Annual Report	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>
Annual Information Form	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>
Information Circular and Proxy Form	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Annual General Meeting	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>
Online Annual Report		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			
Disclosure Controls Policy and Disclosure Committee Terms of Reference	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>
Material Non-Financial Press Release	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>				
Non-Material Press Release	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>				
CEO and CFO Certification	<input checked="" type="checkbox"/>					
Sub-Certification	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>			
Investor Presentations	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>				
Annual Review of IR Website		<input checked="" type="checkbox"/>				
Quarterly and Annual Forward-Looking Cautionary Statement Suitability		<input checked="" type="checkbox"/>				
Setting of Interim, Annual Report and AGM dates for Next Fiscal Year	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Disclosure of Director Dealings		<input checked="" type="checkbox"/>				Individual Director

**Appendix B:  
Disclosure Responsibility Matrix**

<b>Disclosure item/event</b>	<b>Senior Officers</b>	<b>CFO</b>	<b>Disclosure Committee &amp;/or Advisors</b>	<b>VP, IR &amp;/or Analyst, IR and IR &amp; Comm. team</b>	<b>SVP, Legal Affairs &amp; Corporate Secretary</b>	<b>SVP, Finance &amp;/or Group Controller and team</b>
Interim Results Press Releases/Quarterly Report to Shareholders	Review		Review	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Quarterly Supplemental Information	Review		Review	Support		<input checked="" type="checkbox"/>
Quarterly Conference Calls with Analysts and Institutional Investors	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>		Support
Annual Report	Review		Review	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Annual Information Form	Review		Review	Support	Review	<input checked="" type="checkbox"/>
Information Circular and Proxy Form	Review	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	Support
Annual General Meeting		<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	Support
Online Annual Report				<input checked="" type="checkbox"/>		
Annual Review and Update of Disclosure Controls Policy and Disclosure Committee Terms of Reference	Review		Review	<input checked="" type="checkbox"/>	Support	Support
Material Non-Financial Press Release	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
Non-Material Press Release	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
CEO and CFO Certification	<input checked="" type="checkbox"/>				<input checked="" type="checkbox"/>	
Sub-Certification		Sponsor	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>	
Investor Presentations	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	Support	Support
Annual Review of IR Website				<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
Quarterly and Annual Forward-Looking Cautionary Statement Suitability				<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
Annual Documentation of Internal Accounting Standards						<input checked="" type="checkbox"/>
Announcement of Quarterly Trading Blackouts & Quiet Periods				<input checked="" type="checkbox"/>		
Maintain Disclosure Record				<input checked="" type="checkbox"/>		
Quarterly Update to IR Website				<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
Setting of Interim, Annual Report and AGM dates for Next Fiscal Year		<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Disclosure of Director Dealings: SEDI filing	Individual Director			<input checked="" type="checkbox"/>	Support	
Disclosure of Director Dealings: AIM dealing release	Individual Director			Support	Support	

**Appendix C:  
Disclosure Controls & Reporting Cycle Checklist**

<b>Disclosure item/event</b>	<b>Target deadline date range for late Annual General Meeting</b>	<b>Target date range for early Annual General Meeting</b>
Interim Results Press Releases/Quarterly Report to Shareholders	Q1: Aug. 4-10 (mandatory Aug. 14) Q2: Nov. 2-5 (mandatory Nov. 14) Q3: Feb. 2-5 (mandatory Feb. 14) Q4: May 12-17	Q4: May 15-20
Quarterly Supplemental Information	Parallel dates for Interim Results	
Quarterly Conference Calls with Analysts and Institutional Investors	Parallel dates for Interim Results	
Annual Report	Jun. 25-27 (mandatory Jun. 29)	May 8-10
Annual Information Form	Jun. 25-27 (mandatory Jun. 29)	May 8-10
Information Circular and Proxy Form	Jun. 25-27	May 8-10
Annual General Meeting	Aug. 4-10 or before	June 24-30
Online Annual Report	Jun. 28-30	
Annual Review and Update of Disclosure Controls Policy and Disclosure Committee Terms of Reference	Jan. 29 - Feb. 4, parallel to Q3 Audit Committee meeting	
Material Non-Financial Press Release	Ad hoc	
Non-Material Press Release	Ad hoc	
CEO and CFO Certification	Q1: Aug. 4-10 (mandatory Aug. 14) Q2: Nov. 2-5 (mandatory Nov. 14) Q3: Feb. 2-5 (mandatory Feb. 14) Q4: May 12-17 Annual results: Jun. 25-27 (mandatory Jun. 29)	Q4 and annual results: May 15-20
Sub-Certification	Q1: Jul. 21-25 Q2: Oct. 21-25 Q3: Jan. 21-25 Q4: Apr. 21-25 Annual results: Jun. 5-8	Q4 and annual results: Apr. 24-28
Investor Presentations	Ad hoc	
Annual Review of IR Website	Sep. 10-15	
Quarterly and Annual Forward-Looking Cautionary Statement Suitability	Q1: Jul. 18-20 Q2: Oct. 18-20 Q3: Jan. 18-20 Q4: Apr. 18-20 Annual Report: May 4-6	Q4 and annual results: Apr. 21-24
Annual Documentation of Internal Accounting Standards	November/December	
Announcement of Quarterly Trading Blackouts & Quiet Periods	Q1: On Jun. 27-29; Off Aug. 3-9 Q2: On Sep. 28-30; Off Nov. 1-4 Q3: On Dec. 22-24; Off Feb. 1-4 Q4: On Mar. 28-30; Off May 12-17	Q4: On Mar. 28-30; Off May 15-20
Maintain Disclosure Record	Ongoing	
Quarterly Update to IR Website	Q1: Aug. 4-10 Q2: Nov. 2-5 Q3: Feb. 2-5 Q4: May 12-17	Q4: May 15-20
Setting of Interim, Annual Report and AGM dates for Next Fiscal Year	May 12-17	
Disclosure of Director Dealings	Ongoing - within 24 hours of the event	

**Appendix D:  
Sub-Certification Management Letter**

**CANACCORD FINANCIAL INC.**

**SUB-CERTIFICATION BY  
DISCLOSURE COMMITTEE MEMBER OR ADVISOR**

**Month Day, Year**

Brad Kotush  
Executive Vice President and Chief Financial Officer  
Canaccord Financial Inc.

Dear Mr. Kotush:

In connection with the preparation of the interim consolidated financial statements, the management's discussion and analysis ("MD&A") and the other information of Canaccord Financial Inc. ("CF") included in the shareholders quarterly report ("Report") for the quarter ending December 31, 2005, I hereby confirm that:

- a) I have reviewed the information in the Report related to my area of responsibility.
- b) In my area of responsibility, I am not aware of any unusual or difficult disclosure issues being encountered during the preparation of the interim consolidated financial statements and the other information included in the Report other than issues previously disclosed in writing to a member of the Disclosure Committee of CF.
- c) Based on my knowledge, the interim consolidated financial statements and the other information included in the Report (including the MD&A) fairly present in all material respects the financial conditions, results of operations and cash flows of CF as they related to my area of responsibility as at and for the periods ended December 31, 2005.

Except as disclosed to a member of the Disclosure Committee of CF, I am not aware of:

- a) Any fraud or irregularities involving management or employees who have a significant role in the internal accounting controls of my area of responsibility or any fraud or irregularities involving other employees, in each case which could have an effect on the recorded values of assets or the results of operations of my area of responsibility.
- b) Any material violation or possible material violation of laws, the effect of which should be considered for disclosure in the interim consolidated financial statements of CF or as a basis for recording a material liability or material loss contingency. To the best of my knowledge, all provisions of contractual agreements which could have a significant effect on the interim consolidated financial statements of CF in the event of non-compliance have been complied with.

c) Any actions since the beginning of the financial year on April 1, 2005, which would have been a material breach by persons reporting to me of the Canaccord Policies & Procedures Manual. I give this assurance after making reasonable enquiry and based on my knowledge of the activities in my area of responsibility. Further, I am not aware of any material breach of the Canaccord Policies & Procedures Manual by any other persons in my area of responsibility.

d) Any false, misleading or untrue statement of a material fact, or the omission of any material fact or statement necessary to make the statements made not misleading, in the interim consolidated financial statements and the other information included in the Report.

e) Any material violations of Canadian, United States or local securities law or breach of fiduciary duties.

Yours truly,

**CANACCORD FINANCIAL LTD.**

*Signature of Department Head Operating Unit*

**Appendix E:  
Certification Requirements**

**CANACCORD FINANCIAL INC.**

**CEO/CFO CERTIFICATION REQUIREMENTS**

The CEO/CFO personally certify six representations:

1. Annual and interim filings (financial statements, management discussion & analysis, annual information form, Form 52-101 F1, management information circular) do not contain any untrue statement of material fact or omit any material facts.
2. The financial statements and financial information in annual and interim filings “fairly present” in all material respects the “financial condition”, results of operations and cash flows for the relevant period.
3. They have, or caused to have designed, effective disclosure controls and procedures to provide reasonable assurance that material company information is made known to them.
4. They have, or caused to have designed, effective internal controls over financial reporting to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes.
5. They have evaluated the effectiveness of disclosure controls and procedures and disclosed their conclusions regarding their evaluation in the annual MD&A.
6. They have disclosed in the annual and interim MD&A any material changes in internal control over financial reporting.

## Appendix F:

### Timetable for Preparation of Disclosure for:

- **Interim Results Press Releases/Quarterly Report to Shareholders**
- **Quarterly Supplemental Information**
- **Quarterly Conference Calls with Analysts and Institutional Investors**
- **Quarterly Results Forum with Employees**

Key deliverable/event	Target completion date(s) from the first day after the quarter ends
Notification of quarter end and blackout dates emailed to all employees	Days (5)-(2)
Conference call/Webcast particulars confirmed with suppliers	Days (3)-(1)
CF trading blackout for all employees and quiet period commences	Day 1
Quarterly financial closing process and preparation of financial statements commences	Days 1-3
Media advisory regarding results release date and conference call/Webcast particulars prepared and sent for translation	Days 2-5
Income statement and balance sheet finalized	Days 5-10
Kick off-meeting with auditors	Days 5-10
Commencement of population of press release, MD&A and supplementary information	Days 5-10
Early draft of press release, MD&A and financial statements provided to senior officers, auditors and heads of Canaccord Adams and PCS	Days 7-12
Feedback on early draft of press release, MD&A and financial statements from senior officers, auditors and heads of Canaccord Adams and PCS	Days 9-14
Request for NOBO shareholding listing sent to Computershare	Days 10-12
Draft quarterly results package (press release, MD&A, financial statements and supplementary information), sub-certification checklist and covering memo sent to Due Diligence review group and Chair of Audit Committee	Days 14-18 – goal to provide reviewers 3-6 days to review
Preparation of conference call remarks and Q&A	Days 16-21
Send media advisory to RS Inc for approval and to CNW for staging	Days 18-20
Release media advisory and update events calendar on Website	Days 18-20
Disclosure Committee Due Diligence interim results review meeting with committee members and advisors	Days 19-21 – usually prior to pre-review with Chair of Audit Committee
Pre-review of quarterly results package with Chair of Audit Committee and auditors	Days 20-22
Pre-finalization meeting with auditors	Days 20-22 – immediately after pre-review with Chair of Audit Committee
Quarterly results package finalized and sent for translation	Days 20-23
Quarterly results package and covering memo delivered to Audit Committee and Board of Directors	Days 21-25 – goal to provide Audit Committee & Board 5-10 days to review
Commencement of typesetting process for Quarterly Report to Shareholders	Days 21-25
Review of draft conference call remarks and potential Q&A	Days 21-25
Collection of sub-certification checklists and CEO & CFO certification completed and certification package finalized for Audit Committee meeting	Days 23-34
Receive NOBO list from Computershare – determine printing amounts	Days 25-28
Audit Committee meeting to review and approve quarterly results	Days 26-35 – usually a minimum of 1 day prior to Board meeting
Dry run of final Conference call remarks and review of potential Q&A	Days 26-35
Board of Directors meeting to approve quarterly results	Days 29-35
Incorporation into quarterly results package of any changes from Audit Committee and Board – includes translation and updates to CNW	Days 26-35
Notification of removal of blackout dates two hours after release goes over news wire emailed to all employees	Days 26-35

<b>Key deliverable/event</b>	<b>Target completion date(s) from the first day after the quarter ends</b>
Typeset version of Quarterly Report to Shareholders and other printed materials updated and finalized	Days 29-35
Release of quarterly earnings results: 1st stage – press release over CNW; 2nd stage once release confirmed by CNW – the rest of the results package	Days 30-36 @ 6:35am (PT)
Quiet period ends	Days 30-36 @ 6:35am (PT)
Blast email of notification of release of results along with a reminder of the conference call to targeted list of analysts, institutional investors and media	Days 30-36 @ 6:40am (PT)
Institutional Investors and Analyst conference call to discuss quarterly results	Days 30-36 @ 8:30am (PT)
SEDAR filing of documents completed by CNW or E3 Filing System	Days 30-36
Commencement of printing of Quarterly Report to Shareholders	Days 30-37
Trading blackout ends	Days 30-36 @ 8:35am (PT) (two hours after release goes over the wire)
Delivery of printed quarterly results package and Quarterly Report to Shareholders to CF and Computershare from printers	Days 35-39
Mailing of printed quarterly results package sent to targeted list of institutional investors and analysts	Days 36-42
Mailing of Quarterly Report to Shareholders by Computershare	Days 40-42 (mandatory by day 45)

**Appendix G:**  
**Timetable for Preparation of Disclosure for:**

- **Annual Report**
- **Annual Information Form**
- **Information Circular and Proxy Form**
- **Annual General Meeting**

<b>Key deliverable/event</b>	<b>Target completion date(s) from the first day after the fiscal year ends (for a late Annual General Meeting)</b>	<b>Target completion date(s) from the first day after the fiscal year ends (for an early Annual General Meeting)</b>
Review potential annual report (“AR”) design firms, select firm and finalize budget	Days (180)-(120)	Days (220)-(160)
Design creative process and theme of AR developed	Days (105)-(61)	Days (145)-(101)
Contact Computershare re: NOBO and registered shareholders and contact Broadridge re OBO shareholders	Days (70)-(65)	Days (110)-(105)
Present AR design layouts to executives and receive approval on overall design	Days (60)-(55)	Days (100)-(95)
Commence preparation of AR materials	Days (50)-(45)	Days (90)-(85)
Review form requirements for AR with external counsel	Day (45)	Day (85)
Development of preliminary AR MD&A, financial statements, information circular and annual information form (“AIF”) and booking of translation	Days (44)-(5)	Days (84)-(45)
Completion of strategic materials for inclusion in AR and any required executive photography	Days (30)-(5)	Days (70)-(45)
Submission of preliminary MD&A and information circular to external counsel for pre-review	Day (5)	Day (45)
Incorporation of external counsel feedback into MD&A	Days (1)-5	Days (41)-(35)
Fourth quarter interim results process	Days 1-34	Days (40)-(6)
Approval of all photography selections from executives	Days 25-30	Days (15)-(10)
Population of financial information into AR and associated documents	Days 35-39	Days (5)-(1)
Submission of AR MD&A, financial statements and other materials for commencement of typesetting and translation	Day 39	Day (1)
Population of AIF	Days 41-43	Days 1-3
First typeset draft of AR to be provided to senior officers, external counsel, external auditors and heads of Canaccord Adams and PCS	Day 44	Day 4
Request participant listing from CDS	Day 46	Day 6
Advise all depositories, BCSC and TSX of record date, meeting date, meeting type and CUSIP – notification to be conducted by Computershare	Day 46	Day 6
Advise CSA and TSX of record date, meeting date and meeting type via SEDAR – filing on SEDAR to be done by Miller Thomson	Day 46	Day 6
Submission of first draft of AIF to external auditors and external counsel for review	Day 48	Day 8
Feedback received on first typeset draft, consolidated and passed on to typesetters	Day 49	Day 9
Collection of feedback on AIF	Day 50	Day 10
Prepare notifications regarding record date, meeting date and meeting type for Computershare and Miller Thomson	Days 50-53	Days 10-13
Second typeset draft of AR available for review	Day 51	Day 11
Confirmation of printer and quantities of annual report	Day 53	Day 13
Feedback received on second typeset draft, consolidated and passed on to typesetters	Day 54	Day 14
Advanced draft of AIF completed and submitted for translation (not to be	Days 55-57	Days 15-17

typeset – Word format only)		
Third typeset draft of AR received back from typesetters and sent to Chair of Audit Committee and Disclosure Committee members and advisors	Day 57	Day 17
Disclosure Committee Due Diligence meeting with committee members and advisors to review and approve AR and associated documents	Day 61	Day 21
Obtain pre-review feedback from Chair of Audit Committee	Day 61	Day 21
Provide the undertaking form to Computershare	Day 61	Day 21

<b>Key deliverable/event</b>	<b>Target completion date(s) from the first day after the fiscal year ends (for a late Annual General Meeting)</b>	<b>Target completion date(s) from the first day after the fiscal year ends (for an early Annual General Meeting)</b>
Incorporate feedback from Disclosure Committee and Chair of Audit Committee and submit to typesetters	Day 62	Day 22
Receive final proofs from typesetter and submit to Board of Directors	Day 63	Day 23
Approve final artwork of AR	Day 64	Day 24
Publish meeting date via CDS – Computershare to publish	Day 64	Day 24
Request for NOBO shareholding listing sent to Computershare	Day 64	Day 24
Submit voting instruction form information and final sign off	Day 64	Day 24
Release artwork files for prepress preparation	Day 67	Day 27
Collection of sub-certification checklists and CEO & CFO certification completed and certification package finalized for Audit Committee meeting	Days 61-68	Days 21-28
Audit Committee meeting to approve AR and associated documents	Day 69	Day 29
Board of Directors meeting to approve AR and associated documents	Day 70	Day 30
Review prepress proofs	Day 70	Day 30
Incorporate any feedback from Audit Committee and Board of Directors, revise artwork/prepress proofs	Days 71-76	Days 31-36
Record date for AGM	Day 74 (mandatory 30 to 60 days prior to meeting date – target 52 days)	Day 34 (mandatory 30 to 60 days prior to meeting date – target 52 days)
First draft of online AR available for review	Day 78	Day 38
Printing of AR mail out package (final numbers confirmed from NOBO list)	Days 81-85	Days 41-45
AR and information circular to be shipped to Computershare and CF	Days 83-88	Days 43-48
Second draft of online AR available for review	Day 85	Day 45
Online AR approved	Day 88	Day 48
AR, information circular and proxy form to be mailed to shareholders	Day 88 (AR mandatory by day 90 – information circular and proxy form mailed together with AR for economies, but mandatory mailing date of a minimum of 21 days prior to meeting)	Day 48 (AR mandatory by day 90 – information circular and proxy form mailed together with AR for economies, but mandatory mailing date of a minimum of 21 days prior to meeting)
Filing of AR, information circular, proxy form, AIF and other annual filings on SEDAR – to be filed by E3 Filing System	Day 89	Day 49
Online AR live on CF Website	Day 90	Day 50
First quarter interim results process	Days 91-127	
Board of Directors meeting to formalize particulars of Annual General Meetings	Day 126	
CF Board and senior officers dinner	Day 126	Day 86
CF Annual General Meeting	Day 127 (mandatory by day 180)	Day 87 (mandatory by day 180)

**Appendix H:**  
**Example Press Release for Disclosing Dealings by Directors and Large Shareholders:**

**Canaccord Financial Inc. discloses director's dealing**

**VANCOUVER, Month Day, Year** – Canaccord Financial Inc. (CF : TSX & CF. : AIM) was notified by XXXX XXXXX, a director of the company, that he purchased/sold XX,XXX common shares in the company at a price of C\$x.xx per share on Day Month Year. As a result, he holds XXX,XXX common shares in the company, representing X.xx per cent of the issued share capital of the company.

## **Appendix I:**

### **TERMS OF REFERENCE FOR CANACCORD FINANCIAL INC.'S DISCLOSURE COMMITTEE**

#### **I INTRODUCTION**

- A. It is the policy of Canaccord Financial Inc. ("CF") that all information released to its shareholders, the markets on which its shares are traded and the associated regulatory authorities must be accurate and complete, and fairly represents its financial situation and the results of its operations in all material respects. All information should be disclosed on a timely basis, in accordance with the deadlines established by the applicable laws and exchange requirements.
- B. This Disclosure Committee Terms of Reference ("TOR") has been adopted by the President & Chief Executive Officer ("CEO"), Chief Operating Officer ("COO") and Chief Financial Officer ("CFO") (the "senior officers") of CF and ratified by the Audit Committee of the Board of Directors.
- C. This document indicates how the Disclosure Committee shall assist CF's senior officers in fulfilling their responsibility to meet CF's disclosure objectives.

#### **II DUTIES AND RESPONSIBILITIES**

The Disclosure Committee shall be responsible for the following:

- A. Maintain and enhance disclosure controls and procedures to ensure that:
  - Information that CF must disclose to the Canadian securities regulators, or equivalent regulatory bodies, the United Kingdom London Stock Exchange Disclose circuit and other written information that CF will disclose to the investment community is recorded, processed, summarized and reported accurately and in a timely manner.
  - Information is accumulated and communicated in a manner that allows senior management to make timely decisions regarding required disclosure.
- B. Review and approve the guidelines and procedures to be distributed to appropriate management and other CF personnel designed to gather, on a timely basis, the information required to be disclosed in CF's material public disclosures.
- C. Establish timelines for preparation of CF's material public disclosures, which timelines shall include critical dates and deadlines during the disclosure process relating to the preparation of drafts, the circulation of drafts to appropriate CF personnel, CF's independent auditors, and the Audit Committee, the receipt of comments and the review of the comments by the Committee. Such timetables should allow for

circulation of draft reports to the Disclosure Committee, the President & CEO, the COO, the CFO, and the Audit Committee of the Board of Directors sufficiently in advance of the applicable filing deadline in order to enable such persons to review carefully the filing and discuss any questions and comments related thereto.

- D. In addition, in discharging its duties the Disclosure Committee shall have full access to all CF books, records, facilities, and personnel, including the internal and external auditors. The Committee shall promptly evaluate each of the following if they arise:
- CF's financial results;
  - Projections of future earnings or losses;
  - CF's acquisition or disposition of a significant amount of assets outside the ordinary course of business;
  - A change in CF's external auditor;
  - The resignation of a CF director (or a director declining to stand for re-election);
  - Any material litigation;
  - The appointment, resignation, termination or promotion of any CF executive officer;
  - Entry into, or amendment or termination of, a material agreement not made in the ordinary course of business;
  - Termination or reduction of a material business relationship with, or material financial difficulty of, any material customers or third party suppliers;
  - Creation of a direct or contingent financial obligation (including any guarantee) that is material to CF;
  - Events triggering a direct or contingent financial obligation that is material to CF, including any default or acceleration of an obligation;
  - The use of off-balance sheet financing or special purpose vehicles;
  - The impact on CF's financial condition or performance of affiliated or associated entities;
  - The management discussion and analysis ("MD&A") section of the report, with particular attention to (i) critical accounting policies and trends which would, if altered, have a significant impact on the reported financial condition or performance (especially, in many cases, revenue recognition policies and accounting reserves), and (ii) liquidity and capital resources (including dividends, stock splits or normal course issuer bids);
  - The propriety of any characterization of cost as a capital expense;
  - Loans to or other transactions with directors, officers or significant shareholders;
  - Activities including material write-offs and restructuring charges;
  - Any material goodwill or asset impairment;
  - Any change in, or withdrawal of, a rating agency rating of CF (or refusal to provide one upon request), issuance of a credit watch or change in CF's outlook;
  - Internal controls;
  - Derivative transactions;
  - Tax reduction strategies;
  - Any amendment to CF's Disclosure Controls Policy and Disclosure Committee Terms of Reference;
  - Any amendment to CF's corporate articles;
  - Any material modifications to rights of holders of CF's securities;

- Any other event or development outside the ordinary course of business that is material to CF's results of operations, financial condition or prospects or is believed to be of importance to CF's shareholders.
- E. The Committee's evaluation shall include but not be limited to:
- Assessing the adequacy of the controls and procedures in place to ensure that material information required to be disclosed in CF's periodic reports is being recorded, processed, summarized and reported in those periodic reports;
  - Identifying all significant deficiencies in the design or operation of CF's internal controls which could adversely affect CF's ability to record, process, summarize and report financial data; and
  - Monitoring the corrective actions being taken to address the significant deficiencies in the design or operation of the internal controls and the disclosure of inadequate controls;
  - Identifying or being informed of any fraud, whether or not material, that involves management or other employees who have a significant role in CF's internal controls.
- F. Review and provide advice to the President & CEO and CFO regarding material public disclosures of CF, including:
- Periodic reports;
  - Information circular;
  - Annual reports, annual information forms and other correspondence distributed to shareholders;
  - CF's Investor Relations section of the website;
  - Financial and other press releases disseminating material information; and
  - Presentations to investor conferences, rating agencies and lenders.
- G. Provide a sub-certification to the senior officers prior to quarterly and annual filings as to (i) the Committee's compliance with its policies and procedures and proper performance of the responsibilities that have been assigned to it and (ii) the Committee's conclusions resulting from its evaluation of the effectiveness of disclosure controls, as per the requirements of Internal Controls Over Financial Reporting regulations.
- H. Report to the President & CEO and the CFO the Committee's evaluation and findings and conclusions regarding: the effectiveness of CF's disclosure controls and procedures, the Committee's assessment of the quality of the disclosures made in CF's material public disclosures, the existence of material changes in CF's disclosure controls and procedures, the creation of new rules or releases by securities regulatory authorities, stock exchange listing standards, laws and regulations, or changes in CF's prospects or situations that require changes in its Disclosure Controls Policy.
- I. This Committee report shall occur prior to the filing of each of CF's material scheduled public disclosures.
- J. Undertake any other function that the senior officers or the Audit Committee may require of it relating to the preparation and release of information.

- K. The Disclosure Committee may also conduct interim evaluations of CF's disclosure controls and procedures in the event of significant changes in securities regulatory requirements, Canadian GAAP, legal, or other regulatory policies, or stock exchange requirements, or if it otherwise considers such evaluations appropriate.
- L. The Disclosure Committee shall review and reassess the adequacy of the Disclosure Controls Policy and these Terms of Reference annually and recommend any proposed changes to the senior officers for approval, and the Audit Committee for ratification.

### **III. MEMBERSHIP**

- A. The Disclosure Committee members are appointed by the Executive Vice President, Chief Financial Officer (CFO) who serves as Chair of the Committee. The Vice President, Investor Relations & Communications serves as Vice Chair of the Committee. The Committee consists of:
  - the Executive Vice President, Chief Financial Officer (CFO)
  - the Vice President, Investor Relations & Communications
  - the Managing Director, Global Head of Marketing & Communications
  - the CFO, Canaccord Adams Inc.
  - the SVP, Legal Affairs & Corporate Secretary
  - the SVP, Enterprise Information & Risk ManagementEx-officio members of the Committee include:
  - The Chairman of the Board
  - the President & CEO
  - the Executive Vice President & COO
  - the Executive Vice President & Treasurer
  - the SVP & Director Global Compliance & Chief Compliance Officer
- B. The CFO may replace or add new members to the Committee at any time.
- C. The Disclosure Committee may call upon advisors to attend meetings as required. These advisors may include, but are not limited to, the following:
  - Chairman, Audit Committee, Board of Directors, Canaccord Financial Inc.
  - Executive Vice President, Chief Information Officer
  - Executive Vice President, Head of Investment Banking
  - Head of Capital Markets, North America
  - Managing Director & Executive Vice President, Head of Private Client Services
  - Executive Vice President, Branch Manager, 17<sup>th</sup> Floor Branch (Bentall)
  - Executive Vice President, International Trading
  - Chief Financial Officers of subsidiaries
  - Vice President, Private Client Services Marketing and Communications
  - Analyst, Investor Relations & Communications

### **IV. MEETING FREQUENCY**

- A. As circumstances permit, the Disclosure Committee will meet prior to the filing of each of CF's material public disclosures, and as necessary from time to time to evaluate the necessity of making public disclosures and otherwise as it determines.
- B. The Disclosure Committee will meet as often as necessary to evaluate the effectiveness of CF's disclosure controls and to ensure the accuracy of the disclosure statements.
- C. The Disclosure Committee will meet at any other time deemed necessary by the senior officers or the Audit Committee for it to carry out its mandate.

## **V. ADMINISTRATION**

- A. The Chairman (CFO) may elect to delegate the role of Chair from time to time.
- B. The Chair will be responsible for scheduling and presiding over meetings, preparing agendas and distributing minutes. Support for this process may be delegated to the Vice President, Investor Relations & Communications and the Senior Vice President, Legal Affairs & Corporate Secretary.
- C. The senior officers may designate three or more Disclosure Committee members who can, acting together, approve disclosure statements (other than quarterly and annual reports) when time constraints do not permit the full Committee to meet. In such cases, the CFO has authorized any three Committee members one of which must be the CFO, the Vice President, Investor Relations & Communications or the Senior Vice President, Legal Affairs & Corporate Secretary. Final approval of any press release is required by one of the three senior officers. All Committee members are to be copied on all communications via mediums such as email or written memorandum.
- D. All information to be released to the public is to be provided to the Senior Vice President, Legal Affairs & Corporate Secretary for final proof reading.

## **VI. OTHER RESPONSIBILITIES**

- A. The Committee shall also have such other responsibilities as the senior officers may assign to it from time to time.