

STONECAP

SECURITIES

Stonecap Privacy Policy

Background

Stonecap Securities Inc. and its subsidiaries and affiliates (“Stonecap”) are committed to keeping your personal information confidential. We believe that keeping our clients’ personal information confidential is of paramount importance.

Stonecap’s privacy policy (the “Stonecap Privacy Policy”) reiterates our commitment to respect the privacy and confidentiality of the personal information of our clients. It is tailored to meet or exceed the privacy standards established by Canadian Standards Association’s *Model for the Protection of Personal Privacy* and Canada’s *Personal Information Protection and Electronic Documents Act*.

WHAT IS PERSONAL INFORMATION?

Personal information is information about an identifiable individual. This may include, name, social insurance number, income, address, employment status, marital status, credit evaluations as well as new account opening form, documentation relating to new account opening form, account statements and records of trading activity, financial records relating to trading in securities, etc.

THE TEN GUIDING PRINCIPLES

Principle 1 – Accountability: We are responsible for maintaining and protecting your personal information under our control. To fulfill this important mandate, we have designated a privacy officer to ensure compliance with the Stonecap Privacy Policy.

Principle 2 - Identifying Purposes: We will identify the purposes for which personal information is collected before or at the time it is collected.

Principle 3 – Consent: We will obtain your consent for collection, use or disclosure of your personal information unless not required by law, regulation or self-regulation.

Principle 4 - Limiting Collection: We collect it by legal means and to the extent necessary to satisfy the identified purposes. .

Principle 5 - Limiting Use, Disclosure and Retention: We may use or disclose your personal information only for the purpose for which it was collected unless you consent otherwise, or when required by law, regulations or self-regulation. We retain your personal information only for the period of time required to fulfill the purpose for which it was collected or as is required by law, regulations or self-regulation.

Principle 6 – Accuracy: We will maintain your personal information in its accurate, complete and up-to-date form as is necessary to fulfill the purposes for which it is to be used.

Principle 7 - Safeguarding Client Information: We will protect your personal information by security safeguards that are appropriate to its sensitivity level.

Principle 8 – Openness: Upon request, we will make available to you the policies and practices that apply to the management of your personal information.

Principle 9 - Customer Access: Upon request and unless prohibited by law, regulation or self-regulation, you will be given access to your personal information and be informed of its existence, use and disclosure. You may also verify its accuracy and completeness and may request to amend it, if appropriate.

Principle 10 - Client Complaints and Suggestions: You may direct any questions or enquires with respect to the Stonecap Privacy Policy by contacting in writing our Privacy Officer.

PRINCIPLE 1 - ACCOUNTABILITY

The Stonecap Privacy Policy applies to all your dealings with us regardless of the mode of communication, whether in person, by telephone, fax, online, or regular mail. Our Privacy Officer is responsible for monitoring appropriate collection, use, and disclosure of personal information as well as handling privacy enquiries and complaints. He is also responsible for privacy governance including, educating our personnel, handling complaints and other issues arising from the obligations under this privacy policy.

PRINCIPLE 2 - IDENTIFYING PURPOSES

We collect your personal information so that we may establish and service your account(s) and discharge our legal, regulatory and self-regulatory obligations. We are also required to collect specific personal information to satisfy our obligations pursuant to the "know your client" rule. If you ask, your Stonecap investment advisor will identify specific purposes for collection of your personal information.

When you open an account, we are required to obtain your Social Insurance Number (SIN) to fulfill our legal, regulatory and self-regulatory obligations.

PRINCIPLE 3 - CONSENT

When you complete our account form, you are expressly consenting to the collection, use and, where appropriate, disclosure of your personal information. In certain cases, your consent for the collection, use, or disclosure of your personal information can be implied when we can reasonably conclude that you have given your consent by some action you have taken or decided not to take. Your consent can be written or verbal.

You may choose not to provide us with some or all of your personal information, refuse your consent, or withdraw your prior consent. However, without your consent we may be unable to open or service your account. Also, from time to time, we may identify a new purpose and seek your consent to use and/or disclose your personal information after it was collected. In some cases, without your consent we may be required to close your existing account(s).

PRINCIPLE 4 - COLLECTION

You are our primary source of your personal information. However, with your consent, we may obtain information from other sources, such as a credit bureau or employer, etc. By completing the account opening form, you are expressly consenting to disclosure of your personal information to enable us to update your personal information on our records.

PRINCIPLE 5 - LIMITING USE, DISCLOSURE AND RETENTION

The responsibility to safeguard your personal information rests with every person at Stonecap who has access to it. All Stonecap personnel sign a confidentiality agreement which governs their treatment of all personal information. The confidentiality obligation survives the termination, voluntary or involuntary, of such employees. We also keep our employees informed about their confidentiality obligations and the importance of complying with them.

In the event we buy, sell or transfer any part of our business, your personal information may become a part of such a purchase, sale or transfer and may be transferred or disclosed to the vendor, purchaser or transferee. Such transfer or disclosure may occur prior to, concurrently or after the conclusion of such transaction.

Sharing of Personal Information

In order to serve you better, we may share some or all of your personal information with entities who provide certain services for our operations. In such situations, we ensure that the third party service providers will provide same or greater level of protection for your personal information.

We may also share your personal information with Stonecap's subsidiaries or affiliates. In certain circumstances, we may be compelled by law, regulations or self-regulation to share your personal information.

If you have any questions about how we share your personal information please write to our Privacy Officer.

Disclosure

Subject to certain exceptions, we do not disclose your personal information without your consent to persons outside Stonecap. Some examples of the circumstances where we may collect, use, transfer, or disclose your personal information without your consent are:

- on a confidential basis to our agents, suppliers and service providers;
- to protect your best interests when your consent cannot be obtained in a timely manner
- to enforce or protect interests, rights, or property of Stonecap; or
- access required by statutory, regulatory or self-regulatory organizations.

We keep a record of what, when, why and to whom the information was disclosed unless the disclosure was made during routine business operations, such as suppliers or service providers.

We do not sell or disclose lists of our clients. If we obtain a list of clients from other organizations, we require that organization to confirm that they have complied with the requisite privacy legislation.

Retention

We retain your personal information so long as we need it when you are a customer and for a reasonable time thereafter, or as required by relevant statutory, regulatory or self-regulatory requirements. Our retention standards fulfill our privacy obligations. We destroy your personal information when we no longer need it and is permitted by law, regulations and self-regulation.

PRINCIPLE 6 - ACCURACY

We are committed to keeping your personal information accurate and up-to-date provided you keep us informed of any changes or respond to our request for updates. Please ensure that you promptly notify us of changes to the personal information you have provided to us. Also, carefully review our correspondence with you and notify us of any inaccuracies. We will amend our records and make our best efforts to advise others of any important amendments to your personal information.

If we ever decline to make your requested amendments, you may address your concerns in accordance with procedure set out in our Principle 10 - Privacy Governance Section of this policy.

PRINCIPLE 7 - SAFEGUARDS

Within Stonecap, your personal information is secure. We have comprehensive security controls to protect against unauthorized use, alteration, duplication, destruction, disclosure, or unauthorized access to your personal information. We ensure the physical, organizational and electronic security of your personal information by using secure locks on filing cabinets and doors, restricting access to our information processing and storage areas, limiting access to authorized personnel, using passwords, electronic firewalls and encryption of electronically transmitted information, where appropriate.

If you are our client and have access to the research area of our website, we may use information tracking technologies to improve the functionality of the website. However, please note that such information tracking technologies do not capture files or data stored on your computer.

PRINCIPLE 8 - OPENNESS

Our policies relating to personal information are transparent. If you request, we will provide names of outside entities we have given your personal information to in accordance with Principle 5 – Limiting use, disclosure and retention in this Policy. This will not include information given to entities engaged during the normal course of our business or our reporting obligations to statutory, regulatory or self-regulatory authorities including but not limited to Canada Customs and Revenue Agency.

PRINCIPLE 9 - ACCESS

If you wish to verify or review your personal information or to find out to whom we have disclosed it pursuant to this privacy policy, we will need 30 days written notice. If we are unable to respond to your query within 30 days, we will inform you of this fact. In certain circumstances, we may be prohibited to permit you access to some of your personal information. Without exhausting all possibilities, these may include the following situations:

- contains personal information about another person;
- is subject to solicitor-client or litigation privilege;
- contains our confidential proprietary information;
- has already been destroyed due to legal requirements or this privacy policy;
- cannot be disclosed for legal, regulatory or self-regulatory reasons.

If we cannot provide you access to your personal information, we will explain the reason why.

PRINCIPLE 10 - PRIVACY GOVERNANCE

We are committed to treating you with respect and consideration. Despite this, there may be times when you feel you have been treated unjustly when dealing with privacy issues. In most circumstances, such misunderstanding can be cleared by talking to your Investment Advisor at Stonecap.

If your concern is not resolved, please contact:

Mr. Charles Pennock
Privacy Officer
Stonecap Securities Inc.
181 Bay St., Suite 900
Toronto, Ontario, M5J 2T3

If the above steps fail to satisfactorily resolve your concerns, you may contact the Privacy Commissioner of Canada by writing to:

The Privacy Commissioner of Canada
Place de Ville
Tower B, 3rd Floor
112 Kent Street
Ottawa, ON K1A 1H3
Tel: 1-800-282-1376
Fax: 613-947-6850