

Fair Allocation of Investment Opportunities

Sheppard Securities Limited (“SSL”) is required by law to maintain standards directed to ensuring fairness in the allocation of investment opportunities amongst its clients and to furnish a copy of its established policies to each client.

SSL will strive to ensure fairness in the allocation of investment opportunities among accounts managed by SSL which include client accounts, mutual and pooled funds (“Accounts”),

SSL will take steps to ensure that no Account will be systematically disadvantaged by the aggregation, placement, or allocation of trades.

Where an investment opportunity is suitable for two or more Accounts, SSL will allocate such investment opportunity equitably in order to ensure that (i) Accounts have equal access to the same quality and quantity of investment opportunities, and (ii) investments purchased for different Accounts are fairly allocated without giving preference to one Account over another.

When transacting in a security for more than one Account, a variety of factors will be considered, including but not limited to, the following:

- Legal and regulatory restrictions affecting the participation rates for any Account managed;
- The need within a particular Account for liquidity;
- Where allocation of an investment opportunity would be insufficient to make up a meaningful portion of an individual Account’s portfolio;
- The avoidance of odd lots or excessive transaction costs relative to the size of the Account’s participation in the investment opportunity;
- The need to rebalance positions held by any Account in an investment due to capital infusions or withdrawals;
- Fair allocation of transaction costs to the Accounts in question; and
- Cash availability.

The foregoing will be revised from time to time in keeping with changes in regulatory requirements and industry practices. In the event of any such revision, SSL will, as required, furnish a copy of the revised policy to each client.