



BEST EXECUTION POLICY

The present best execution policy (“Policy”) applies when Casgrain & Company Limited (“Firm”) acts as agent or where the transactions are executed as principal or riskless principal for institutional clients in the trading of fixed income securities issued or guaranteed by Canadian governments (Federal and Provincial), Canadian municipalities, public sectors entities and large corporations.

This Policy meets CIRO requirements under Rule 3100 (Part C) and Rules of Bourse de Montréal, Article, 7.3

CIRO recognizes that what constitutes “best execution” will vary depending on the particular circumstances and a dealer, particularly when executing orders on an automated basis, may not be able to achieve best execution for every single trade it executes on behalf of a client.

Even where this best execution policy does not apply, the Firm will still act honestly, fairly and professionally in accordance with the best interest of the clients.

FAIR PRICING OF OVER-THE-COUNTER SECURITIES

This section applies only to fixed income securities as the Firm is not engaged in any other over-the-counter securities.

The Firm, when executing a transaction in over-the-counter securities for or on behalf of a Client as agent, shall make a reasonable effort to obtain a price for the Client that is fair and reasonable in relation to prevailing market conditions.

The Firm must not:

1. purchase over-the-counter securities for its own account from a Client or sell over-the-counter securities for its own account to a Client **except** at an aggregate price (including any mark-up or mark-down) that is fair and reasonable, taking into consideration all relevant factors, including the fair market value of the securities at the time of the transactions and of any securities exchanged or trades in connection with the transaction, the expense involved in effecting the transaction, the fact that the Firm is entitled to a profit, and the total dollar amount of the transaction; and

2. purchase or sell over-the-counter securities as agent for a Client for a commission or service charge **in excess** of a fair and reasonable amount, taking into consideration all relevant factors, including the availability of the securities involved in the transaction, the expense of executing or filling the Client's order, the value of the services rendered by the Firm, and the amount of any other compensation received or to be received by the Firm in connection with the transaction.

When executing customer orders as an agent, principal, or riskless principal, the Firm shall use reasonable diligence before buying or selling on behalf of a customer so that the resultant price to the customer is as favorable as possible, by considering many relevant factors and prevailing market conditions, such as, but not limited to:

1. The price of the security;
2. The speed of execution of the client order;
3. Likelihood of execution and settlement;
4. Accessibility of quotations and spreads;
5. The overall cost of the transaction, when costs are passed on to clients;
6. Reliability of quotes and spreads;
7. Opportunity cost;
8. The direction of the market for the security;
9. The depth of the posted market;
10. The curve at the time of execution;
11. The last sale price and price and volumes of previous trades;
12. The characteristics and nature of the order such as benchmark, strategy, aggressivity/passivity;
13. The size of the order;
14. The size of the spread;
15. The price of other comparable securities;
16. The price of the security at the end of the previous day as listed on an index;
17. The liquidity of the security; and
18. The volatility of the market.

In general, the Firm will give the highest priority to price and costs related to execution, and give the remaining factors an equal ranking. However, circumstances may change the ranking or importance of the above-mentioned factors such as in highly volatile markets or very illiquid instruments it is likely that size and likelihood of execution will take priority over price.

DERIVATIVES ON THE MONTREAL EXCHANGE

The Firm shall take reasonable care consistent with just and equitable principles of trade and diligently pursue the execution of each client order on the most advantageous execution terms reasonably available under all of the circumstances relating to the trade and trading strategy and the then current market conditions at the time of the Trade.

To assess the most advantageous execution terms reasonably available, the Firm will consider general factors including, but not limited to: trading strategy, trade price, speed of execution, certainty of execution, and overall cost of execution. In the case of strategy or spread trades, the Firm shall consider these factors as they relate to the execution of the overall strategy, rather than the execution of each individual leg of a trade.

POLICY REVIEW

The Firm's CCO or its delegate will review its best execution policies and procedures on a yearly basis at minimum or whenever the Firm deems it necessary such as when there is a material change to the trading environment or market structure that may impact the Firm's ability to achieve the best execution for its clients. In assessing its best execution policy, the Firm will compare on a risk-based approach, its trade data to outsourcing price providers, inter-dealer quotes and spreads, the interest curves and other relevant factors mentioned above. In this manner, the Firm will evaluate whether its policies and procedures are effective in achieving best execution for its clients. The conclusions will be written in a report which will be reviewed by the UDP.

NON-COMPLIANCE

Any non-compliance with the Policy will be reported promptly to the principal supervisor and the board of directors.

TRAINING

The Firm will ensure that the Firm's registered representatives are aware of the Policy by regularly including the policy in its continuing education training.

RECORDKEEPING

The Firm will maintain records of the following for a period of 7 years:

- Reviews of its best execution policies and procedures, including its justification for the considerations and factors used in its best execution analysis.
- Any decisions and changes made to its best execution policies and procedures.

DISCLOSURE OF BEST EXECUTION POLICY

The Firm will make the Policy available on its website or provide the Policy to clients upon request.

Last updated: 2024-12-20