



NEO EXCHANGE INC.

## DESIGNATED MARKET MAKER AGREEMENT

This agreement (the “**Designated Market Maker Agreement**”), with an effective date as of the date executed on the signature page hereof (“**Effective Date**”), is made between Neo Exchange Inc., a Canadian corporation, with its principal place of business at 65 Queen Street West, Suite 1900, Toronto, Ontario M5H 2M5 (the “**Exchange**”), and the member referenced in the signature page hereto (the “**DMM**”).

- 1. Incorporation of Member Agreement and Information Form.** The Member Agreement, entered into between the Exchange and the DMM (as a Member), as it may be amended from time to time, is hereby incorporated into and forms a part of this Designated Market Maker Agreement. The provisions of the Member Agreement, including without limitation all provisions with respect to the definitions, rights and responsibilities of the parties, representations and warranties, confidentiality, warranty, limitation on liability, indemnification, and dispute resolution provisions, to the extent that they are not inconsistent with the provisions hereof, apply *mutatis mutandis* to this Designated Market Maker Agreement. In the case of any inconsistency between the terms of this Designated Market Maker Agreement and the terms of the Member Agreement, the terms of the Member Agreement shall govern. Where different contact information than that provided with the Member Agreement is required for the purposes of this Designated Market Maker Agreement and provided by the DMM in the Information Form attached as Schedule A hereto, it is incorporated by reference and forms part of this Designated Market Maker Agreement.
- 2. Definitions.** Capitalized words and phrases used but not defined in this Designated Market Maker Agreement have the respective meanings given to them in the Member Agreement and the Exchange’s Trading Policies (“**Trading Policies**”).
- 3. Designated Market Maker Responsibilities**
  - (a) Appointment of DMM. Upon execution of this Designated Market Maker Agreement, the DMM agrees to act as a Designated Market Maker for all securities assigned to it by the Exchange. The Exchange may approve the DMM for specific securities in accordance with the terms of the Trading Policies or in such other manner as the Exchange may deem appropriate, in its sole discretion. The Exchange retains the discretion to change the DMM’s list of Assigned Securities, in accordance with its published DMM program policies.
  - (b) Status as a Member. The DMM agrees to maintain its status as a Member of the Exchange.
  - (c) Market Making Obligations. For its Assigned Securities, the DMM agrees to comply with all obligations of a Designated Market Maker as set out in the Exchange Requirements, including but not limited to those obligations published on the Exchange’s website (which may be amended by the Exchange, subject to regulatory approval, upon sixty (60) days’ written notice either: (i) directly to the DMM, or (ii) to all Members or all DMMs, including by email distribution and concurrent posting of such notice on the Exchange’s website) and the Trading Policies, or as otherwise directed by the Exchange (“**Obligations**”). Where the DMM does not comply with such requirements it will immediately advise the Exchange of such non-compliance in writing. Such notification will include specific information as to the nature of such failure to comply.
  - (d) Code of Conduct and Transparency of Obligations. The DMM acknowledges and agrees that it is subject to and will follow the Exchange’s Designated Market Maker Code of Conduct, as amended, which will be delivered to the DMM by general email distribution and concurrently posted on the

Exchange's website along with DMM performance information. The DMM acknowledges and agrees that the Exchange has the right to publish statistics relating to the performance of the DMM's Obligations.

- (e) Resources. The DMM represents and warrants that it has and will continue to have necessary resources, including trained personnel, technology and capital including, but not limited to, that required by any IROC Rules, to allow it to:
  - (i) carry out all of its Obligations; and
  - (ii) ensure compliance with all applicable Exchange Requirements when undertaking any activity on the Exchange Systems in furtherance of a trade, and it has the capacity to settle all trades executed on or through the use of the Exchange Systems.
- (f) Policies and Procedures. The DMM shall implement policies and procedures to achieve and maintain compliance with its Obligations.
- (g) Odd Lot Responsibilities. The DMM will carry out all obligations as an odd lot dealer in its Assigned Securities as set out in the Trading Policies or as otherwise directed by the Exchange, subject to compliance with applicable laws, rules and regulations.

#### **4. Designated Market Maker Benefits**

- (a) Benefits. The DMM is entitled to the benefits set out in the Trading Policies and posted on the Exchange's website (which may be amended, subject to regulatory approval, by the Exchange upon prior written notice to: (i) the DMM or (ii) all Members or all DMMs, including by email distribution and concurrent posting of such notice on the Exchange's website) in relation to the securities for which it is acting as the Designated Market Maker.
- (b) Invoicing. All cash benefits earned hereunder will be aggregated with fees payable under the Member Agreement in a single invoice, payable monthly.

#### **5. Exchange Responsibilities**

- (a) Access to Information. The Exchange shall take reasonable steps to provide the DMM with access to information necessary to allow the DMM to evaluate the performance of its Obligations. The Exchange will provide monthly (or more frequently at the Exchange's discretion) detailed reports regarding the DMM's performance of its Obligations.
- (b) Impact of Exchange Systems Outages. The Exchange will, to the best of its ability, provide the DMM with the access and support that it requires to perform its responsibilities. If the DMM is unable to meet its Obligations due to any Exchange Systems issues, the period in which it was impacted, as determined by the Exchange, will be excluded from any applicable calculations in relation to Obligations.
- (c) Changes to the Trading Policies. Where practical to do so, the Exchange shall take reasonable steps to notify the DMM of proposed changes to the Trading Policies not less than sixty (60) days prior to the implementation of such a change. Notwithstanding this obligation, subject to regulatory requirements, the Exchange may implement any change in the Trading Policies without such notification where the Exchange deems the immediate implementation of such change is necessary

or desirable, in its absolute discretion. Nothing in this section shall be construed to affect the DMM's responsibility to comply with its Obligations under section 3 herein.

## 6. Term and Termination

- (a) Term. This Designated Market Maker Agreement will commence on the Effective Date and will continue in effect until terminated in accordance with the provisions hereof.
- (b) Termination for Convenience. The Exchange and the DMM may, upon ninety (90) days' written notice to the other party, terminate this Designated Market Maker Agreement.
- (c) Breach of Obligations. The Exchange shall be entitled to immediately, upon written notice, suspend the DMM's appointment as a Designated Market Maker for any or all securities, attach such additional terms or conditions to this Designated Market Maker Agreement as the Exchange deems to be necessary or, based on the materiality of the act or failure to act, revoke the appointment, where:
  - (i) the DMM fails to comply with any material term of this Designated Market Maker Agreement, the Member Agreement or the Exchange Requirements or if the DMM fails to consistently perform its Obligations at an adequate level to the satisfaction of the Exchange (determined in the Exchange's sole discretion);
  - (ii) the Exchange determines, in its sole discretion, that the DMM or its officers, employees, directors or agents have violated any applicable, material Exchange Requirements;
  - (iii) the Exchange reasonably believes, and determines in its sole discretion, that the DMM cannot or will not be able in the future to carry out its obligations as a "Designated Market Maker" under this Designated Market Maker Agreement or the Trading Policies; or
  - (iv) the Exchange determines, in its sole discretion, that the DMM or its officers, employees, directors or agents have in any way acted in a manner that is detrimental to the interests of the Exchange or the public.
- (d) Termination of Responsibilities for Convenience. The DMM shall be entitled to terminate its responsibilities hereunder, in relation to some or all of its Assigned Securities, by providing not less than sixty (60) days' written notice to the Exchange of its intention to do so.
- (e) Changes to Assignments Requested by DMM. Upon either: (i) sixty (60) days from a request by the DMM to remove a security from its list of Assigned Securities, or (ii) agreement among the Exchange and the DMM and other affected DMM(s) and the issuer(s) of the Assigned Securities, if applicable, to exchange such securities, the DMM's appointment with regards to the security or securities removed from its list will be terminated.
- (f) Transition. The DMM agrees to comply with all provisions of the Trading Policies relating to the transition responsibilities as a Designated Market Maker wherever its responsibilities have been terminated, suspended or exchanged in accordance with this section 6.
- (g) Effect of Termination. Termination of this Designated Market Maker Agreement or the DMM's appointment as a Designated Market Maker for a security shall not terminate or negate any obligations of the DMM to complete or implement any transaction entered into prior to such

termination or arising from or accruing from authorized activities of the DMM up to the effective time of termination.

## 7. General

- (a) Assignment of Rights. The DMM may not transfer or assign its rights and obligations hereunder, including the performance and benefits of its market making and odd lot responsibilities, to any party without the prior written approval of the Exchange.
- (b) Severability. Each provision of this Designated Market Maker Agreement is intended to be severable. If any provision of this Designated Market Maker Agreement is or becomes illegal, invalid or unenforceable in any jurisdiction, the illegality, invalidity or unenforceability of that provision will not affect: (i) the legality, validity or enforceability of the remaining provisions of this Designated Market Maker Agreement; or (ii) the legality, validity or enforceability of that provision in any other jurisdiction.
- (c) Amendments in Writing. Except as otherwise provided in this Designated Market Maker Agreement, the Exchange may, subject to receipt of all required approvals including those of the applicable securities regulatory authorities, amend any term or condition of this Designated Market Maker Agreement on thirty (30) days' notice to DMM (which notice will be provided by way of a notice to all DMMs). Any use of the Services or access or use of the Exchange Systems by the DMM after the expiration of the notice period shall be deemed acceptance by the DMM of the amendment. The DMM may not alter any terms or conditions of this Designated Market Maker Agreement, and no modification to this Designated Market Maker Agreement proposed by the DMM will be effective or binding on the Exchange, unless in writing and signed by an authorized representative of the Exchange. The Exchange confirms that the terms offered to the DMM under this Designated Market Maker Agreement are no less favourable than any terms currently agreed to or that will be agreed to by the Exchange with any other Designated Market Maker.
- (d) Waiver. The Exchange may, in its discretion, waive in writing any requirement of this Designated Market Maker Agreement or the related provision in the Trading Policies, subject to any required regulatory approval.
- (e) Governing law. This Designated Market Maker Agreement shall be governed by the laws of the Province of Ontario and both parties unconditionally attorn to the exclusive jurisdiction of the courts of the Province of Ontario.
- (f) Counterparts, etc. This Designated Market Maker Agreement may be executed in counterparts, each of which shall constitute an original and all of which, taken together, shall constitute one and the same instrument and may be delivered by facsimile or e-mail transmission of a PDF file.

**NEO EXCHANGE INC.**  
**DESIGNATED MARKET MAKER AGREEMENT**

IN WITNESS WHEREOF, the parties have caused this Designated Market Maker Agreement to be executed by their authorized officers.

\_\_\_\_\_  
(Name of Member / DMM - please print)

By: \_\_\_\_\_  
(Signature of Authorized Officer)

\_\_\_\_\_  
(Name of Signatory – please print)

\_\_\_\_\_  
(Title – please print)

**NEO EXCHANGE INC.**

By: \_\_\_\_\_  
(Signature of Authorized Officer)

\_\_\_\_\_  
(Name of Signatory – please print)

\_\_\_\_\_  
(Title – please print)

For any DMM requiring a second signature:

By: \_\_\_\_\_  
(Signature of Authorized Officer)

\_\_\_\_\_  
(Name of Signatory – please print)

\_\_\_\_\_  
(Title – please print)

Date: \_\_\_\_\_

**SCHEDULE A**  
**INFORMATION FORM**

<b>I. GENERAL</b> (Fill out the sections below only if the information for the DMM is different than the information provided in the Member Agreement.)	
<b>AUTHORIZED REPRESENTATIVE(S)</b> (Senior Officer, Director or Partner)	
Primary Contact Name and Title	Secondary Contact Name and Title
Email	Email
Phone No.	Phone No.
<b>ACCOUNTING / BILLING CONTACTS</b>	
Primary Contact Name and Title	Secondary Contact Name and Title
Email	Email
Phone No.	Phone No.
<b>COMPLIANCE CONTACTS</b>	
Primary Contact Name and Title	Secondary Contact Name and Title
Email	Email
Phone No.	Phone No.
<b>BACK OFFICE CONTACTS</b>	
Primary Contact Name and Title	Secondary Contact Name and Title
Email	Email
Phone No.	Phone No.
<b>LEGAL CONTACTS</b>	
Primary Contact Name and Title	Secondary Contact Name and Title
Email	Email
Phone No.	Phone No.

<b>INCIDENT NOTIFICATION CONTACTS</b>			
Primary Contact Name and Title		Secondary Contact Name and Title	
Email		Email	
(Trading Hours) Phone No.	(Non-Trading Hours) Phone No.	(Trading Hours) Phone No.	(Non-Trading Hours) Phone No.
<b>TECHNICAL / SERVICE DESK CONTACTS</b>			
Primary Contact Name and Title		Secondary Contact Name and Title	
Email		Email	
(Trading Hours) Phone No.	(Non-Trading Hours) Phone No.	(Trading Hours) Phone No.	(Non-Trading Hours) Phone No.

<b>II. DMM TRADER INFORMATION</b> (If more than two, please use an attachment.)	
<b>PRIMARY DMM DETAILS</b>	<b>SECONDARY DMM DETAILS</b>
Primary Contact Name and Title	Secondary Contact Name and Title
Trader ID	Trader ID
Account Type	Account Type
CUID	CUID
Email	Email
Phone No.	Phone No.

<b>DMM AUTHORIZATION</b>	
Signature	Date
Name and Title	