



Dear Customer

Paradigm Capital U.S. Inc. ("Paradigm") is pleased to provide its Capital Markets services to you. Paradigm is a member firm of the Financial Industry Regulatory Authority ("FINRA"), and wishes to provide you with the following regulatory disclosures which complement disclosures provided with account opening documents, trade confirmations, monthly statements or our website www.paradigmcap.com.

If you have any questions about these disclosures, please contact compliance@paradigmcap.com.

Below are the relevant FINRA or SEC rules. And Paradigm's disclosures:

- SEC Rule 606 Order Routing Information
- SEC Rule 607 Payment for Order Flow
- Best Execution
- Financial Condition
- FINRA Rule 2267 Investor Education and Protection Notification
- FINRA Rule 2266 SIPC Notification
- FINRA Rule 4340 Allocation Procedures of Callable Securities
- FINRA Rule 2264 Margin and Short Sales

- **SEC Rule 606 Order Routing Information:**
SEC Rule 606(a) requires that Paradigm makes publicly available customer US listed stock order ("order") routing information for orders submitted on a held basis. SEC Rule 606 (b)(1) requires that, upon request, Paradigm provide customers the venues to which your orders were routed for execution, as well as the times of any related executions. Paradigm routes all US orders to 3rd party non-affiliate FINRA broker-dealers and would get this information from these broker-dealers.

- **SEC Rule 607 Payment for Order Flow**
Paradigm does not receive payment for US order flow. Paradigm is not a market-maker in US securities. Paradigm does not have an ownership interest in any US marketplace.

- **Best Execution**
Paradigm uses various 3rd part non-affiliate Smart Order Routers to ensure Best Execution is achieved for customer orders. The SOR takes into account factors such as the liquidity, size terms and type of order, quote reliability, transaction costs, security characteristics, execution speed and service of the venue, among other things.



- **FINRA Rule 2267 Investor Education and Protection Notification**
FINRA offers a broker-check service and related brochures at www.finra.org or 1-800-289-9999. Customers can send any inquiries or complaints to compliance@paradigmcap.com or 416 363 9567.
- **FINRA Rule 2266 SIPC Notification**
Paradigm is a member of the Securities Investor Protection Corporation (“SIPC”), which protects customer cash and securities up to \$500,000.00, of which \$250,000.00 may be in cash held for investing. Paradigm does not hold cash or securities for customers. Questions about SIPC should be directed to www.sipc.ca or 1 201 371 8300.
- **FINRA Rule 4340 Allocation Procedures of Callable Securities**
Paradigm uses National Bank Independent Network (“NBIN”) as its carrying broker, and thus NBIN allocation procedures apply, and can be found here: www.nbf.ca.
- **FINRA Rule 2264 Margin and Short Sales**
Paradigm does not lend securities or cash to US customers and does not provide margin accounts. However, if a US customer of Paradigm does not settle a trade, the customer is liable for any risk with respect to the non-settlement of the trade.