



Paradigm Capital Inc.

Business Continuity Plan (“BCP”)

****UPDATE January 8, 2024****

Emergency Contact Persons

Paradigm Capital Inc’s (“PCI”) emergency contact persons are:

Michael Roland, home telephone (416) 483-2821; cell phone number (416) 302-1663

Casey Walsh, cell phone number (416) 799-6355

Courtney Peat, cell phone number (416) 562-6634

David Roland, cell phone number (416) 562-9916

These names will be updated in the event of a material change, and our Executive Representative, **Michael Roland**, will review them within 17 business days of the end of each quarter.

Firm Policy

PCI’s policy is to respond to a Significant Business Disruption (“SBD”) by safeguarding employees’ lives and firm property, making a financial and operational assessment, quickly recovering and resuming operations, protecting all of the firm’s books and records, and allowing our customers to transact business.

Significant Business Disruptions

Our plan anticipates two kinds of SBDs, internal and external. Internal SBDs affect only our firm’s ability to communicate and do business, such as a fire in our building. External SBDs prevent the operation of the securities markets or a number of firms, such as, a terrorist attack, a natural disaster, or a wide-scale, regional disruption. Our response to an external SBD relies more heavily on other organizations and systems, especially on PCI’s clearing relationship with National Bank Independent Network (“NBIN”), a division of NBF Inc., which is a subsidiary of National Bank of Canada, and the Toronto Stock Exchange.

Approval and Execution Authority

Michael Roland, CCO, COO & General Counsel of PCI, is responsible for approving the plan and for conducting the required annual review. **Michael Roland** has the authority to execute this BCP. Staff have been made aware of the Business Continuity Plan, their responsibilities, how to remain in contact and what to do in the event of a crisis.



Plan Location and Access

PCI will maintain copies of its BCP plan and the annual reviews, and the changes that have been made to the BCP available for inspection. An electronic copy of our plan is located on the Firm's general Microsoft Teams channel, in the Compliance folder, accessible to the entire firm ([Link](#)).

Business Description

PCI conducts business in Canadian equity securities, research, investment banking (including financings) and advisory services. To a much smaller degree, PCI also conducts business in trading listed US equity securities through a US broker/dealer and also engages in liability trading.

PCI is an introducing broker and does not perform any clearing for itself or others. The firm utilizes the services of NBIN to provide clearance and settlement services. Under the arrangement, all transactions done by PCI are sent to NBIN for clearance and settlement. PCI provides NBIN with clearance and settlement instructions with respect to all transactions executed by PCI. Such instructions provide that securities shall be transferred only against payment of the relevant price established in PCI's order from its customer. PCI does not hold customer funds or securities. PCI provides services almost exclusively to institutional customers. Most of the small number of retail accounts that the firm does hold are employee accounts.

PCI is located at: 95 Wellington Street West, Suite 2101, Toronto, Ontario, Canada M5J 2N7, telephone number is (416) 361-9892. Our back-office contact person is **Paul Lastic, office #416-360-3578, cell #647-888-5825**. PCI also has a branch office located at Suite 500, 110-9th Avenue SW, Calgary, Alberta, T2P 0T1. Its main telephone number is (403) 513-1025. PCI also has a branch office located at 465 Wellesley Hudson, Québec, J0P 1H0. Its main telephone number is (514) 891-8798.

NBIN is located at 250 Yonge Street, 19th floor, P.O., Toronto, ON, M5B 2L7 with back-up and settlement facilities at 1010, rue de la Gauchetiere Ouest, Montreal Quebec, H3B 5J2, Canada, telephone number: (514) 875-3800. NBIN BCP numbers are 1-866-578-5755 and 416-542-3939. The contact person at NBIN is **Syvan Burns, 130 King Street West, Suite 3000, Toronto, ON, M5X 1J9, (844) 262-4606 x 89086, nbini@nbc.ca**.

Office Locations

As noted above, our firm's main office is located at 95 Wellington Street West, Suite 2101, Toronto, Ontario, Canada M5J 2N7. Its main telephone number is (416) 361-9892. PCI's Calgary branch office is located at Suite 500, 110-9th Avenue SW, Calgary, Alberta, T2P 0T1. Its main telephone number is (403) 513-1025. PCI's Montreal branch office is located at 465 Wellesley, Hudson, Québec, J0P 1H0. Its main telephone number is (514) 891-8798. Our employees may travel to these offices by many means, including foot, car, subway, train, or bus.

Alternative Physical Location(s) of Employees

In the event of an SBD, all staff will work from home and will be connected to the network and accessible via telephone or e-mail. In addition, staff may be moved to the Calgary office if the Toronto Office is inaccessible for more than a couple of days and vice versa Calgary and Montreal employees may work out of the Toronto offices if the Calgary and/or Montreal office is inaccessible for more than a couple of days.

Customers' Access to Funds and Securities

PCI's business almost exclusively consists of executing transactions on a delivery versus payment or COD basis and as such does not maintain physical custody of customers' funds or securities. However, in the event that client cash and securities remain unsettled, they are generally maintained directly by the client or at NBIN. In the event of an



internal or external SBD, we will facilitate access to customer funds or securities by notifying clients via personal telephone, cell phone, fax or e-mail that their funds or securities are available at NBIN by contacting Syvan Burns, our primary contact.

Data Back-Up and Recovery (Hard Copy and Electronic)

Our firm books and records are backed up at NBIN.

Financial and Operational Assessments

Operational Risk

In the event of an SBD, we will immediately identify what means will permit us to communicate with our customers, employees, critical business constituents, critical banks, critical counter-parties, and regulators. Although the effects of an SBD will determine the means of alternative communication, the communications options we will employ will include telephone, telephone voice mail, e-mail, or fax. In addition, we will retrieve our key activity records as described in the section above, Data Back-Up and Recovery (Hard Copy and Electronic).

Financial and Credit Risk

In the event of an SBD, the Chief Financial Officer will determine the value and liquidity of our investments and other assets to evaluate our ability to continue to fund our operations and remain in capital compliance. We will contact NBIN to apprise them of our status. If we determine in the remote case that we may be unable to meet our obligations to counter-parties or otherwise continue to fund our operations, we will request additional financing from our bank or other credit sources to fulfill our obligations. If we encounter a capital deficiency, we will notify the CIRO as required and file any other appropriate notices with our regulators.

Mission Critical Systems

Our firm's "mission critical systems" are those that ensure prompt and accurate processing of securities transactions, including order taking, entry, execution, comparison, allocation, clearance and settlement of securities transactions, the maintenance of customer accounts, access to customer accounts, and the delivery of funds and securities. More specifically, these systems include:

Order Taking	Electronic
Order Entry & Execution	Fidessa
Client Communications	NBIN – IBM-SIS
Name & Address	NBIN – IBM-SIS
Market Data Feeds	Bloomberg/Capital IQ/FactSet
Securities Transactions	NBIN – IBM-SIS
Accounting & Regulatory Reporting	NBIN
Commissions Calculations	NBIN
Trade Reporting	NBIN - Web Panagon
Client Account Reporting	NBIN - Web Panagon
Regulatory Reporting	CIRO – Web Filing

We have primary responsibility for establishing and maintaining our business relationships with our customers and have sole responsibility for our mission critical functions of order taking, entry and execution. NBIN provides, through contract with PCI, the comparison, allocation, clearance and settlement of securities transactions, the maintenance of customer accounts, access to customer accounts, and the delivery of funds and securities.

NBIN maintains a business continuity plan and the capacity to execute that plan for all its critical functions. NBIN represents that they will advise PCI of any material changes to its plan that might affect our ability to maintain our



business. In the event NBIN executes its plan, it represents that it will advise PCI of such execution. NBIN represents that it backs up records at a remote site (back-up tapes are in Toronto and settlement activities are in Montreal). NBIN represents that its main supplier operates a back-up operating facility in a geographically separate area with the capability to conduct the same volume of business as its primary site. NBIN has also confirmed the effectiveness of its main supplier's back-up arrangements to recover from a wide scale disruption by testing the back-up site and procedures twice a year.

Recovery-time objectives provide concrete goals to plan for and test against. They are not, however, hard and fast deadlines that must be met in every emergency situation, and various external factors surrounding a disruption, such as time of day, scope of disruption, and status of critical infrastructure—particularly telecommunications—can affect actual recovery times. Recovery refers to the restoration of clearing and settlement activities after a wide-scale disruption; resumption refers to the capacity to accept and process new transactions and payments after a wide-scale disruption. NBIN has the following SBD recovery time and resumption objectives: recovery time period of 24 hours as stated in the contract with its main supplier; and resumption time of 48 hours as stated in the contract with its main supplier. NBIN has a service agreement with its main supplier ensuring the maintenance of 18 months of client history in their book value and the maintenance of 30 days of daily trades and 45 days of book keeping information online.

Our Firm's Mission Critical Systems

Order Taking

Currently, our firm receives orders from customers via telephone, various electronic communications (email, IM, Bloomberg, etc.) or directly from a client through a FIX connection. During an SBD, either internal or external, we will continue to take orders through any of these methods that are available and reliable, and in addition, as communications permit, we will inform our customers when communications become available to tell them what alternatives they have to send their orders to us. Customers will be informed of alternatives by personal telephones, cell phones or e-mail services, if necessary.

Order Entry and Execution

We currently enter and execute orders by processing the trade using Fidessa. In the event of an internal or external SBD, we can access that system through the Internet from any remote location.

Other Services Currently Provided to Customers

PCI currently does not provide any other trading services to clients other than the order taking, order entry and order execution services already addressed. Research and Investment Banking services provided by PCI are not critical to the operation of client business.

Mission Critical Systems Provided by NBIN

Our firm relies on NBIN to provide order settlement, order comparison, order allocation, and the maintenance of customer accounts, delivery of funds and securities, and access to customer accounts.

Alternate Communications between the Firm and Customers, Employees, and Regulators



A. Customers

We now communicate with our customers using the telephone, electronic communications (email, IM, Bloomberg, etc.), postal and courier services (for matters not time sensitive) and in person visits to our offices. In the event of an SBD, we will assess which means of communication are still available to us, and use the means closest in speed and form (written or oral) to the means that we have used in the past to communicate with the other party. For example, if we have communicated with a party by e-mail but the Internet is unavailable, we will call them on the telephone and follow up where a record is needed with paper copy in the mail.

B. Employees

We now communicate with our employees using the telephone, electronic communications (email, IM, etc.), postal and courier services (for matters not time sensitive) and in person. In the event of an SBD, we will assess which means of communication are still available to us, and use the means closest in speed and form (written or oral) to the means that we have used in the past to communicate with the other party. We will also employ a call tree so that senior management can reach all employees quickly during an SBD. The call tree includes all staff home, office and cell phone numbers. We have identified persons, noted below, who will initiate the call tree:

The person to invoke use of the call tree is as follows:

Caller	Call Recipients
<i>Michael Roland</i>	<i>Courtney Peat, David Roland, Michael Ward, Casey Walsh, Mohsen Yamani, Zachary Dennis, Tannis Marshall</i>
<i>Courtney Peat</i>	<i>Peter Dey, Luisa Bell, Brittany Ber, Vanessa Uy, Paul Lastic</i>
<i>David Roland</i>	<i>John Bellamy, Scott McAuley, Ian Joseph</i>
<i>John Bellamy</i>	<i>Craig Mills, Naomi Ebata, Wolfgang Rosner, Peter Dunlop, Tom George, Bruce Latimer, Oliver Herbst, Aazan Habib, Matthew Doty</i>
Scott McAuley	Marvin Wolff, David Davidson, Don Blyth, Don MacLean, Jeffrey Woolley, Daniel Rosenberg, Matthew Chong, Lauren McConnell, Gordon Lawson, Alex Ricci, Thomas Hui,
Ian Joseph	Andrew Partington, Chris Glavin, Barry Richards, Jason Matheson, Art Chipman, Kevin O’Flaherty, Shahryar Qayum, Abdullah Chandna, Ethan Leupann, Scott Lendrum, Alan Zhou, Alex McIsaac
Tannis Marshall	Jason Tucker, Link Liu, Darrel Koo
	<i>* names in italics are also CIRO registrants</i>

C. Regulators



We communicate with our regulators using the telephone, e-mail, fax, mail, and in person. In the event of an SBD, we will assess which means of communication are still available to us, and use the means closest in speed and form (written or oral) to the means that we have used in the past to communicate with the other party.

Critical Business Constituents, Banks, and Counter-Parties

Business constituents

We assume that our critical business constituents (businesses with which we have an ongoing commercial relationship in support of our operating activities, such as vendors providing us critical services), will continue our business relationship with them in light of any internal or external SBD to the extent possible. We will quickly establish alternative arrangements if a business constituent can no longer provide the needed goods or services when we need them because of an SBD to them or our firm. Our major suppliers are:

Clearing & Settlement Services

NBIN
130 King Street West, Suite 3000
Toronto, ON, M5X 1J9
Syvan Burns – (844) 262-4606 x 89086

Quote Services

Bloomberg L.P.
Vince Laurenzo
731 Lexington Avenue
New York, NY 10022
Direct: 212-617-7302

Fidessa Canada
100 Wellington Street West, Suite 1920, PO Box 62
Toronto, ON M5K 1E7
Client Support Help Desk: 416-646-6630
globalsupport@fidessa.com

FactSet Research Systems
311 S. Wacker Dr., Chicago, IL 60606
Chris May - (312) 386-2554
cmay@factset.com

Trading Services

TMX and other Alternate Trading Services

Instinet Canada Limited
100 Wellington Street West, Suite 2202
Toronto, ON M5K 1H1
416-368-2211
julian.richards@instinet.com

Virtu ITG Canada Corp
130 King St West, Suite 1040
Toronto, ON M5X 1B1
Client Support: 416.874.0770



Banks

Our company and its shareholders will continue to provide the financing that we will need in light of the internal or external SBD. The bank(s) maintaining our operating account is/are: **ScotiaBank, 40 King Street West, 1st Mezzanine, Dimitri Nistas, Private Banker, (416) 866-5620.**

Counter-Parties

We will contact our critical counter-parties, such as other broker-dealers or institutional customers, to determine if we will be able to carry out our transactions with them in light of the internal or external SBD. Where the transactions cannot be completed, we will work with NBIN or contact those counter-parties directly to make alternative arrangements to complete those transactions as soon as possible.

Regulatory Reporting

We now file reports with our regulators electronically using fax, e-mail, and the Internet. In the event of an SBD, we will check with the regulators to determine which means of filing are still available to us, and use the means closest in speed and form (written or oral) to our previous filing method. In the event that we cannot contact our regulators, we will continue to file required reports using the communication means available to us. Nancy Catton, Paradigm's Financial Compliance Manager, should be contacted at 416-943-5866.

Disclosure of Business Continuity Plan

We will provide a disclosure on our website that our BCP will be provided to clients upon request.

Updates and Annual Review

Our firm will update this plan whenever we have a material change to our operations, structure, business or location or to those of our clearing firm. In addition, our firm will review this BCP at least annually,, within 17 business days of December 31, to modify it for any changes in our operations, structure, business, or location or those of our clearing firm.



Senior Manager Approval

I have approved this Business Continuity Plan as reasonably designed to enable our firm to meet its obligations to customers in the event of an SBD.

Signed:

Michael Roland

Title:

CCO, COO & General Counsel

Date:

January 8, 2024