DUNDEE CAPITAL MARKETS

ANNUAL DISCLOSURE OF INTRODUCING CARRYING BROKER INFORMATION (February 1, 2011)

THIS STATEMENT CONTAINS IMPORTANT INFORMATION PLEASE READ IT CAREFULLY AND RETAIN IT FOR FUTURE REFERENCE

Fidelity Clearing Canada ULC ("**FCC**") acts as Carrying Broker for Dundee Securities Ltd. (including its divisions, Dundee Capital Markets and Dundee Goodman Private Wealth, "**Dundee**") and is agent for trade clearing, settlement, record keeping and custodial services provided to your account. Dundee is independent of FCC and has retained FCC to provide certain trade clearing, settlement, record keeping and custodial services provided to your account. These services are provided under a written Introducing/Carrying Broker Agreement (the "**Agreement**") between FCC and Dundee.

It is important that you understand the respective responsibilities of Dundee and FCC under the Agreement. This disclosure addresses the basic allocation of functions of Dundee and FCC regarding the handling of your account. It is not intended to be a definitive description of every possible circumstance, but only as a general disclosure.

Responsibilities of Dundee Securities Ltd.

Dundee has specific responsibility for servicing and supervising your securities account through our own personnel in accordance with our own policies and applicable laws and regulations. Specifically Dundee is solely responsible for:

- approving the opening of your account and obtaining necessary account documentation.
- knowing you and understanding your investment objectives.
- any investment advice, investment recommendations, or investment management services that may be provided to you. We are also solely responsible for determining whether particular types of transactions, which may be recommended to you (e.g. margin, options, short sales, convertible hedges, etc.), are appropriate for you.
- the acceptance and the execution of securities orders and, in that regard, Dundee will issue and receive cheques and deliver and receive securities on our behalf with respect to all transactions directed through the Carrying Broker with you.
- knowing the facts about any orders for the purchase or sale of securities for your account.
- receiving and holding in custody cash for your account and receiving and delivering cheques for your account.
- correctly identifying and promptly forwarding securities to FCC for settlement of trades.
- supervising the activities of the individual or individuals who service your account, for resolving any complaints regarding the handling of your account, and, in general, for the ongoing relationship that Dundee have with you.

Responsibilities of Fidelity Clearing Canada ULC

In general, FCC is only responsible for those services provided at the request or direction of Dundee, as outlined in the Introducing/Carrying Broker Agreement. Specifically, FCC will:

- settle for the purchase, sale or transfer of securities for your account as Dundee directs. FCC will not accept orders for securities transactions for your account directly from you except where required by applicable law or SRO Requirements.
- receive and deliver securities for your account and will record such receipts and deliveries according to information provided either by Dundee, or directly, in writing, by you.
- hold in custody securities received for your account, and will collect and disburse dividends and interest and process reorganisation and voting instructions with respect to securities held in custody. FCC is responsible for the custody of your securities only after it comes into FCC's physical possession or control.
- prepare and transmit to you or provide facilities to Dundee for the preparation and transmission of confirmations of trades. FCC will prepare and transmit periodic account statements summarizing transactions processed for your account to you.

FCC DOES NOT VERIFY INFORMATION PROVIDED BY Dundee, REGARDING YOUR ACCOUNT OR TRANSACTIONS PROCESSED FOR YOUR ACCOUNT NOR UNDERTAKE RESPONSIBILITY FOR REVIEWING THE APPROPRIATENESS OF TRANSACTIONS ENTERED BY DUNDEE ON YOUR BEHALF.

ACCOUNT PROTECTION

The safety and protection of your assets are of utmost importance. Dundee and FCC are member firms of the Canadian Investor Protection Fund (CIPF). Customers' accounts are protected for losses arising from the insolvency of a member firm for up to $1,000,000. An explanatory brochure on CIPF is available upon request from your financial institution or by visiting their website - www.cipf.ca.

THE ACCOUNT PROTECTION APPLIES IN THE UNLIKELY SITUATION WHERE DUNDEE SECURITIES LTD. OR FIDELITY CLEARING CANADA ULC BECOMES FINANCIALLY INSOLVENT AND IS UNABLE TO MEET ITS OBLIGATIONS TO ITS CUSTOMERS. CIPF DOES NOT COVER CUSTOMERS' LOSSES WHICH RESULT FROM FLUCTUATING MARKET VALUES, REGARDLESS OF THE CAUSE OF SUCH LOSSES

Dundee Capital Markets is a division of Dundee Securities Ltd.
Dundee Capital Markets is a registered trademark of Dundee Corporation, used under license.