
YOU'RE READY...

START YOUR NEXT CHAPTER WITH

Mackie Research  Capital Corporation



HISTORY

As one of Canada's largest independent, fully integrated investment dealers and the largest employee owned firm, Mackie Research Capital Corporation is home to some of the best and brightest financial advisors across the nation.

Our formula for success has been tried and tested since the early 1920s. Through up markets and down, Mackie Research Capital Corporation has demonstrated great poise, strength and independence—the cornerstone of our culture. Our constant pursuit of innovation distinguishes us as a truly unique firm.

1921

Wine merchant W. Harold Mara and Leigh M. McCarthy, past director of Manufacturers Life Insurance, founded Mara McCarthy Stock and Bond Brokers.

1941

The company evolved becoming Stanton, Hatch and McCarthy and was a primary distributor of the War Bonds and Victory Bonds used to support Canadian troops in World War II.

1962

Became Andras, Hatch and Hetherington and continued to earn the reputation as a leading Canadian brokerage dealer whose founders were involved in the country's social welfare.

1985

Merged with the investment dealer Canavest House resulting in the firm Andras, Canavest Hetherington Limited. Under aggressive new management, the firm began an extensive growth initiative in wealth management and equity capital markets merging with Research Securities of Canada and the highly-regarded Calgary office of the firm F.H. Deacon Hodgson.

1989

The firm's name was changed to Research Capital Corporation, reflecting a multi-line capital markets and wealth management platform.

2010

Research Capital Corporation and J.F. Mackie merged under the new name of Mackie Research Capital Corporation.

2013

Mackie Research Capital Corporation completed the acquisition of NCP Northland Capital Partners – an investment dealer focused in the junior resource sector in Canada, the US and the UK.

2014

Completed the acquisition of Calgary-based Jennings Capital Inc. – a wealth management and investment banking firm with an established investment banking reputation in the upstream resource sector.

2015

Acquired Vancouver-based Jordan Capital Markets Inc. – a high growth private client investment and venture investment banking firm.

MRCC AT A GLANCE

Retail Brokerage: Premier, Full-Service, Independent Investment Dealer

- Employee owned investment dealer with over 90 years of operating history
- Over 250 employees; principal offices in Toronto, Montreal, Calgary, St. Albert, Regina and Vancouver
- \$3.3 Billion in Assets Under Management with 120+ Investment Advisors (Retail Brokers)
- Private Client Services (34,000 Retail Clients)
- Asset Management (22 Registered Portfolio Managers)
- Strong capital base, growing revenues and consistent profitability

Capital Markets Capabilities

600+ Transactions led or co-managed since 2008; Over \$6B in lead financings, 10 investment banking professionals with capital raising and M&A expertise, focused on industry verticals that include:

- Technology and healthcare
- Diversified industries
- Energy and mining
- 6 dedicated institutional sales and trading professionals
- 6 equity research professionals
- 70+ companies under research coverage

Capital Markets: Powerful Institutional Equity Sales, Trading and Research Platforms

Institutional Equity Sales

- Institutional distribution to top tier accounts in Canada, the US and across Europe
- Our professionals take an “analyst” approach to understanding small to mid-cap growth and value names
- Accounts range from large mutual funds, to small industry-focused investors
- Significant non-deal roadshow platform capabilities
- Experienced in marketed, overnight and bought-deal corporate finance transactions

Institutional Equity Trading

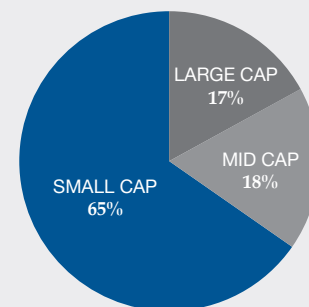
- Specialized in small to mid-cap stocks
- Focused on providing ongoing liquidity on MRCC “Focus Names”
- Agency model, no proprietary trading or prime brokerage

Equity Research Distribution by Sector

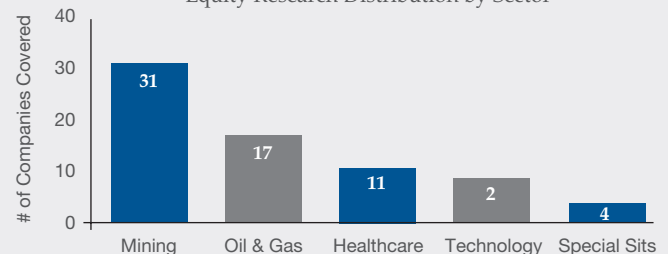
- Our success is based on the quality of research and our powerful execution ability. Our research-driven sales team is in constant communication with our clients and our analysts and brings added value in the form of market intelligence to issuers
- MRCC equity research coverage universe currently includes 70 companies and continues to grow



Equity Research Distribution by Market Cap



Equity Research Distribution by Sector



MACKIE RESEARCH CAPITAL CORPORATION

Investment Advisor Compensation Program (British Columbia)

At Mackie Research Capital Corporation, we are always looking for Investment Advisors to join our innovative and entrepreneurial team. We partner with you and provide you with the highest quality tools to enable you to serve your clients better. We are committed to our mutual success.

Mackie Research Capital Corporation

Mackie Research Capital is one of Canada's largest independent full service investment firms, and proudly traces its roots back to 1921. We are privately owned by many of our 275 employees. As a fully integrated national investment dealer, we offer a full complement of capital markets and wealth management services to private clients, institutions and growth companies.

Independent Thought

At Mackie Research Capital, independence, innovation and integrity are the foundations of our success. From the pre-boom markets of the early 1920s to the present, Mackie Research Capital has remained an independently-owned firm. We provide our clients with unique products and exceptional personalized service. Our pursuit of innovative approaches distinguishes us as one of a kind. Independence allows our experienced and knowledgeable team of investment bankers, dedicated institutional sales people, and top-rated research analysts to do what they do best – provide objective, unbiased advice that is tailored to our clients' needs.

Service

A cornerstone of the Mackie Research Capital tradition is our commitment to service. We offer customized portfolio management and investment services to private clients and institutional investors, financial advisory and investment banking services to early stage through mid-cap companies. Whether the relationship is between investor and advisor, high net worth individual and portfolio manager, start-up company and venture capitalist, or mid-cap growth company and equity financier, we're in it for the long term, and we want you to be a part of that.

*We build relationships that last with our clients,
and our employees.*

Mackie Research  Capital Corporation



MACKIE RESEARCH CAPITAL CORPORATION

Investment Advisor Compensation Program (British Columbia)

The Grid

Gross Production*	Payout*
\$350,000+	60%
\$250,000 - \$349,999	55%
\$200,000 - \$249,999	50%
\$100,000 - \$199,999	40%
\$0 - \$99,999	30%

*Subject to minimum commission. Ticket charges are not included in gross production.

Minimum Commission on Client Trades

Trade Value	Minimum Commission
\$0 - \$19,999	\$80 + \$25 ticket charge
\$20,000 - \$99,999	0.5% + \$25 ticket charge
\$100,000+	0.4% + \$25 ticket charge

Branch Manager/Supervisor discretion will apply to reducing minimum commission on trades over **\$1 million**.

Pro Trades – No Payouts

Trade Value	Minimum Commission
\$0 - \$49,999	\$25 + \$25 ticket charge
\$50,000+	\$75 + \$25 ticket charge

To receive payout on pro trades, see Minimum Commission on Client Trades.

Options – Minimum Commission

\$1 per contract + \$25 ticket charge

IAs choosing to discount below a prescribed minimum commission for either client or pro trades will be charged back the shortfall on a monthly basis. Chargebacks will not apply on “clean up” days or if approved in advance by Branch Manager/Supervisor.

Trade Execution Costs

IAs will not be charged for the exchange execution costs of trades provided that these are less than **10%** of gross commissions. Liquidity credits from exchanges will not be credited to IAs.

Registrations

The firm will pay for the IA's registration in his/her home province. The cost of additional provinces will be borne by the IA.

Desk Charge

IAs generating less than **\$5,000** in gross commissions in any single month will be charged back **\$1,000** plus the IA's direct costs. These may include (but are not limited to) quote system charges, health and dental premiums and benefits, courier fees, long distance charges, registration costs, etc.

Assistants

The firm will provide a limited amount of assistant support in each branch to ensure phones are answered and there is support for account documentation and systems training. At gross production of greater than **\$650,000**, the firm will contribute **\$30,000** toward the base salary of one licensed Sales Assistant. At gross production of greater than **\$1,000,000**, we will provide an additional **\$30,000** toward the salary of a second licensed Sales Assistant. No cash equivalent will be awarded in lieu of licensed Sales Assistants. Health Care benefits, registration fees and quote systems will be made available to these Sales Assistants, but the costs will be recovered from the IA. If an IA or team of IAs, who have not achieved the above noted production levels, wish to employ an assistant, this may be done with Branch Manager approval with all associated salary and costs being borne by the IA(s).

WHY MRCC?

Our Value Proposition

- Entrepreneurial culture
- Employee owned
- Direct access to Capital Markets staff
- Venture investment banking platform to manage IA-led financings
- Equity ownership opportunities
- Direct access to senior management
- Access to broad array of financial products and great new issue allocations
- No pressure to sell firm-sponsored products
- Highly competitive compensation program

The Fabric of Our Culture

We're a group with as much breadth as depth. Our advisors span a variety of specialties and investment styles with one common goal; our clients' best interests. Our desire to expand means we're searching for passionate, driven financial advisors who place top priority on helping clients achieve financial success, not just on managing assets. Mackie Research Capital Corporation advisors create deep and meaningful relationships with their clients, providing guidance and expertise along the road to reaching their financial goals.

Unrivaled Support

Our system of support provides advisors with not only the tools and resources to be successful; we provide individualized support customized to your unique needs. Highly dedicated and responsive back-office support coupled with access to independent, proprietary research provides bench strength to our network of advisors that few other firms can replicate.

Infinite Opportunity

Backed by a strong balance sheet and an impressive product shelf, the opportunities to build your business are truly limitless. What we offer beyond that though is what separates us from other firms.

- **Compensation:** We are proud to offer a compensation package that does not limit your sales to proprietary products or "strategic alignment"
- **Referral Sales:** We won't ask you to make referrals on products – period. We believe you know what is in the best interest of your clients' financial objectives
- **Household Limits:** No prohibitive household limits to affect your earning potential
- **Minimum Ticket Sales:** We do not endorse unreasonably high minimum ticket sales

On top of that you'll have equity ownership potential, something that is rare at many firms. Today we are pleased to say that many of our employees have an ownership stake in our business, underlining our unique culture as an entrepreneurial firm who think like "owners".

We're equipped to provide extensive transition support to make your move as seamless as possible. Whether you choose to work in one of our existing branches or as a remote, independent agent, you can be sure that your business will receive personalized support delivered the same way we treat our clients.

Your Business, Your Way

We foster a culture of independence allowing you maximum flexibility to manage your business the way you choose to. From active trading to junior financing through to portfolio management, our fully integrated business model provides a foundational platform that empowers advisors to create their business and manage it as they see fit. You'll enjoy a robust range of investment and insurance solutions and investment banking with offer access to a broad array of new issues.



PRODUCTS AND SERVICES

Fee-Based Platforms

At Mackie Research Capital we consider fee-based offerings to be of strategic importance to our advisors. Our comprehensive fee-based platforms are designed to give you the flexibility to run your business the way you want.

- **Discretionary:** Managed Portfolio Accounts
- **Non/Discretionary:** Fee-based Advisory Accounts

Managed Portfolio Accounts

The Mackie Research Capital Corporation Managed Portfolio Account program offers fully discretionary account management, available to registered Portfolio Managers, for a quarterly fee tied to account value. Managed Portfolio Accounts provide clients with a personal relationship with you, their Portfolio Manager; and the peace of mind that comes with having direct access to the person responsible for managing their portfolio.

Portfolio Managers personally design portfolios that reflect their investment style and are tailored to their clients needs. Our Portfolio Managers do not gather assets to be managed by others. We believe that individually managed accounts can outperform the “mass management” programs by having fewer restrictions on market cap and liquidity dictated by size.

Benefits to Your Clients

- Expertise of qualified Portfolio Managers
- Freedom of eliminating calls on every trade
- Personalized service from having direct access to their Portfolio Manager
- Aligned interests by removing financial incentives of generating more trades
- Superior investment performance
- Annual fee summaries for non-registered accounts that may be tax deductible (clients)

Benefits to You

- Access to a complete range of investment products including cash and equivalents, equities, fixed income securities, mutual funds and hedge funds
- Steady income stream from annuitizing your business
- Bulk orders can be placed with the Retail Trade Desk and reconciled overnight to individual managed accounts
- Flexible fee rates allow you to offer a wide range of options to different client segments
- Ability to manage portfolios on a model basis
- Portfolio management technology (Ndex) and fee billing tools

Fee-Based Advisory Accounts

The Fee-Based Advisory Account program provides clients with a non-discretionary fee-based investment option that allows you to negotiate fees for your service as their Investment Advisor. The Fee-Based Account is not designed for very active traders, but rather is best suited to moderately active investors who plan to stay with their investment strategy for many years. It appeals to those clients who value a disciplined and traditional full-service approach, but wish to pay a recurring fee that is tied to account value, not account activity.

Key Benefits

- Provides clients with a specified number of commission-free trades based on the value of the Fee-Based Account. This allows client to execute their investment strategy with greater precision and confidence
- Freedom to execute your client’s investment strategy without concerns for additional costs
- Fee flexibility based on asset levels and asset classes. The flat quarterly or monthly fee is based on the assets invested in the Fee-Based Account
- Annual fee summaries for non-registered accounts that may be tax-deductible (clients should consult their tax professional for further information)
- Access to a complete range of investment products including cash and equivalents, equities, fixed income securities, mutual funds and hedge funds

Advisory Accounts Overview

Advisory Accounts include products and services geared to individual, family and corporate business owner clients, as well as tax-advantaged solutions to help your clients plan for retirement and educational expenses.

Key Products and Services

Retirement Solutions

- RRSP, RRIF
- Locked in plans

Corporate Solutions

- Individual pension plans
- Normal course issuer bids

Individual & Family Solutions

- RESP, TFSA
- Succession planning and charitable giving

Financial Planning and Insurance

Investment Advisors have access to financial planning software. Access to financial planning and insurance specialists* allows our Investment Advisors to ensure their clients’ insurance and estate planning needs are fully addressed. Our Investment Advisors have access to products from all major Canadian insurance providers.

Products and Services

- Life insurance and annuities
- Disability income insurance
- Critical illness insurance

Corporate Products and Services

- Employer sponsored Registered Pension Plans, RRPs, and Deferred Profit Sharing Plans
- Employer sponsored health and dental plans
- Corporate, life and disability products

*Insurance products and services offered through Mackie Research Financial Corporation.

MACKIE RESEARCH CAPITAL CORPORATION

Investment Advisor Compensation Grid

Annual Production

\$400,000+	50%
\$300,000 – \$400,000	48%
\$200,000 – \$300,000	45%
\$150,000 – \$200,000	40%
\$100,000 – \$150,000	35%
Under \$100,000	30%

Trade Value

President's Circle: Includes those with **\$750,000** or more in annual production. Discretion is applied to award payout or cost concessions to President's Circle members based on individual circumstances (assets, business mix, etc.).

Notes:

1. Branch management apply discretion in the timing of moving an individual's payout rate (up or down). Rate changes are generally prospective (not retroactive).
2. A premium over the standard grid may be given to advisors operating from sub-branches who pay their own costs, including rent, assistant costs, quotes and communication costs.
3. Teams are generally divided by the number of IAs for purposes of determining grid position. For example: A two IA team would need to reach **\$600,000** production to receive **48%** payout.
4. Broker warrant profits are included in gross production for purposes of grid positioning.

Ticket Charge

A **\$20** ticket charge applies to all trades for non-fee based accounts. The ticket charge is included in the amount entered by the IA on the ticket. The IA is paid on the commission entered less **\$20** (e.g., IA at **50%** would be paid **\$40** on a **\$100** ticket).

Minimum Ticket Size

Up to \$15,000	\$100
\$15,001 – \$20,000	\$125
\$20,000 and Up	\$150

Pro Trades

\$50 flat rate for a pro trade up to **\$100,000** of trade value. No payout applies. Above **\$100,000** trade value, the minimum commission should be entered and the normal ticket charge and payout applies.

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