



**CANACCORD GENUITY GROUP INC.**

**PROCEDURES FOR COMPLAINTS REGARDING ACCOUNTING, INTERNAL ACCOUNTING CONTROLS OR AUDITING MATTERS**

**Approved by the Audit Committee at its meeting on August 2, 2006;  
amended by the Audit Committee at its meeting on May 22, 2012**

The Audit Committee of Canaccord Genuity Group Inc. (the “Company”) seeks to facilitate disclosure regarding accounting and auditing matters, encourage proper individual conduct and alert the Audit Committee to potential problems relating to accounting or auditing matters before they have serious consequences. Accordingly, the Audit Committee has established the following procedures for the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls or auditing matters, and for the confidential, anonymous submission by employees of concerns regarding questionable accounting or auditing matters.

***A. Scope of matters covered by these procedures***

These procedures relate to complaints or concerns regarding accounting, internal accounting controls or auditing matters of the Company (“Complaints”), including, without limitation, the following:

- fraud or deliberate error in the preparation, evaluation, review or audit of any financial statements of the Company;
- fraud or deliberate error in the recording or maintaining of financial records of the Company;
- deficiencies in or non-compliance with the Company’s internal accounting controls;
- misrepresentations or false statements to or by an officer of the Company or an accountant regarding a matter contained in the financial records, financial reports or audit reports of the Company; or
- deviation from reporting of the Company’s financial condition as required by applicable laws and regulations.

***B. Submission and Receipt of Complaints***

A person with a Complaint should promptly report the Complaint in writing to the Company’s Lead Director and Chair of its Audit Committee, addressed to Mr. Terry Lyons, 2039 West 35<sup>th</sup> Avenue, Vancouver, B.C. Canada V6M 1J1.

If the person wishes to ensure their anonymity, they should submit the Complaint in writing in a sealed envelope marked only with the address “Lead Director”. This sealed envelope should be placed inside another envelope marked “Strictly Confidential” and addressed to the Corporate Secretary, Canaccord Genuity Group Inc., 2200 – 609 Granville Street, Vancouver, B.C. Canada V7Y 1H2. Communications addressed in this manner will be opened by the Corporate Secretary, who will discard the outer envelope and then forward the inner envelope to the Lead Director.

The Lead Director will maintain the confidentiality and anonymity of persons making Complaints to the fullest extent reasonably practicable within the legitimate needs of law and any ensuing evaluation or investigation.

***C. Content of Complaints***

To assist the Company in the response to or investigation of a Complaint, the Complaint should be factual rather than speculative and contain as much specific information as possible to allow for proper assessment of the nature, extent and urgency of the matter that is the subject of the Complaint. It is less likely that the Company will be able to conduct an investigation based on a Complaint that contains unspecified wrongdoing or broad allegations without verifiable evidentiary support. Without limiting the foregoing, the Complaint should, to the extent possible, contain the following information:

- the alleged event, matter or issue that is the subject of the Complaint;
- the names of all persons involved;
- if the Complaint involves a specific event or events, the approximate date and location of each event; and
- any additional information, documentation or other evidence available to support the Complaint.

***D. Retention of Complaints***

Written copies of all Complaints will be kept in a Complaint file maintained by the Lead Director.

***E. Treatment of Complaints***

The Lead Director is responsible to promptly forward a copy of all Complaints to the Audit Committee. The Lead Director is responsible to evaluate each Complaint and may, in consultation with the Audit Committee, conduct an investigation based upon a Complaint. The Audit Committee may, in its discretion, appoint a person (including an outside lawyer or consultant) other than the Lead Director to initiate and direct an investigation. The Audit Committee may, at any time, request a briefing regarding any investigation of a Complaint and any findings regarding a Complaint. The Audit Committee has full authority to determine the corrective action, if any, to be taken in response to a Complaint and to direct additional investigation of any Complaint.

***F. Confidentiality and anonymity***

The Company must maintain the confidentiality or anonymity of the person making the Complaint to the fullest extent reasonably practicable within the legitimate needs of law and of any ensuing evaluation or investigation. Legal or business requirements may not allow for complete anonymity. Also, in some cases it may not be possible to proceed with or properly conduct an investigation unless the complainant identifies himself or herself. In general it is less likely that an investigation will be initiated in response to an anonymous Complaint due to the difficulty of interviewing anonymous complainants and evaluating the credibility of their Complaints. In addition, persons making Complaints should be cautioned that their identity might become known for reasons outside of the control of the Company.

The identity of other persons subject to or participating in any inquiry or investigation relating to a Complaint will be maintained in confidence subject to the same limitations.

***G. Protections from retaliation***

Employees are entitled to protection from retaliation for having, in good faith, made a Complaint, disclosed information relating to a Complaint or otherwise participated in an investigation relating to a Complaint. The Company will not discharge, demote, suspend, threaten, harass or in any manner discriminate against an employee in the terms and conditions of employment based upon any lawful actions of such employee with respect to good faith reporting of Complaints or participation in a related investigation. An employee's right to protection from retaliation does not extend immunity for any complicity in the matters that are the subject of the Complaint or an ensuing investigation.

These procedures are in no way intended to limit the rights of employees to report alleged violations relating to accounting or auditing matters to proper governmental and regulatory authorities.