

## 13.2 Marketplaces

### 13.2.1 TSX Notice of Approval – Housekeeping Amendments to the Toronto Stock Exchange Company Manual

#### TORONTO STOCK EXCHANGE

#### NOTICE OF APPROVAL

#### HOUSEKEEPING AMENDMENTS TO THE TORONTO STOCK EXCHANGE COMPANY MANUAL

##### Introduction

In accordance with the “Protocol for Commission Oversight of Toronto Stock Exchange Rule Proposals” between the Ontario Securities Commission (the “OSC”) and Toronto Stock Exchange (“TSX”), TSX has adopted, and the OSC has approved, amendments (the “Amendments”) to the TSX Company Manual (the “Manual”). The Amendments are considered non-public interest amendments.

##### Reasons for the Amendments

A brief summary of the Amendments and the rationale for them are in the chart at **Appendix B**. Generally, the Amendments represent a collection of minor drafting changes to facilitate use and understanding of the requirements in the Manual, based on the experience of TSX staff, as well as to incorporate guidance from Staff Notices into the body of the Manual to ease use of the Manual and improve transparency.

##### Text of Amendments

The Amendments are attached as **Appendix A**.

##### Effective Date

The Amendments become effective on **February 4, 2011**.

Appendix A

Non-Public Interest Amendments to the TSX Company Manual

Part I - Interpretation

"CDS" means CDS Clearing and Depository Services Inc.;

"insider" has the same meaning as found in the OSA and also includes associates and affiliates of the insider; and "issuances to insiders" includes direct and indirect issuances to insiders; for the purposes of Section 613, TSX will consider as insiders of an issuer only those insiders who are "reporting insiders" as defined in National Instrument 55-104-Insider Reporting Requirements and Exemptions;

**Sec. 309. Requirements for Eligibility for listing Subject to Section 501<sup>4</sup> Listing – Non-Exempt Issuers<sup>1</sup>**

- (c) Technology Companies<sup>7</sup>;
  - (i) a minimum of \$10,000,000 in the treasury, the majority of which has been raised by the issuance of securities qualified for distribution by a prospectus;
  - (ii) adequate funds to cover all planned development and capital expenditures, and general and administrative expenses for a period of at least one year. A projection of sources and uses of funds including related assumptions covering the period (by quarter) signed by the Chief Financial Officer must be submitted<sup>8,9</sup>. The projection must also include actual financial results for the most recently completed quarter;
  - (iii) evidence, satisfactory to the Exchange, that the company's products or services are at an advanced stage of development or commercialization and that the company has the required management expertise and resources to develop the business<sup>9</sup>;
  - (iv) minimum market value of the issued securities that are to be listed of at least \$50,000,000; and
  - (v) minimum public distribution requirements as set out in Section 310, except that the minimum aggregate market value of the freely tradeable, publicly held securities to be listed should be \$10,000,000.

OR

- (d) Research and Development Companies.
  - (i) a minimum of \$12,000,000 in the treasury, the majority of which has been raised by the issuance of securities qualified for distribution by a prospectus;
  - (ii) adequate funds to cover all planned research and development expenditures, general and administrative expenses and capital expenditures, for a period of at least two years. A projection of sources and uses of funds covering the period (by quarter) signed by the Chief Financial Officer must be submitted<sup>10,11</sup>. The projection must also include actual financial results for the most recently completed quarter;
  - (iii) a minimum two-year operating history that includes research and development activities; and
  - (iv) evidence, satisfactory to the Exchange, that the company has the technical expertise and resources to advance the company's research and development programme(s).<sup>11</sup>

**Sec. 309.1. Requirements for Eligibility for Exemption from Section 501<sup>12</sup> for Listing – Exempt Issuers<sup>12</sup>**

Exceptional circumstances may justify the granting of a listing to an applicant and/or an exemption from Section 501, on an exempt basis, in which case the application will be considered on its own merits. "Exceptional Circumstances" for this purpose will normally be confined to an affiliation with a substantial established enterprise and/or an exceptionally strong financial position.

**Sec. 314. Requirements for Eligibility for Listing Subject to Section 501<sup>15</sup> - Non-exempt issuers<sup>15</sup>**

- (a) Producing Mining Companies
  - (i) proven and probable reserves to provide a mine life of at least three years, as calculated by an independent qualified person<sup>16</sup>, together with evidence satisfactory to the Exchange indicating a reasonable likelihood of future profitability supported by a feasibility study or documented historical production and financial performance;
  - (ii) either be in production or have made a production decision on the qualifying project or mine referred to in subparagraph 314(a)(i) above;
  - (iii) sufficient funds to bring the mine into commercial production, adequate working capital to fund all budgeted capital expenditures and carry on the business and an appropriate capital structure. A management-prepared 18-month projection (by quarter) of sources and uses of funds detailing all planned and required expenditures signed by the Chief Financial Officer must be submitted. The projection must also include actual financial results for the most recently completed quarter; and
  - (iv) net tangible assets<sup>17</sup> of \$4,000,000.

Industrial Minerals—Industrial mineral companies (those with properties containing minerals which are not readily marketable) not currently generating revenues from production will normally be required to submit commercial contracts and meet the requirements under paragraph 314(a).

- (b) Mineral Exploration and Development—Stage Companies
  - (i) an Advanced Property, detailed in a report prepared by an independent qualified person<sup>18</sup>. The Exchange will generally consider a property to be sufficiently advanced if continuity of mineralization is demonstrated in three dimensions at economically interesting grades;
  - (ii) a planned work programme of exploration and/or development, of at least \$750,000<sup>19</sup> that is satisfactory to the Exchange, will sufficiently advance the property and is recommended by an independent qualified person<sup>20</sup>;
  - (iii) sufficient funds to complete the planned programme of exploration and/or development on the company's properties, to meet estimated general and administrative costs, anticipated property payments and capital expenditures for at least 18 months. A management-prepared, 18-month projection (by quarter) of sources and uses of funds detailing all planned and required expenditures signed by the Chief Financial Officer must be submitted;
  - (iv) working capital of at least \$2,000,000<sup>21</sup> and an appropriate capital structure; and
  - (v) net tangible assets<sup>22</sup> of \$3,000,000.

Property Ownership—A company must hold or have a right to earn and maintain at least a 50% interest in the qualifying property. Companies holding less than a 50% interest, but not less than a 30% interest, in the qualifying property may be considered on an exceptional basis, based on programme size, stage of advancement of the property and strategic alliances. Where a company has less than a 100% interest in a qualifying property, the programme expenditure amounts attributable to the company will be determined based on its percentage ownership<sup>23</sup>.

~~Industrial Minerals—Industrial mineral companies (those with properties containing minerals which are not readily marketable) not currently generating revenues from production will normally be required to submit commercial contracts and meet the requirements under paragraph 314(a).~~

**Sec. 319. Requirements for Eligibility for Listing Subject to Section 501<sup>28</sup> Non-Exempt Issuers<sup>28</sup>**

**Producing Oil & Gas Companies**

- (c) adequate funds to execute the programme and cover all other capital expenditures as well as general, administrative and debt service expenses, for a period of 18 months with an allowance for contingencies. A management-prepared 18-month projection (by quarter) of sources and uses of funds detailing all planned and required expenditures signed by the Chief Financial Officer must be submitted. The projection must also include actual financial results for the most recently completed quarter; and

**Sec. 319.1. Requirements for Eligibility for Listing-Exempt from Section 501<sup>31</sup> Issuers<sup>31</sup>**

- (a) proved developed reserves<sup>32</sup> of \$7,500,000<sup>33</sup>;
- (b) pre-tax profitability from ongoing operations in the fiscal year preceding the filing of the listing application;
- (c) pre-tax cash flow of \$700,000 in the fiscal year preceding the filing of the listing application and an average annual pre-tax cash flow of \$500,000 for the two fiscal years preceding the filing of the listing application; and;
- (d) adequate working capital<sup>34</sup> to carry on the business and an appropriate capital structure.

**Sec. 428.**

All companies declaring a dividend on listed shares must promptly notify the Exchange's Listed Issuer Services of the particulars. Companies must complete and file a Form 5—Dividend/Distribution Declaration (Appendix H: Company Reporting Forms) with the Exchange. For the purposes of Exchange requirements, "dividends" also includes distributions to holders of listed securities other than shares, such as units.

The Exchange must have sufficient time to inform its Participating Organizations and the financial community of the details of each dividend declared. There must be a clear understanding in the market-place as to who is entitled to receive the dividend declared. Due to practical considerations, such as long holidays and weekends, the Exchange requires that at least seven trading days' notice be given to the Exchange in advance of the dividend record date, the record date being the date of closing of the transfer books of the company. Companies with tentative dividend plans should schedule their board meetings well in advance of the proposed record date.

The minimum seven (7) trading day notification period applies to all distributions, including special year end distributions by income trusts and other similar non-taxable entities, whether or not:

- (a) the exact amount of the distribution is known;
- (b) the distribution is to be paid in cash, trust units and/or other securities; or
- (c) if the distribution is to be paid in securities, the securities to be distributed are immediately consolidated after the distribution, resulting in no change to the number of securities held by security holders.

Where the exact amount of the distribution is unknown, issuers should provide, at the time they file their Form 5, their best estimate of the anticipated amount of the distribution and indicate that such amount is an estimate. Details regarding the payment of the distribution in cash, trust units and/or other securities and whether such securities will be immediately consolidated must be provided. Upon determination of the exact amount of any estimated distribution, the issuer must disseminate the final details by press release and provide TSX's dividend administrator with a copy of the press release.

Notification of a distribution must be provided to TSX in accordance with Sections 428 to 435.2 even when the distribution is paid entirely in securities which are immediately consolidated following the distribution, resulting in no change to the number of securities held by security holders. Such distributions may have tax consequences for security holders, which could impact the market price of the securities.

**Part V Special Requirements for Non-Exempt Issuers**

**Sec. 501.**

- (c) Transactions involving insiders or other related parties of the non-exempt issuer<sup>1</sup> (both as defined in Part I) and which (i) do not involve an issuance or potential issuance of listed securities; or (ii) that are initiated or undertaken by the non-exempt issuer and materially affect control (as defined in Part I) require TSX acceptance under this Part V before the non-exempt issuer may proceed with the proposed transaction. Failure to comply with this provision may result in the suspension and delisting of the non-exempt issuer's listed securities (see Part VII of this Manual).

If the value of the consideration to be received by the insider or other related party exceeds 2% of the market capitalization of the issuer, TSX will require that:

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<sup>1</sup> For the purposes of this section, "transactions involving insiders and other related parties of the non-exempt issuer" includes, but is not limited to, (a) services rendered for which fees and commissions are payable; (b) purchases and sales of assets; (c) interest to be received by an insider or other related party pursuant to a loan, but does not include the principal amount of a loan which must be repaid; and (d) a loan by a non-exempt issuer to an insider or a related party, which includes both the principal and interest on any loan.

- (i) the proposed transaction be approved by the board on the recommendation of the directors who are unrelated to the transaction; and
- (ii) the value of the consideration be established in an independent report, other than for executive or director compensation for services rendered unless the consideration appears to be commercially unreasonable, as determined by TSX.

In addition, if the value of the consideration to be received by the insider or other related party exceeds 10% of the market capitalization of the issuer, TSX will require that the transaction be approved by the issuer's security holders, other than the insider or other related party.

#### Sec. 602. General

- (g) TSX will not apply its standards with respect to security holder approval (Section 604), private placements (Section 607), unlisted warrants (Section 608), acquisitions (Section 611) and security based compensation arrangements (Section 613) to issuers listed on another exchange where at least 75% of the trading value and volume over the six months immediately preceding notification occurs on that other exchange<sup>1</sup>, provided that such other exchange is reviewing the transaction. These issuers must still comply with Section 602, at which time TSX will notify the issuer of their eligibility under this Subsection 602(g) and the documents and fees required for TSX acceptance of the notified transaction.

#### Sec. 604. Security Holder Approval

- (d) Security holder approval is to be obtained from a majority of holders of voting securities at a duly called meeting of security holders. In certain circumstances in which TSX requires security holder approval of a transaction, the listed issuer may be in a position to provide TSX with written evidence that holders of more than 50% of the voting securities of the listed issuer (other than those securities excluded as required by TSX) are familiar with the terms of the proposed transaction and are in favour of it. In such circumstances, TSX will give consideration to permitting the listed issuer to proceed with the transaction without holding a meeting of security holders to formally approve it. Listed issuers using this exemption will be required to issue a press release at least five (5) business days in advance of the closing of the transaction disclosing the material terms of the transaction and that the listed issuer has relied upon this exemption. The press release must be ~~pre-cleared with TSX~~ pre-cleared with TSX. A draft copy of the information circular or form of written consent must be filed with TSX and pre-cleared prior to mailing to security holders.

This procedure will not be available for security based compensation arrangements described in Section 613, backdoor listings described in Section 626 and security holder rights plans described in Section 634.

The disclosure provided to security holders in seeking security holder approval must be pre-cleared with TSX.

- (e) ~~Upon written application, and other~~ Other than in respect of Sections 612 and 613, a listed issuer ~~meeting continued listing requirements as set out in Part VII of this Manual will~~ may apply to be exempted from security holder approval requirements ~~if the application is~~. The application must address why the listed issuer cannot seek security holder approval in a timely manner at a meeting or in writing and be accompanied by a resolution of the listed issuer's board of directors stating that:
  - (i) the listed issuer is in serious financial difficulty;
  - (ii) the application is made upon the recommendation of a committee of board member(s), free from any interest in the transaction and unrelated to the parties involved in the transaction;
  - (iii) the transaction is designed to improve the listed issuer's financial situation; and
  - (iv) based on the determination of the committee referred to in (ii) above, that the transaction is reasonable for the listed issuer in the circumstances.

Listed issuers applying to use this exemption must also provide TSX with the information set out in Staff Notice 2009-0003.

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<sup>1</sup> For the purposes of determining whether an issuer is eligible under this subsection, TSX will consider aggregating trading value and volume occurring on multiple trading venues in the same jurisdiction as such other exchange.

Listed issuers using applying to use this exemption will be required to issue a press release at least five (5) business days in advance of the closing of the transaction disclosing the material terms of the transaction and that the listed issuer has relied upon this exemption. The press release must be pre-cleared with TSX.

Listed issuers applying to use this exemption are expected to meet continued listing requirements as set out in Part VII of this Manual after completion of the transaction. Application to use this exemption will generally result in the issuer being placed under remedial delisting review.

**Sec. 607. Private Placements**

- (e) The price per listed security for any private placement must not be lower than the market price less the applicable discount as follows:

Market Price	Maximum Discount
\$0.50 or less	25%
\$0.51 to \$2.00	20%
Above \$2.00	15%

TSX will allow the price per listed security for a particular transaction to be less than as provided for in this Subsection 607(e) provided that the listed issuer has received security holder approval (other than by security holders participating directly or indirectly in the transaction and such security holders' associates and affiliates).

Where a listed issuer, alone or with others, is spinning off a portion of its business or assets into another entity, and proposes to issue securities when the market price is unknown (e.g., at net asset value), TSX will consider such securities as being issued at a price that is lower than the market price less the maximum applicable discount. In such instance, security holder approval (other than by security holders participating directly or indirectly in the transaction and such security holders' associates and affiliates) will be required, and security holders must be provided with the information set out in Staff Notice 2005-0003. Other requirements may apply to such private placements as set out in Staff Notice 2006-0003.

Anti-dilution provisions providing adjustments for events for which not all security holders are compensated and which may result in securities being issued at a price lower than market price less the applicable discount will be permitted, provided they have been approved by security holders (excluding the votes attached to the securities held by insiders benefiting from these anti-dilution provisions). Listed issuers may refer to Staff Notice 2009-0006 for guidance on anti-dilution provisions acceptable to TSX.

TSX will discount the price per security by the amount of any fees or other amounts payable by the listed issuer to the subscriber, or its associates and affiliates, if the listed issuer cannot demonstrate that such amounts are commercially reasonable in the circumstances.

Listed ~~issuers~~issuers may request price protection in advance of filing Form 11 — Notice of Private Placement by submitting Form 11A — Request for Price Protection.

- (f) For all private placements:
  - (i) subject to paragraph (ii), the transaction must not close and the securities must not be issued prior to acceptance thereof by TSX and not later than 45 days (or, in circumstances where security holder approval is required pursuant to Subsection 607(g); and such approval is to be obtained at a duly called meeting of security holders, 135 days) from the date upon which the market price of the securities being issued is established;
  - (ii) a written request for an extension of the time period prescribed in paragraph (i) may be granted in justifiable circumstances, provided that a written request for an extension is filed with TSX in advance of the expiry of the 45-day or 135-day period, as applicable. Such extension will generally be granted if the price at which securities are issued still complies with the requirements set out in Subsection 607(e). Otherwise, TSX may grant such extension in justifiable circumstances;
  - (iii) in the case of a private placement of convertible securities, the underlying listed securities will be considered as being issued at a price per security less than the market price, unless the conversion price of such convertible security is defined as at least market price at the time of conversion, and will be regarded as being part of the number of securities being issued pursuant to the transaction;

- (iv) listed securities issuable upon the exercise of warrants will be considered as being issued at a price per security less than the market price and will be regarded as being part of the number of securities being issued pursuant to the transaction;
  - (v) successive private placements will be aggregated for the purposes of Subsections 607(c)(ii) and 607(g)(i) if they are ~~proximate in time~~ within the three (3) preceding months, have common places and/or a common use of proceeds; and
  - (vi) the listed issuer must give TSX immediate notice in writing of the closing of the transaction.
- (h) In order to list the additional securities issued and/or reserved for issuance pursuant to a private placement, listed issuers must:
- (i) On the same business day of the closing of the private placement, provide TSX with: (A) an email or facsimile of the press release announcing the closing of the private placement; or (B) a written confirmation by email or facsimile that the private placement has closed; and
  - (ii) Prior to the close of business on the business day following the closing of the private placement, file with TSX all the required documents as outlined in the TSX conditional approval. Such documents may be filed using TSX SecureFile, by email or by courier.

**Sec. 608. Unlisted Warrants**

- (b) A listed issuer may apply to TSX to amend the warrant exercise price or the term of the warrant provided that:
  - (i) disclosure of such amendments is made by way of press release ten (10) business days prior to the effective date of the change; and
  - (ii) the application is accompanied by a filing fee (see Part VIII TSX Listing Fee Schedule).

Security holder approval will be required for:

- (i) amendments to warrants held, directly or indirectly, by insiders; or
- (ii) amendments to warrants resulting in an exercise price which is less than the market price of the securities determined on the date of the amending agreement. Amendments to in-the-money warrants will also require security holder approval.

Security holder approval must exclude the votes attached to the securities held by ~~insiders~~ any holders whose warrants are proposed to be amended.

A copy of the press release, and evidence of security holder approval if applicable, must be provided to TSX prior to the press release being issued.

**Sec. 609. Listed Warrants**

- (a) To apply to have warrants listed on TSX, the listed issuer must file a letter application and draft warrant indenture with TSX. The listing of warrants and amendments to listed warrants on TSX is/are considered on a case-by-case basis.
- (c) The warrant trust indenture, or other document prescribing the rights of warrant holders, must be pre-cleared by TSX and contain appropriate anti-dilution provisions to ensure that the rights of the holders are protected in the event of an amalgamation, merger, stock dividend, subdivision, consolidation or other form of capital reorganization, or in the case of a major asset distribution to security holders. Listed Issuers should refer to Staff Notice 2009-0006 for guidance on anti-dilution provisions acceptable to TSX.
- (d) Any proposed amendment to the terms of outstanding listed warrants must be accepted by TSX prior to the amendment becoming effective. ~~Once warrants have been listed, TSX will not permit amendments to any of the essential terms of the warrants, such as the exercise price (except for anti-dilution purposes) or the expiry date.~~ TSX will not list warrants in respect of which the warrant trust indenture (or equivalent document) entitles the directors of the listed issuer to change the exercise price (except for anti-dilution purposes) or which provides for the possibility of an amendment to the expiry date.

- ~~(f) To apply to have warrants listed on TSX, the listed issuer must file a letter application and draft warrant indenture with TSX.~~
- ~~(f) Once warrants have been listed, TSX will not generally permit amendments to any of the essential terms of the warrants, such as the exercise price (except for anti-dilution purposes) or the expiry date.~~

**Sec. 611. Acquisitions**

- ~~(h) In order to list the additional securities issued and/or reserved for issuance pursuant to an acquisition which has been conditionally approved by TSX, listed issuers must:~~
  - ~~(i) On the same business day of the closing of the acquisition, provide TSX with: (A) an email or facsimile of the press release announcing the closing of the acquisition; or (B) a written confirmation by email or facsimile that the acquisition has closed; and~~
  - ~~(ii) Prior to the close of business on the business day following the closing of the acquisition, file with TSX all the requirements documents as outlined in the TSX conditional approval. Such documents may be filed using TSX SecureFile, by email or by courier.~~

**Sec. 613.**

- (a) When instituted, and when required for amendment, all security based compensation arrangements must be approved by:
  - (i) a majority of the listed issuer's directors; and
  - (ii) subject to Subsection 613(c), by the listed issuer's security holders.

Every three years after institution, all unallocated options, rights or other entitlements under a security based compensation arrangement which does not have a fixed maximum aggregate of securities issuable, must be approved by:

- (i) a majority of the listed issuer's directors; and
- (ii) subject to Subsection 613(c), the listed issuer's security holders.

Security holders must pass a resolution specifically approving unallocated options, rights or other entitlements. Such resolution must also include the date by which the listed issuer must subsequently seek security holder approval, such date being no later than three years from the date the resolution was approved. Failure to obtain security holder approval will result in all unallocated options, rights or other entitlements being cancelled and the listed issuer will not be permitted to make further grants until security holder approval is obtained.

Insiders of the listed issuer entitled to receive a benefit under the arrangement are not eligible to vote their securities in respect of the approvals required by this Subsection 613(a) unless the arrangement contains the insider participation limit.

If any security holder approval is required for a security based compensation arrangement and insiders of the listed issuer entitled to receive a benefit under the arrangement are not eligible to vote their securities in respect of the approval required by this Subsection 613(a), holders of Restricted Securities, as defined in Part I, must be entitled to vote with the holders of any class of securities of the listed issuer which otherwise carry greater voting rights, on a basis proportionate to their respective residual equity interests in the listed issuer.

Security holder approval required for a security based compensation arrangement must be by way of a duly called meeting. The exemption from security holder approval contained in Subsection 604(e) is not available in respect of security based compensation arrangements.

**Prohibited Provisions Notwithstanding Security Holder Approval**

- (h) Notwithstanding that a security based compensation arrangement contains provisions: (1) contrary to or inconsistent with the following items, or (2) allowing amendments to the following items without security holder approval, and notwithstanding that such provisions may have been approved by the listed issuer's security holders:



- (i) the exercise price for any stock options granted under a security based compensation arrangement or otherwise must not be lower than the market price of the securities at the time the option is granted; and
- (ii) the arrangement must have a maximum number of securities issuable, either as a fixed number or a fixed percentage of the listed issuer's outstanding capital represented by such securities.

For the purposes of this Subsection 613(h)(ii), TSX will accept, as market price: (A) a closing market price at the time of the grant; or (B) a reasonable pre-determined formula, based on a weighted average trading price or average daily high and low board lot trading prices for a short period of time prior to the time of grant.

#### **Amendments Requiring Specific Security Holder Approval**

- (i) Notwithstanding that a security based compensation arrangement contains a provision allowing amendments to the following items without security holder approval, specific security holder approval is required for:
  - (i) a reduction in the exercise price or purchase price under a security based compensation arrangement benefiting an insider of the issuer;
  - (ii) an extension of the term, under a security based compensation arrangement benefiting an insider of the issuer;
  - (iii) any amendment to remove or to exceed the insider participation limit;
  - (iv) an increase to the maximum number of securities issuable, either as a fixed number or a fixed percentage of the listed issuer's outstanding capital represented by such securities; and
  - (v) amendments to an amending provision within a security based compensation arrangement.

For the purposes of Subsection 613(i)(i) and (ii), if a listed issuer cancels options (or similar entitlements) held by insiders, or held by non-insiders where the amendment provision does not permit such amendment, and then re-grants those securities under different terms, TSX will consider this as an amendment to those securities and will require security holder approval, unless the re-grant occurs at least three months after the related cancellation.

For Subsection 613(i)(i)–(iii), the votes of securities held directly or indirectly by insiders benefiting directly or indirectly from the amendment must be excluded. For Subsection 613(i)(iv)–(v), the votes of securities held directly or indirectly by insiders entitled to receive a benefit directly or indirectly under the arrangement must be excluded unless the arrangement contains the insider participation limit.

In addition to the above exclusions, for Subsection 613(i)(v), where the amendment will disproportionately benefit one or more insiders over other participants under the arrangement, the votes of securities held directly or indirectly by those insiders receiving the disproportionate benefit must be excluded.

#### **Amendment Procedures**

- (l) Security based compensation arrangements (including individual option or other security amendments) cannot be amended without obtaining security holder approval unless the arrangement contains a provision empowering the listed issuer's board of directors (who may delegate this to a committee of the board) to make the specific amendment. Security holder approval is required for the introduction of and subsequent amendments to, such amending provisions. Disclosure provided to security holders voting on amending provisions, and annually, must state that security holder approval will not be required for amendments permitted by the provision.

#### **Blackout Periods**

- (m) Security based compensation arrangements may provide that the expiration term of an option (or similar entitlement) may be the later of a fixed expiration date or a date shortly after the expiration date should such date fall within or immediately after a blackout period, provided that:

- (i) The blackout period is self-imposed by the listed issuer;

- (ii) The period of time provided to exercise the option after the lifting of the blackout period be no more than ten (10) business days;
- (iii) All participants under the security-based compensation arrangement are eligible for the extension, under the same terms and conditions; and
- (iv) Security holders approve the amendment to the security-based compensation arrangement providing for such expiry term.

### **Backdating of Stock Options**

- (n) Listed issuers must notify TSX on a timely basis where it appears that stock options (and similar entitlements) may have been improperly dated or priced, during or following any investigation (including internal, self-initiated reviews) of the listed issuer's practices in relation to security-based compensation arrangements. In addition, in accordance with TSX's timely disclosure policy, listed issuers need to assess whether or not a news release is required where it appears that stock options (and similar entitlements) have been improperly dated or priced, during or following any review or investigation, and upon any resolution with TSX or other regulators.

### **Mergers and Acquisitions**

- (o) Notwithstanding the amendment provisions included in a security-based compensation arrangement, where a listed issuer is being acquired, outstanding options, rights and other entitlements may be: (i) cancelled for nominal consideration if out of the money; or (ii) exchanged for the consideration received by the listed issuer's security holders, on the basis of such options, rights or other entitlement's intrinsic value.

### **Sec. 614.**

- (c)
  - (i) A draft copy of the rights offering circular ("circular" includes a prospectus, if applicable) must be filed with TSX concurrently with the filing thereof with the securities commissions. TSX will subsequently advise the listed issuer of any deficiencies in the draft circular and of the further documentation that will be required.
  - (ii) Securities offered by way of rights offering are expected to be offered at a "significant discount" to market price at the time of pricing of the offering, which is expected to be at the time of filing of the (final) circular. A significant discount would be equal to at least the maximum discount to market price allowed for private placements as set forth in Subsection 607(e).

If a third party ("backstop") has agreed to subscribe for securities which are not otherwise subscribed for under the rights offering, and there is not a significant discount, TSX will require security holder approval if the rights offering could result in a material effect on control of the listed issuer.

Backstop fees payable in cash are acceptable to TSX provided the fees are commercially reasonable. Backstop fees payable in securities are acceptable to TSX for arm's length parties as a securities for debt transaction under S. 607 and provided that the fees are commercially reasonable. Backstop fees payable in securities to non-arm's length parties are considered security-based compensation arrangements and security holder approval is therefore required to be obtained at the next meeting.
- (e) At least seven trading days in advance of the record date:
  - (i) all deficiencies raised by TSX must be resolved;
  - (ii) clearances for the rights offering must be obtained from all securities commissions having jurisdiction, and the listed issuer must so advise TSX;
  - (iii) all the terms of the rights offering must be finalized; and
  - (iv) TSX must receive all requested documents and applicable fees (see Part VIII TSX Listing Fee Schedule).

**Sec. 617. Stock Dividends**

Listed issuers which issue stock dividends on a regular basis, whether pursuant to a formal stock dividend plan or otherwise, can either apply to list securities each time a dividend is declared or, alternatively, apply to list as a block the number of securities the listed issuer estimates will be issued as stock dividends over the next two years. The latter procedure could result in an ultimate saving in listing fees. See Part VIII TSX Listing Fee Schedule.

**Sec. 619. Name or Symbol Changes**

- (c) The following documents must be filed with TSX in connection with a name change:
  - (i) a notarial or certified copy of the Certificate of Amendment, or equivalent document;
  - (ii) a definitive specimen of the new or overprinted security certificate;
  - (iii) a copy of the written notice from ~~The Canadian Depository for Securities Limited~~ CDS disclosing the CUSIP number(s) assigned to the issuer's listed securities after giving effect to the name change (see Section 350); and
  - (iv) the substitutional listing fee (see Part VIII TSX Listing Fee Schedule).
- (d) The listed issuer's securities will normally commence trading on TSX under the new name at the opening of business two (2) or three (3) trading days after all the documents set out in Subsection 619 ~~66(c)~~ are received by TSX.
- (e) A listed issuer may request a change to the symbol assigned to its listed securities upon payment of the applicable fee (see Part VIII TSX Listing Fee Schedule).

**Sec. 621. Stock Consolidation**

- (d) The following documents must be filed with TSX on or prior to the day on which the Letters of Transmittal are sent to the security holders:
  - (i) one copy of the Letters of Transmittal<sub>2</sub>;
  - (ii) a notarial or certified copy of the Certificate of Amendment, or equivalent document;
  - (iii) opinion of counsel that all the necessary steps have been taken to validly effect the consolidation in accordance with applicable law;
  - (iv) a definitive specimen of the new security certificates<sub>2</sub>;
  - (v) a copy of the written notice from ~~The Canadian Depository for Securities Limited~~ CDS disclosing the new CUSIP number assigned to the securities (see Section 350);
  - (vi) a written statement as to the intended mailing date of the Letters of Transmittal; and
  - (vii) the substitutional listing fee (see Part VIII TSX Listing Fee Schedule).

In addition, the listed issuer may be required to file with TSX a completed form (Appendix D) showing the distribution of the securities on a post-consolidation basis.

**Sec. 622. Security Reclassification (with no stock split)**

- (a) The following documentation must be filed with TSX in connection with a security reclassification (with no stock split):
  - (i) a notarial or certified copy of the Certificate of Amendment, or equivalent document;
  - (ii) an opinion of counsel that all the necessary steps have been taken to validly effect the security reclassification in accordance with applicable law;
  - (iii) a definitive specimen of the new or overprinted security certificate;

- (iv) a copy of the written notice from ~~The Canadian Depository for Securities Limited~~ CDS disclosing the CUSIP number(s) assigned to the securities (see Section 350);
- (v) the substitutional listing fee (see ~~Part VIII~~ TSX Listing Fee Schedule);
- (vi) one copy of the Letters of Transmittal, if applicable; and
- (vii) a written statement as to the intended mailing date of the Letters of Transmittal, if applicable.

**Sec. 623.**

- (c) The minimum public distribution requirements for a supplemental listing are the same as the minimum requirements for original listing as set out in Section 310. However, TSX will give consideration to listing non-participating preferred securities and debt securities that do not meet these requirements if the market value of such securities outstanding is at least \$2,000,000 and:
  - (i) if the securities are convertible into participating securities, such participating securities are listed on TSX and meet the minimum public distribution requirements for original listing; or
  - (ii) if the securities are not convertible into participating securities, the listed issuer is exempt from Section 501.
- (d) The following documents must be filed with TSX within ninety (90) days of TSX's conditional acceptance of the supplemental listing (or within such later time as TSX may stipulate):
  - (i) a notarial or certified copy of the resolution of the board of directors of the listed issuer authoring the application to list the securities;
  - (ii) a notarial or certified copy of the Certificate of Amendment, or equivalent document, giving effect to the creation of the securities;
  - (iii) one commercial copy of the final prospectus, or other offering document, if applicable;
  - (iv) an opinion of counsel that the securities to be listed have been validly created in accordance with applicable law and that the securities are validly issued as fully paid and non-assessable;
  - (v) a definitive specimen of the security certificate;
  - (vi) a copy of the written notice from ~~The Canadian Depository for Securities Limited~~ CDS disclosing the CUSIP number assigned to the securities (see Section 341);
  - (vii) one completed copy of the Statement Showing Number of Shareholders form (Appendix D) or, in the case of a prospectus underwriting, a certificate from the underwriter confirming that the securities have been distributed to at least 300 public board lot holders (unless TSX waives this requirement); and
  - (viii) the supplemental listing fee (see ~~Part VIII~~ TSX Listing Fee Schedule).

**Sec. 626.**

- (c) The transaction must be approved by the security holders of the listed issuer's participating securities at a meeting prior to completion of the transaction. For this purpose, holders of Restricted Securities, as defined in Part I, must be entitled to vote with the holders of any class of securities of the listed issuer which otherwise carry greater voting rights, on a basis proportionate to their respective residual equity interests in the issuer.

~~TSX's~~ TSX's approval of a backdoor listing must be obtained before the transaction is submitted to security holders for approval. If this is impracticable, the information circular sent to security holders must include a statement that the proposed transaction is subject to the acceptance of TSX. ~~TSX will require the~~ The listed issuer to must file a draft of the information circular with TSX for review before the sending of the circular to the security holders.

**Sec. 628. General.**

- (b) For the purposes of Sections 628, 629, 629.1 and 629.2:
  - (i) a purchase shall be deemed to have taken place when the offer to buy or the offer to sell, as the case may be, is accepted;
  - (ii) in determining the beneficial ownership of securities of a security holder or of any person or company acting jointly or in concert with the security holder, at any given date, the security holder, person or company shall be deemed to have acquired and be the beneficial owner of a security if the security holder, person or company is the beneficial owner of any issued security on that date;
  - (iii) in calculating the number of securities acquired by the listed issuer, securities purchased by a person or company acting jointly or in concert with the listed issuer, as determined in accordance with Section 91 of the OSA, during the period of an outstanding normal course issuer bid will be included. In certain circumstances, TSX will not aggregate securities purchased by a person or a company acting jointly or in concert with a listed issuer. Refer to Staff Notice 2008-0001 for further information; and
  - (iv) the number of securities that may be acquired by a listed issuer shall be adjusted to account for stock splits, consolidations and stock dividends, or other similar events.

**Sec. 629. Special Rules Applicable to Normal Course Issuer Bids**

- (f) The listed issuer will issue a press release indicating its intention to make a normal course issuer bid, subject to TSX acceptance, prior to acceptance of the executed notice by TSX. The press release shall summarize the material aspects of the contents of the notice, including the number of securities ~~sought~~ the listed issuer intends to repurchase, the method of disposition of the securities, if applicable, the reason for the bid and details of any previous purchases in the preceding 12 month period, including the number of securities purchased and the volume weighted average price paid. If a press release has not already been issued, a draft press release must be provided to TSX and the listed issuer shall issue a press release as soon as the notice is accepted by TSX. A copy of the final press release shall be filed with TSX.
- (k) Within 10 days of the end of each month in which any purchases are made, whether the securities were purchased through the facilities of TSX or otherwise, the listed issuer shall report its purchases to TSX stating the number of securities purchased during its purchases that month, giving the volume weighted average price paid and stating whether the securities have been cancelled, reserved for issuance or otherwise dealt with. Nil reports are not required. The listed issuer may delegate the reporting requirement to the broker appointed to make its purchases; however, the listed issuer bears the responsibility of ensuring timely reports are made. TSX periodically publishes a list of securities purchased pursuant to normal course issuer bids.

This paragraph also applies to purchases by non-independent trustees and to purchases by any party acting jointly or in concert with the listed issuer. Purchases by non-independent trustees and other parties acting jointly or in concert with the listed issuer are excluded from TSX's periodic publication of securities purchased pursuant to normal course issuer bids.

- (l) TSX has set the following rules for listed issuers and brokers acting on their own behalf:
  1. **Price Limitations**—It is inappropriate for a listed issuer making a normal course issuer bid to abnormally influence the market price of its securities. Therefore, purchases made by listed issuers pursuant to a normal course issuer bid shall be made at a price which is not higher than the last independent trade of a board lot of the class of securities which is the subject of the normal course issuer bid. In particular, the following are not "independent trades":
    - (a) trades directly or indirectly for the account of (or an account under the direction of) an insider;
    - (b) trades for the account of (or an account under the direction of) the broker making purchases for the bid;
    - (c) trades solicited by the broker making purchases for the bid; and

- (d) trades directly or indirectly by the broker making purchases for the bid which are made in order to facilitate a subsequent block purchase by the issuer at a certain price.

Notwithstanding the foregoing, TSX will not consider that a trade has been made at a price that is higher than the last independent trade provided that:

- (i) The independent trade occurs no more than one second before the NCIB purchase creating the uptick;
- (ii) The independent trade is a down tick to the previous trade and the NCIB purchase would not have created an uptick to the trade prior to the last independent trade; and
- (iii) the price difference between the NCIB purchase and the independent trade is not more than \$0.02.

2. **Prearranged Trades**—It is important to investor confidence that all holders of identical securities be treated in a fair and even-handed manner by the listed issuer. Therefore, an intentional cross or pre-arranged trade, under a normal course issuer bid is not permitted, unless such trade is made in connection with the block purchase exception.
3. **Private Agreements**—It is in the interest of security holders that transactions pursuant to an issuer bid should be made in the open market. This philosophy is also reflected in the OSA, which provides very limited exemptions for private agreement purchases. Therefore, purchases must be made by means of open market transactions.
4. **Sales from Control**—Purchases pursuant to a normal course issuer bid shall not be made from a person or company effecting a sale from control block pursuant to Part 2 of National Instrument 45-102—Resale of Securities and Sections 630–633 of this Manual. It is the responsibility of the broker acting as agent for the listed issuer to ensure that it is not bidding in the market for the normal course issuer bid at the same time as a broker is offering the same class of securities of the listed issuer under a sale from control.
5. **Purchases During a Circular Bid**—A listed issuer shall not make any purchases of its securities pursuant to a normal course issuer bid during a circular bid for those securities. This restriction applies during the period from the first public announcement of the bid until the termination of the period during which securities may be deposited under such bid, including any extension thereof. This restriction does not apply to purchases made solely as a trustee pursuant to a pre-existing obligation under a pension, stock purchase, stock option, dividend reinvestment or other plan.
- In addition, if the listed issuer is making a securities exchange take-over bid, it shall not make any purchases of the security offered in the bid other than those permitted by OSC Rule 48-501 Trading During Distributions, Formal Bids and Share Exchange Transactions.
6. **Undisclosed Material Information**—A listed issuer shall not make any purchases of its securities pursuant to a normal course issuer bid while the listed issuer possesses any material information which has not been disseminated. Reference is made to the TSX Timely Disclosure Policy in this regard. This restriction does not apply to normal course issuer bids carried out pursuant to automatic securities purchase plans established by the listed issuer in accordance with applicable securities laws, particularly Section 175 of Regulation 1015 of the OSA. All such plans must be pre-cleared by TSX prior to implementation. Please see OSC Staff Notice 55-701—Automatic Securities Disposition Plans and Automatic Securities Purchase Plans, or any successor notice, policy or instrument, for additional guidance.
7. **Block Purchase Exception**—A listed issuer may make one block purchase per calendar week which exceeds the daily repurchase restriction contained in Subsection 628(a)(ix)(a), subject to maximum annual aggregate limits. Once the block purchase exception has been relied on, the listed issuer may not make any further purchases under the normal course issuer bid for the remainder of that calendar day.
8. **Purchases at the Opening and Closing**—A listed issuer shall not make any purchases of its securities pursuant to a normal course issuer bid at the opening of a trading session, or during the 30 minutes before the scheduled close of a trading session. However, notwithstanding Subsection

629(l)(1), purchases of securities pursuant to a normal course issuer bid may be effected through the market on close facility.

- (o) Listed issuers cancelling securities purchased through an NCIB must ensure that such securities are withdrawn from CDS and cancelled on the transfer agent's register in a timely manner once the NCIB purchase has been settled.

### Sec. 635. Filing and Listing Procedure

- (a) A draft of the proposed security holder rights plan (the "plan") or poison pill should be filed with TSX along with a covering letter requesting TSX accept the plan for filing. The letter must include the following:
- (i) a statement as to whether the listed issuer is aware of any specific take-over bid for the listed issuer that has been made or is contemplated, together with full details regarding any such bid;
  - (ii) a description of any unusual features of the plan; ~~and~~
  - (iii) a statement as to whether the plan treats any existing security holder differently from other security holders. The usual example of this is where, at the time of the plan's adoption a security holder (or group of related security holders) owns a percentage of securities that exceeds the triggering ownership threshold identified in the plan but such security holder is exempted from the operation of the plan; ~~and~~
  - (iv) if a plan has a triggering threshold of less than 20%, a thorough rationale and explanation with respect to why the plan has such a triggering threshold; and
  - (v) any other significant information relevant to the plan or the application that is not otherwise disclosed in the letter application, such as knowledge of upcoming proxy contests, acquisitions/dispositions of a block of securities above the triggering threshold, if the listed issuer does not intend to seek security holder approval or if security holder approval of the plan is unlikely.
- (b) If a listed issuer adopts a plan without pre-clearance from TSX, the listed issuer must:
- (i) publicly announce the adoption of its plan as subject to TSX acceptance; ~~and~~
  - (ii) as soon as possible after the adoption of the plan, file with TSX a copy of the plan along with the covering letter described in Subsection 635(a); ~~and~~
  - (iii) publicly announce TSX's decision to defer its review of, consent to or to deny consent of a plan as soon as possible after TSX has rendered such decision.

### Sec. 636. TSX Approach

- (a) If a plan is adopted at a time when the listed issuer is not aware of any specific take-over bid for the listed issuer that has been made or is contemplated, TSX will not generally refuse the plan for filing, provided that it is ratified by the security holders of the listed issuer at a meeting held within six months following the adoption of the poison pill. Pending such security holder ratification, the plan is allowed to be in effect so that its intent is not circumvented prior to the security holders meeting. If security holders do not ratify the plan by the required time, the plan must be immediately cancelled and any rights issued thereunder must be immediately redeemed or cancelled. TSX will also defer its review of, or decision to consent to, a plan if the listed issuer does not intend to seek security holder approval for the plan or if security holder approval of the plan is unlikely.
- (b) In cases where a particular security holder may be exempted from the operation of a plan even though the security holder's percentage holding exceeds the plan's triggering ownership threshold, TSX will normally require that the plan be ratified by a vote of security holders that excludes the votes of the exempted security holder and its insiders as well as by a vote that does not exclude such security holder. TSX will not exclude parties other than those specifically exempted from the operation of the plan.

### Sec. 637. Plan Amendment

No amendment of a plan that has been adopted by a listed issuer may be made without the prior written consent of TSX. In order to seek such consent, the listed issuer must file with TSX (i) a black-lined draft of the amended plan, (ii) a letter that

summarizes the proposed changes to the plan, and (iii) the requisite filing fee payable to TSX. If an amendment to a plan can reasonably be perceived to have been proposed as a response to a specific or contemplated take-over bid, TSX will treat the amended plan as a new plan in accordance with Subsection 636(c).

**Sec. 704.**

Trading may also be halted due to failure by the listed issuer to comply with requirements of TSX. In some cases, such as under Section 708, a halt may be changed to a suspension or delisting.

**Sec. 707.**

**Expedited Review Process**

- (b) A listed issuer that has been notified that it is under delisting review:
  - (i) because of the applicability of any of the delisting criteria in Section 708, paragraph (a) of Section 710 or Sections 713 to 716 inclusive; or
  - (ii) because the listed issuer has failed to meet original listing requirements by the deadline set by TSX in connection with any of the events described in Section 717; or
  - (iii) because TSX believes that the expedited suspension from trading and delisting of the listed issuer's securities is warranted;

will be provided an opportunity to be heard, on an expedited basis, generally within 48 hours of notification, where the listed issuer may present submissions as to why its securities should not continue to be suspended or be suspended from trading immediately and delisted. If the listed issuer cannot satisfy TSX that a continued or an immediate suspension is unwarranted, TSX will determine to suspend or continue to suspend the listed issuer's securities from trading as soon as practicable after such hearing and the listed issuer's securities will be delisted on the 30th calendar day after the suspension date. During the period between the suspension date and delisting date, the listed issuer remains subject to all TSX requirements, including compliance with the provisions of Sections 501 and 602, regardless of whether the listed issuer had been exempted from the requirements of Section 501 prior to suspension.

**Sec. 708.**

At such time as TSX is advised or becomes aware that a listed issuer (or any of its significant subsidiaries), has become insolvent or bankrupt or has made an assignment for the benefit of creditors; or a trustee, receiver, liquidator or monitor has been appointed for the listed issuer or for a substantial part of its assets; or bankruptcy, reorganization, creditor arrangement or protection, insolvency, liquidation, winding up or similar proceedings are instituted by or against the listed issuer under the laws of any jurisdiction, the securities of the listed issuer may, at the discretion of TSX, in accordance with Section 704, be immediately halted from trading on TSX. ~~TSX will ordinarily halt trading, or prevent the lifting of a trading halt, of the listed issuer's securities in order to allow material information to be publicly disseminated or when inadequate information in respect of the listed issuer is available to the market, or when adequate information in respect of the listed issuer is not available to the market.~~

~~During the trading halt, or as soon as practicable after the trading halt is lifted, TSX shall notify the listed issuer that it is under delisting review and is subject to the Expedited Review Process (see Section 707).~~

**Sec. 717.**

Where a listed issuer substantially discontinues its business (for example, through the sale of all or substantially all of its assets in one or more transactions) or materially changes the nature of its business (for example, through the acquisition of an interest in another business which represents the majority of the market value of the listed issuer's assets or when its board of directors approves the transaction which becomes the principal operating enterprise of the listed issuer), the listed issuer shall notify TSX following approval of the transaction by its board of directors. TSX will normally require that the listed issuer meet original listing requirements. Failure of the listed issuer to meet these applicable original listing requirements may result in the delisting of its securities.



Form: 12 | Issuer Name:

Stock Symbol:

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**1. Securities Sought – State the following:**

- (a) Class(es) of securities subject to the NCIB: \_\_\_\_\_
- (b) Total number of securities: \_\_\_\_\_
  - (i) issued and outstanding: (as of \_\_\_\_): \_\_\_\_\_
  - (ii) if applicable, in the total public float: (as of \_\_\_\_): \_\_\_\_\_
- (c) Percentage of securities that may be purchased under the NCIB:
  - (i) % of issued and outstanding (maximum 5%): \_\_\_\_\_
  - (ii) % of the public float, as the case may be (maximum 10%): \_\_\_\_\_
- (d) Maximum number of securities that may be acquired under the NCIB: \_\_\_\_\_
- (e) Number of securities the issuer actually intends to acquire under the NCIB (i.e., not necessarily the maximum): \_\_\_\_\_
- (f) Is the issuer an investment fund: \_\_\_\_\_
  - (i) If the answer is NO, the average daily trading volume for six months prior to date hereof: \_\_\_\_\_
- (g) Does the issuer have a class of restricted securities: \_\_\_\_\_

If the answer is YES:

  - (i) describe the voting rights of all equity securities: \_\_\_\_\_
  - (ii) if the issuer does not propose to make the same NCIB for all classes of voting and equity securities, the reasons for so limiting the NCIB: \_\_\_\_\_
- (h) Whether the securities are going to be cancelled. If such securities are not cancelled, state how such securities will be dealt with: \_\_\_\_\_

**2. Duration – State the dates on which the NCIB will commence and terminate. The NCIB may not extend for a period of more than one year from the date on which purchases may commence.— (i.e., May 1, 2004 to April 30, 2005): \_\_\_\_\_**

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**3. Method of Acquisition – State the following:**

- (a) whether purchases will be effected through the facilities of TSX and identify any other exchanges or market places on which purchases will be made: \_\_\_\_\_
  - (b) whether purchase and payment for the securities will be made by the issuer in accordance with the requirements of TSX: \_\_\_\_\_
-

(c) whether the price that the issuer will pay for any securities acquired by it will be the market price of the securities at the time of acquisition: \_\_\_\_\_  
\_\_\_\_\_

(d) whether purchases (other than by way of exempt offer) will be made other than by means of open market transactions during the period the NCIB is outstanding: \_\_\_\_\_  
\_\_\_\_\_

4. **Consideration Offered** – State whether there are any restrictions on the price the offeror is prepared to pay and any other restrictions relating to the NCIB, such as specific funds available, method of purchasing, etc.: \_\_\_\_\_  
\_\_\_\_\_

5. **Reasons for the NCIB** – State the purpose or business reasons for the NCIB: \_\_\_\_\_  
\_\_\_\_\_

6. **Valuation** – State whether there has been any appraisal or valuation of the issuer to the best knowledge of the directors or officers of the issuer, after reasonable enquiry, regarding the issuer, its material assets or securities prepared within the two years preceding the date of the notice, together with a statement of a reasonable time and place at which such appraisal or valuation, or a copy thereof, may be inspected. For this purpose, the phrase appraisal or valuation means both an independent appraisal or valuation and a material non-independent appraisal or valuation. If there has been such an appraisal or valuation, include a summary of such appraisal or valuation: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

7. **Previous Purchases** – Where the issuer has purchased securities under a NCIB within the past 12 months, state the following:

Method of acquisition: \_\_\_\_\_  
\_\_\_\_\_

The number of securities purchased: \_\_\_\_\_

the weighted average price paid per security: \_\_\_\_\_

8. **Persons Acting Jointly or In Concert with the Issuer** – Disclose the identity of any party acting jointly or in concert with the issuer: \_\_\_\_\_  
\_\_\_\_\_

9. **Acceptance by Insiders, Affiliates and Associates** –

(a) name of every director or senior officer of the issuer who intends to sell securities of the issuer during the course of the NCIB: \_\_\_\_\_  
\_\_\_\_\_

(b) where their intention is known after reasonable enquiry, the name of every associate of a director or senior officer of the issuer, person acting jointly or in concert with the issuer, or person holding 10% or more of any class of equity securities of the issuer, who intends to sell securities: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

10. **Benefits from the NCIB** – State direct or indirect benefits to any of the persons or companies named in item 9 of selling or not selling securities of the issuer during the course of the NCIB. An answer to this item is not required where the benefits to such person or company of selling or not selling securities are the same as the benefits to any other securityholder who sells or does not sell: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_
11. **Material Changes in the Affairs of the Issuer** – Disclose any previously undisclosed material changes or plans or proposals for material changes in the affairs of the issuer: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_
12. **Participating Organization Information** –
- (a) Name of brokerage firm: \_\_\_\_\_
  - (b) Name of registered representative: \_\_\_\_\_
  - (c) Address of brokerage firm: \_\_\_\_\_
  - (d) Fax number: \_\_\_\_\_
  - (e) Telephone number: \_\_\_\_\_
13. Disclose any significant information regarding the NCIB not disclosed above, including any details regarding the use of put options or forward purchase contracts in conjunction with the NCIB: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_
14. **Certificate** – The undersigned, a director or senior officer of the issuer duly authorized by the issuer’s board of directors, certifies that this notice is complete and accurate and in compliance with Section 629 and 629.1 of the TSX Company Manual. This notice contains no untrue statement of a material fact and does not omit to state a material fact that is required to be stated or that is necessary to make a statement not misleading in the light of the circumstances in which it is made.

\_\_\_\_\_  
NAME

\_\_\_\_\_  
TITLE

\_\_\_\_\_  
DATE

## Appendix B

## Summary of Amendments

Section	Amendment	Rationale
Part I-Interpretation	Add definition for CDS.  Update definition of "insider" to incorporate Staff Notice 2008-0001 in relation to the definition of insider for the purposes of security based compensation.	Simplify Manual.  Incorporate recent amendments to National Instrument 55-104 – Insider Reporting Requirements and Exemptions and ease use of Manual by incorporating staff notices into the Manual where possible.
Subsections 309(c)(ii) and (d)(ii)	TSX will require that projections include actual results for the most recently completed quarter.	To provide transparency and ensure consistent application of requirements.
Section 309.1	Minor drafting.	Clarification of drafting.
Section 314(a) and (b)	Moving the requirements for industrial minerals from 314(b) to 314(a). Adding requirement that projections for producing mining companies in 314(a) include actual results for the most recently completed quarter.	To improve visibility of the requirements for industrial minerals and to provide transparency.
Section 319(c)	TSX will require that projections include actual results for the most recently completed quarter.	To provide transparency and ensure consistent application of requirements.
Section 319.1	Minor drafting.	Clarification of drafting.
Section 428	Incorporate Staff Notices 2005-0004 and 2008-0006 regarding distributions into the Manual.	Ease use of Manual by incorporating staff notices into the Manual where possible, to have related rules together.
Section 501(c)	Clarify drafting and add guidance regarding the application of the section by TSX.	Codifying existing practice to improve transparency.
Section 602(g)	Codify practice of requiring a transaction be subject to review by another exchange before granting interlisted issuer exemption.  Adding guidance regarding the determination of trading value and volume for eligibility under this exemption.	Codifying existing practice to improve transparency.  As a result of the proliferation of trading venues, particularly in the US, TSX will consider aggregating trading value and volume occurring on multiple trading venues in the same jurisdiction as the other exchange in determining eligibility for this exemption.
Section 604(d)	Codify practice of submission and pre-clearance of management information circular or form of written consent for required security holder approval.	Codifying existing practice to provide transparency.
Section 604(e)	Clarifying drafting and importing and cross referencing guidance from Staff Notice 2009-0003.	Clarify drafting to provide transparency and import Staff Notice reference to ease use of the Manual.
Section 607(e)	Importing and cross referencing Staff Notices 2005-0003, 2006-0003 and 2009-0006.	Import Staff Notice references to ease use of the Manual.

Section	Amendment	Rationale
Section 607(f)(i), (ii) and (v)	Clarifying time periods for obtaining security holder approval and when extensions to the deadline to close a private placement may be granted.  Codifying practice of aggregating successive private placements over the preceding three months.	Clarification of drafting to provide certainty.  Codifying existing practice to provide transparency.
Section 607(h)	New subsection being added to import guidance from Staff Notice 2005-0002.	Import Staff Notice to ease use of the Manual.
Section 608(b)	Codify practice that amendments to in-the-money warrants also require security holder approval. Clarify drafting.	Codifying existing practices to provide transparency.
Section 609 (a), (c), (d) and (f)	Clarify drafting. Incorporate reference to Staff Notice 2009-0006. Clarify permitted amendments to listed warrants.	Codifying existing practices to provide transparency. Import Staff Notice to ease use of the Manual.
Section 611(h)	New Subsection being added to incorporate Staff Notice 2005-0002 regarding listing additional securities.	Import Staff Notices to simplify and ease use of the Manual.
Section 613(a)	Incorporating Staff Notice 2006-0002 regarding security holder approval.	Import Staff Notices to simplify and ease use of the Manual.
Section 613(h)	Incorporating Staff Notice 2004-0002 regarding acceptable market price.	Import Staff Notice to simplify and ease use of the Manual.
Section 613(i)	Incorporating Staff Notices 2005-0001 and 2006-0004 regarding option cancellation and re-granting.	Import Staff Notices to simplify and ease use of the Manual.
Section 613(l), (m), (n) and (o)	Clarify drafting. New subsections being added to import guidance from Staff Notices 2006-0001 and 2006-0005 regarding blackout periods and backdating of stock options. Clarifying current practice regarding mergers and acquisitions.	Improve drafting. Import Staff Notices to ease use of the Manual and codify existing practices.
Section 614 (c)	New subsection (ii) added to codify existing practices and incorporate Staff Notice 2006-0004 regarding backstops of rights offerings. Clarifying that backstop fees payable in securities to non-arm's length parties will be considered security based compensation and require security holder approval.	Import Staff Notices to ease use of the Manual and codify existing practices.
Section 614(e)	Amending fee reference.	Part VIII of the Manual no longer contains fees.
Section 617	Amending fee reference.	Part VIII of the Manual no longer contains fees.
Section 619	Technical drafting amendments, including amending fee reference.	Improving drafting. Part VIII of the Manual no longer contains fees.
Section 621	Technical drafting amendments, including amending fee reference.	Improving drafting. Part VIII of the Manual no longer contains fees.
Section 622(a)	Technical drafting improvements, including amending fee reference.	Improving drafting. Part VIII of the Manual no longer contains fees.

Section	Amendment	Rationale
Section 623(c)	Clarifying drafting to include debt listings.	Clarifying drafting to provide transparency.
Section 623(d)	Technical drafting amendments, including amending fee reference.	Improving drafting. Part VIII of the Manual no longer contains fees.
Section 626(c)	Technical drafting improvements.	Improving drafting.
Section 628(b)(iii)	Incorporating Staff Notice 2008-0001 regarding acceptable market price.	In certain circumstances, TSX will provide aggregation relief for NCIBs as described in Staff Notice 2008-0001. Import Staff Notice to ease use of Manual.
Section 629(f)	Technical drafting improvements.	Improving drafting.
Section 629(k)	Technical drafting improvements.	Improving drafting.
Section 629(l)	Incorporating Staff Notice 2009-0006 regarding upticks.	Due to the continually increasing speed of order entry and trade execution, compliance with the Uptick Prohibition has become increasingly difficult. We have therefore added information regarding trades that will not be considered in violation of the Uptick Prohibition, subject to certain conditions.
Section 629(o)	Incorporating Staff Notice 2009-0002 regarding cancellation of securities purchased under an NCIB.	Securities purchased under an NCIB should be withdrawn from CDS and cancelled by the transfer agent in a timely manner in order to prevent reconciliation issues between CDS and the issuer's transfer agent.
Section 635(a)	Incorporating Staff Notice 2008-0006 regarding triggering thresholds of less than 20% and filing information requirements.	Securityholder rights plans are generally expected to have triggering thresholds of 20%, consistent with take over bid legislation. The adoption of plans with lower triggering thresholds will require a thorough rationale and explanation for consideration by TSX. Clarifying information to be filed with applications.
Section 635(b)	Incorporating Staff Notice 2006-0002 regarding the announcement of security holder rights plans.	Issuers are required to publicly announce TSX's decision with respect to a security holder rights plan.
Section 636(a)	Incorporating Staff Notice 2008-0006 regarding security holder approval of rights plans and TSX approval.	If issuers do not intend to seek security holder approval of a rights plan, or if approval is unlikely, TSX will defer its review and approval of the plan.

Section	Amendment	Rationale
Section 636(b) and Section 637	Incorporating Staff Notice 2009-0002 regarding amendments to security holder rights plans.	TSX will treat amendments to security holder rights plans that can be reasonably perceived to be proposed in response to a specific or contemplated take-over bid as a new plan and security holder approval will be required.
Section 704	Minor drafting.	Clarification of drafting.
Section 707(b)	Incorporating Staff Notice 2006-0004 regarding procedures under the expedited review process.	Import Staff Notices to ease use of the Manual and codify existing practices.
Section 708	Codifying existing practice with respect to insolvent or bankrupt listed issuers. Incorporating Staff Notice 2009-0005 with respect to amendments to bankruptcy and insolvency legislation.	TSX typically halts the trading of securities of listed issuers who are insolvent or bankrupt as such securities are inappropriate for trading on TSX. Such halts are typically converted into suspensions in accordance with Section 704.
Section 717	Clarifying timing of notice to TSX of a material change of business.	Clarify drafting to provide transparency.
Form 12-NCIB	Clarify that 1(e) should not merely restate maximum.	TSX considers it promotional and potentially misleading to overstate intended repurchases under an NCIB. Overstatements may result in TSX reviewing and potentially reducing future NCIBs based on historic repurchase numbers.