

**RECOGNITION OF  
ALPHA TRADING SYSTEMS LIMITED PARTNERSHIP AND ALPHA EXCHANGE INC.  
AS AN EXCHANGE**

**NOTICE OF APPROVAL**

The Commission has approved the recognition of each of Alpha Trading Systems Limited Partnership (Alpha LP) and Alpha Exchange Inc. (Alpha Exchange) as an exchange. The recognition of Alpha LP and Alpha Exchange is effective as at the later of: (a) February 1, 2012; or (b) the date the operations of Alpha ATS Limited Partnership have been legally transferred to Alpha Exchange. Commission staff will publish a notice confirming the effective date.

The recognition order sets out the terms and conditions of recognition and includes the review process to be followed for the rules, policies and other similar instruments of Alpha Exchange (Rules). The order is attached at Appendix A.

Pursuant to various terms and conditions of recognition, the Commission has also approved the following:

- The Rules of Alpha Exchange, those being Alpha Exchange's Trading Policies, Member Agreement, Market Maker Agreements, the Alpha Main Listing Handbook and related Forms, and the Alpha Venture Plus Listing Handbook and related Forms;
- The interests in Alpha LP and Alpha Trading Systems Inc. (Alpha GP) in excess of a 10% threshold held by each of CIBC World Markets Inc. (20.404%), TD Securities Inc. (19.233%), RBC Dominion Securities Inc. (13.787%), and National Bank Financial Inc. (11.977%);<sup>1</sup>
- Alpha Exchange's independence standards, which is part of the *Independence Standards, Code of Conduct and Conflicts Policy* applicable to the board of Alpha Exchange;<sup>2</sup> and
- the regulation services to be performed by IIROC for Alpha Exchange.

*Previous publication of application*

The application for recognition was published for comment on April 15, 2011 (the April Notice).<sup>3</sup> Alpha Group subsequently proposed substantive revisions to the market maker program contemplated for Alpha Exchange, and published its revised program for comment on September 9, 2011 (the September Notice).<sup>4</sup> Five comment letters were received for the April Notice, and three were received for the September Notice. Summaries of the comments and responses prepared by

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<sup>1</sup> Any further increase in the ownership interest held by any one of these entities will require prior Commission approval.

<sup>2</sup> The *Independence Standards, Code of Conduct and Conflicts Policy* is to be made publicly available on the website of Alpha Exchange.

<sup>3</sup> The April Notice was published in the OSC Bulletin at (2011) 34 OSCB 4555. On May 13, 2011, a comparison chart pertaining to listing requirements that was published as part of the April 15, 2011 Notice was republished with amendments to take into account some changes to the TSX Venture Exchange listing requirements not reflected in the chart. The revised chart was published in the OSC Bulletin at (2011) 34 OSCB 5645.

<sup>4</sup> The September Notice was published in the OSC Bulletin at (2011) 34 OSCB 9427.

Alpha Group for each of the April Notice and September Notice are attached at Appendix B and Appendix C, respectively.

There have been a number of changes to the Rules since they were published in the April Notice, and republished to a certain extent in the September Notice, to address the comments of the public and Commission staff. Alpha Group has prepared a summary of the significant changes made to the Rules, which is attached at Appendix D. The Rules of Alpha Exchange that have been approved by the Commission are also attached at Appendices E through M.

*Other matters which may impact the oversight of recognized exchanges*

The Commission has received an application from Maple Group Acquisition Corporation (Maple) for recognition as an exchange in connection with its proposed acquisition of TMX Group Inc. A notice was published for comment which raises a number of questions regarding the governance structure and mechanisms to address conflicts of interest that would be appropriate in the context of the Maple application.<sup>5</sup> The outcome of the Commission's review of the policy issues associated with the Maple application may have implications with respect to the continued appropriateness of the governance structures and conflicts of interest mechanisms in place for other exchanges recognized in Ontario, including Alpha LP and Alpha Exchange.

In addition, the Commission continues with its Emerging Markets Issuer Review (EMIR). The outcome of this review may have implications for listed issuer regulation, generally, which includes the listing standards and requirements of recognized exchanges in Ontario.

Notwithstanding that there are currently issues under consideration that may affect the Commission's views and expectations of Alpha LP, Alpha Exchange and other recognized exchanges in Ontario, the Commission has determined that it is not contrary to the public interest to recognize each of Alpha LP and Alpha Exchange as an exchange at this time. The recognition of Alpha LP and Alpha Exchange and the terms and conditions attached to that recognition are not intended to establish precedent with respect to the Maple application.

Pending the outcome of the policy issues being considered in the context of the Maple application and EMIR, the Commission may determine that changes are required to the terms and conditions of recognition for Alpha LP and Alpha Exchange, which includes the terms and conditions pertaining to governance structure and conflicts of interest, and to its listing standards and requirements.

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<sup>5</sup> The Maple application was published in the OSC Bulletin on October 7, 2011 at (2011) 34 OSCB 10439.

# **Appendix A**

## **Recognition Order**

**IN THE MATTER OF**  
**THE SECURITIES ACT, R.S.O. 1990,**  
**CHAPTER S.5, AS AMENDED (Act)**  
**AND**  
**IN THE MATTER OF**  
**ALPHA TRADING SYTEMS LIMITED PARTNERSHIP,**  
**ALPHA TRADING SYSTEMS INC.,**  
**ALPHA SERVICES INC.**  
**AND ALPHA EXCHANGE INC.**  
**RECOGNITION ORDER**  
**(Section 21 of the Act)**

**WHEREAS** Alpha Trading Systems Limited Partnership (Alpha LP), Alpha Trading Systems Inc. (Alpha GP), Alpha Services Inc. (Alpha Services) and Alpha Exchange Inc. (Alpha Exchange) (collectively, the Applicants) have filed an application dated April 4, 2011, and amended as at November 18, 2011 to include Alpha Services as an applicant, with the Ontario Securities Commission (Commission) requesting recognition of each of Alpha LP and Alpha Exchange as an exchange pursuant to section 21 of the Act (Application);

**AND WHEREAS** Alpha Exchange intends to operate two separate and distinct listing markets referred to as “Alpha Main” and “Alpha Venture Plus”;

**AND WHEREAS** the Commission has received certain representations from the Applicants in connection with the Application;

**AND WHEREAS** the Applicants represent that Alpha LP and Alpha Exchange satisfy the criteria for recognition as an exchange set out in Schedule 1 to this order;

**AND WHEREAS** based on the Application and the representations that the Applicants have made to the Commission, the Commission has determined that Alpha LP and Alpha Exchange satisfy the criteria set out in Schedule 1 and that the granting of recognition of Alpha LP and Alpha Exchange as exchanges, subject to the terms and conditions set out in Schedule 2, would be in the public interest;

**AND WHEREAS** the exemptive relief granted to Alpha ATS LP by order of the Commission dated October 16, 2008 exempting Alpha ATS LP from the requirement to be recognized as an

exchange (Exemption Order) will no longer be applicable as at the effective date of the recognition of each of Alpha LP and Alpha Exchange as an exchange, given that certain terms and conditions of the Exemption Order will no longer be met;

**THE COMMISSION** recognizes each of Alpha LP and Alpha Exchange as an exchange pursuant to section 21 of the Act, effective the later of: (a) February 1, 2012; or (b) the date the operations of Alpha ATS Limited Partnership have been legally transferred to Alpha Exchange, and subject to the terms and conditions attached at Schedule 2.

Dated December 8, 2011, and effective as at the later of: (a) February 1, 2012; or (b) the date the operations of Alpha ATS Limited Partnership have been legally transferred to Alpha Exchange.

“Howard Wetston”

“James D. Carnwath”

**SCHEDULE 1**  
**CRITERIA FOR RECOGNITION**

**PART 1      COMPLIANCE WITH NI 21-101 AND NI 23-101**

**1.1      Compliance with NI 21-101 and NI 23-101**

The exchange complies with the requirements set out in National Instrument 21-101 *Marketplace Operation* and in National Instrument 23-101 *Trading Rules*, each as amended from time to time, including, but not limited to, the requirements relating to:

- (a) Access Requirements;
- (b) Public Interest Rules;
- (c) Compliance Rules;
- (d) Information Transparency;
- (e) Trading Fees for Marketplaces;
- (f) Record Keeping Requirements for Marketplaces; and
- (g) Capacity, Integrity and Security of Marketplace Systems.

**PART 2      GOVERNANCE**

**2.1      Governance**

The governance structure and governance arrangements of the exchange ensure:

- (a) effective oversight of the exchange;
- (b) that business and regulatory decisions are in keeping with the exchange's public interest mandate;
- (c) fair, meaningful and diverse representation on the governing body (Board) and any committees of the Board, including:
  - (i) appropriate representation of independent directors, and
  - (ii) a proper balance among the interests of the different persons or companies using the services and facilities of the exchange;
- (d) the exchange has policies and procedures to appropriately identify and manage conflicts of interest, and

- (e) there are appropriate qualifications, remuneration, limitation of liability and indemnity provisions for directors, officers and employees of the exchange.

## **2.2 Fitness**

The exchange has policies and procedures under which it will take reasonable steps, and has taken such reasonable steps, to ensure that each director and officer is a fit and proper person.

## **PART 3 ACCESS**

### **3.1 Fair Access**

- (a) The exchange has established appropriate written standards for access to its services including requirements to ensure participants are appropriately registered under Ontario securities laws, or exempted from these requirements.
- (b) The access standards and the process for obtaining, limiting and denying access are fair, transparent and applied reasonably.

## **PART 4 REGULATION OF PARTICIPANTS AND ISSUERS ON THE EXCHANGE**

### **4.1 Regulation**

The exchange has the authority, resources, capabilities, systems and processes to allow it to perform its regulation functions, whether directly or indirectly through a regulation services provider, including setting requirements governing the conduct of participants and issuers, monitoring their conduct, and appropriately disciplining them for violations of exchange requirements.

## **PART 5 RULES AND RULEMAKING**

### **5.1 Rules and Rulemaking**

- (a) The exchange has rules, policies, and other similar instruments (Rules) that are designed to appropriately govern and regulate the operations and activities of participants and issuers.
- (b) In addition to meeting the requirements of NI 21-101 relating to Public Interest Rules and Compliance Rules as referred to in paragraphs 1.1(b) and (c), respectively, the Rules are also designed to
  - (i) ensure a fair and orderly market; and
  - (ii) provide a framework for disciplinary and enforcement actions.

## **PART 6 DUE PROCESS**

### **6.1 Due Process**

For any decision made by the exchange that affects a participant or issuer, or an applicant to be a participant or issuer, including a decision in relation to access, listing, exemptions, or discipline, the exchange ensures that:

- (a) parties are given an opportunity to be heard or make representations, and
- (b) it keeps a record of, gives reasons for and provides for appeals or reviews of its decisions.

## **PART 7 CLEARING AND SETTLEMENT**

### **7.1 Clearing and Settlement**

The exchange has appropriate arrangements for the clearing and settlement of trades.

## **PART 8 SYSTEMS AND TECHNOLOGY**

### **8.1 Information Technology Risk Management Procedures**

The exchange has appropriate risk management procedures in place including those that handle trading errors, trading halts and circuit breakers.

## **PART 9 FINANCIAL VIABILITY**

### **9.1 Financial Viability**

The exchange has sufficient financial resources for the proper performance of its functions and to meet its responsibilities.

## **PART 10 FEES**

### **10.1 Fees**

- (a) All fees imposed by the exchange are equitably allocated and are consistent with the Access Requirements referred to in paragraph 1.1(a) and the Trading Fees for Marketplaces requirements referred to in paragraph 1.1(e).
- (b) The process for setting fees is fair and appropriate, and the fee model is transparent.



## **PART 11      OUTSOURCING**

### **11.1    Outsourcing**

Where the exchange has outsourced any of its key functions, it has appropriate and formal arrangements and processes in place that permit it to meet its obligations and that are in accordance with industry best practices.

## **PART 12      INFORMATION SHARING AND REGULATORY COOPERATION**

### **12.1    Information Sharing and Regulatory Cooperation**

The exchange has mechanisms in place to enable it to share information and otherwise cooperate with the Commission and its staff, recognized self-regulatory organizations, other recognized exchanges, investor protection funds, and other appropriate regulatory bodies.

**SCHEDULE 2**  
**TERMS AND CONDITIONS**

**PART I - DEFINITIONS**

**1. Definitions**

For the purposes of this Schedule:

“affiliated entity” has the meaning ascribed to it in section 1.3 of National Instrument 21-101 *Marketplace Operation*;

“accounting principles” means accounting principles as defined in National Instrument 52-107 *Acceptable Accounting Principles and Auditing Standards*;

“audited consolidated financial statements” means financial statements that

- (a) are prepared in accordance with Canadian GAAP applicable to publicly accountable enterprises, including that they adhere to the standards specified for consolidated financial statements in International Accounting Standard 27 *Consolidated and Separate Financial Statements*,
- (b) include notes to the financial statements that identify the accounting principles used to prepare the financial statements, and
- (c) are audited in accordance with Canadian GAAS and are accompanied by an auditor’s report;

“criteria for recognition” means all of the criteria for recognition set out in Schedule 1;

“IIROC” means the Investment Industry Regulatory Organization of Canada;

“Alpha Issuer” means a person or company whose securities are listed on either of the two listing markets of Alpha Exchange, referred to as “Alpha Main” and “Alpha Venture Plus”;

“Alpha Member” means a person or company that has been granted direct trading access rights by Alpha Exchange and is subject to regulatory oversight by Alpha Exchange, and the person or company’s representatives;

“Rule” means a rule, policy, or other similar instrument of Alpha Exchange;

“subsidiary entity” has the meaning ascribed to it in section 1.3 of National Instrument 21-101 *Marketplace Operation*;

“unaudited consolidated financial statements” means financial statements that are prepared in the same manner as audited consolidated financial statements, except that they are not audited; and

“unaudited non-consolidated financial statements” means financial statements that are prepared in the same manner as audited consolidated financial statements, except that

- (a) they are not audited; and
- (b) investments in subsidiary entities, jointly controlled entities and associates are accounted for as specified for separate financial statements in International Accounting Standard 27 *Consolidated and Separate Financial Statements*.

## **PART II – ALPHA LP AND ALPHA GP**

### **2. CRITERIA FOR RECOGNITION**

Alpha LP must continue to meet the criteria for recognition.

### **3. OWNERSHIP AND CONTROL OF ALPHA LP, ALPHA GP AND ALPHA EXCHANGE**

(a) For the purposes of paragraphs (b) and (c), a limited partner in Alpha LP shall not be considered to be acting jointly or in concert solely by reason of:

- (i) being a limited partner in Alpha LP.
- (ii) entering into an agreement, or being party to an understanding, the parties to which comprise all partners or limited partners in Alpha LP, or
- (iii) any combination of circumstances referred to in subparagraphs (i) and (ii).

(b) Alpha LP must obtain the Commission’s approval before any person or company, or any combination of persons or companies acting jointly or in concert, can

- (i) hold an interest in the income or capital of Alpha LP of more than 10%, or
- (ii) beneficially own, or exercise control or direction over, more than 10% of any class or series of voting shares of Alpha Exchange.

(c) Alpha GP must obtain the Commission’s approval before any person or company, or any combination of persons or companies acting jointly or in concert, can

- (i) beneficially own, or exercise control or direction over, more than 10% of any class or series of voting shares of Alpha GP, or
- (ii) exercise control or direction over the right to nominate or elect more than 10% of the directors of the board of Alpha GP.

### **4. FITNESS**

(a) Alpha LP must take reasonable steps to ensure that Alpha GP, and each limited partner of Alpha LP that holds more than a 10% interest in the income or capital of Alpha LP, is a fit and

proper person. As part of those steps, Alpha LP must consider whether the past conduct of Alpha GP and each such limited partner affords reasonable grounds for belief that the business of Alpha LP and Alpha Exchange will be conducted with integrity and that the business of Alpha Exchange will be conducted in a manner that is consistent with the public interest.

(b) Alpha GP must take reasonable steps to ensure that each person or company, or any combination of persons or companies acting jointly or in concert, that owns or can exercise control or direction over more than 10% of any class or series of voting shares of Alpha GP, and each director and officer of Alpha GP, is a fit and proper person. As part of those steps, Alpha GP must consider whether the past conduct of each such person, company, director and officer affords reasonable grounds for belief that the business of Alpha LP and Alpha Exchange will be conducted with integrity and that the business of Alpha Exchange will be conducted in a manner that is consistent with the public interest.

## **5. CONFLICTS OF INTEREST AND CONFIDENTIALITY**

(a) Alpha LP and Alpha GP must establish, maintain, and ensure compliance with policies and procedures that:

- (i) identify and manage any conflicts of interest arising from their interest in Alpha Exchange, and from the involvement of any partner, director, officer or employee of a limited partner of Alpha LP in the management or oversight of the exchange operations or regulation functions of Alpha Exchange and the services it provides; and
- (ii) require that information regarding exchange operations or regulation functions, or regarding an Alpha Member or Alpha Issuer, that is obtained by a partner, director, officer or employee of a limited partner of Alpha LP through their involvement in the management or oversight of exchange operations or regulation functions:
  - (A) be kept separate and confidential from the business or other operations of the limited partner of Alpha LP, except with respect to information regarding exchange operations where disclosure is necessary to carry out the individual's responsibilities for the management or oversight of exchange operations and the individual can and does exercise due care in its disclosure of the information, and
  - (B) not be used to provide an advantage to the limited partner of Alpha LP or to any of the limited partner's affiliated entities.

(b) Alpha LP and Alpha GP must regularly review compliance with the policies and procedures established in accordance with paragraph (a), and must document each review of compliance.

(c) The policies established in accordance with paragraph (a) must be made publicly available on the website of Alpha Exchange.

## **6. ALLOCATION OF RESOURCES**

(a) Alpha LP must, for so long as Alpha Exchange carries on business as an exchange, allocate sufficient financial and other resources to Alpha Exchange to ensure that Alpha Exchange can carry out its functions in a manner that is consistent with the public interest, and in compliance with Ontario securities law.

(b) Alpha LP must notify Commission staff immediately upon becoming aware that it is or will be unable to allocate sufficient financial and other resources, as required under paragraph (a), to Alpha Exchange.

## **7. FINANCIAL REPORTING**

(a) Within 90 days of its financial year end, Alpha LP must deliver to Commission staff audited consolidated financial statements for its latest financial year.

(b) Within 60 days of each quarter end, Alpha LP must deliver to Commission staff unaudited consolidated financial statements for its latest financial quarter.

## **8. COMPLIANCE**

(a) Alpha LP must do everything within its control to cause Alpha Exchange to carry out its activities as an exchange recognized under section 21 of the Act and in compliance with Ontario securities law.

(b) Alpha GP must do everything within its control to cause Alpha Exchange to carry out its activities as an exchange recognized under section 21 of the Act and in compliance with Ontario securities law, and to ensure that Alpha LP meets the terms and conditions of recognition applicable to it under this Part II.

## **9. ACCESS TO INFORMATION**

Each of Alpha LP and Alpha GP must and must cause its subsidiary entities to permit the Commission and its staff to have access to and inspect all data and information in its or their possession that is required for the assessment by the Commission of the compliance of Alpha LP, Alpha GP, Alpha Exchange and Alpha Services with Ontario securities law, and the performance of Alpha Exchange of its exchange operations and regulation functions.

## **PART III – ALPHA SERVICES**

### **10. COMPLIANCE**

(a) Alpha Services must do everything within its control to ensure that any and all exchange operations it performs for or on behalf of Alpha Exchange, whether carried out under the terms of an outsourcing agreement or otherwise, are conducted in a manner that is consistent with the public interest and in compliance with the terms and conditions of this Part III, and to also cause

Alpha Exchange to carry out its activities as an exchange recognized under section 21 of the Act and in compliance with Ontario securities law.

(b) For any and all exchange operations performed by Alpha Services for or on behalf of Alpha Exchange, whether carried out under the terms of an outsourcing agreement or otherwise, Alpha Services must comply with any requirements applicable to a recognized exchange set out in National Instrument 21-101 *Marketplace Operation* and National Instrument 23-101 *Trading Rules*, each as amended from time to time, and any of the criteria for recognition, relating to:

- (i) Access Requirements;
- (ii) Restrictions on Trading on Another Marketplace;
- (iii) Fair and Orderly Markets;
- (iv) Discriminatory Terms;
- (v) Confidential Treatment of Trading Information;
- (vi) Order Protection;
- (vii) Information Transparency;
- (viii) Transparency of Marketplace Operations;
- (ix) Recordkeeping Requirements for Marketplaces; and
- (x) Marketplace Systems and Business Continuity Planning.

(c) For any and all exchange operations performed by Alpha Services for or on behalf of Alpha Exchange, whether carried out under the terms of an outsourcing agreement or otherwise, Alpha Services will comply with the Form 21-101F1 initial and change filing requirements, and change implementation requirements, set out in National Instrument 21-101 *Marketplace Operation* as if it were itself a recognized exchange, unless the information to be filed in connection with this paragraph had already been filed in the Form 21-101F1 of Alpha Exchange and subject to the related change filing and change implementation requirements.

## **11. ACCESS TO INFORMATION**

Alpha Services must provide the Commission and its staff with:

- (a) access to all data and information in its possession that is required for the assessment by the Commission of the compliance of Alpha Services and Alpha Exchange with Ontario securities law, and the performance of Alpha Exchange of its exchange operations and regulation functions;

- (b) a quarterly list of all functions performed and services provided by Alpha Services, together with a description of the nature of those functions and services, separately identifying those that are performed or provided under an agreement or arrangement with Alpha Exchange, Alpha GP or Alpha LP; and
- (c) any additional information the Commission or its staff may require from time to time.

## **PART IV – ALPHA EXCHANGE**

### **12. RESPONSIBILITIES FOR THE PUBLIC INTEREST**

The business of Alpha Exchange must be conducted with integrity and in a manner that is consistent with the public interest.

### **13. CRITERIA FOR RECOGNITION**

Alpha Exchange must continue to meet the criteria for recognition.

### **14. OWNERSHIP AND CONTROL OF ALPHA EXCHANGE**

Alpha Exchange must obtain the Commission’s approval before any person or company other than Alpha LP, or any combination of persons or companies acting jointly or in concert, can beneficially own or exercise control or direction over more than 10% of any class or series of voting shares of Alpha Exchange.

### **15. FITNESS**

Alpha Exchange must take reasonable steps to ensure that each person or company, or combination of persons or companies acting jointly or in concert, that owns or can exercise control or direction over more than 10% of any class or series of voting shares of Alpha Exchange, and each director and officer of Alpha Exchange, is a fit and proper person. As part of those steps, Alpha Exchange must consider whether the past conduct of each such person, company, director and officer affords reasonable grounds for belief that the business of Alpha Exchange will be conducted with integrity and in a manner that is consistent with the public interest.

### **16. INDEPENDENT REPRESENTATION**

(a) Alpha Exchange must ensure that, at all times, at least 50% of its board of directors are independent directors, as that term is defined in the standards referred to in paragraph (b). In the event that at any time Alpha Exchange fails to meet such requirement, it must promptly advise Commission staff and take appropriate measures to remedy such situation.

(b) The board of directors of Alpha Exchange must adopt standards setting out criteria to determine whether individuals are independent, including criteria to determine whether an individual has a material relationship with Alpha Exchange and is therefore considered not to be

independent. These standards will indicate that a “material relationship” exists if the relationship could, in the view of Alpha Exchange’s board of directors, be reasonably expected to interfere with the exercise of the individual’s independent judgment. The following individuals will be identified in these standards as having a material relationship with Alpha Exchange, unless otherwise provided for in the standards:

- (i) a partner, director, officer or employee of an Alpha Member, or an associate of a partner, director, officer or employee of an Alpha Member;
- (ii) a partner, director, officer or employee of an affiliated entity of an Alpha Member, who is responsible for or is actively or significantly engaged in the Alpha Member’s day-to-day operations or activities;
- (iii) an officer or employee of Alpha Exchange or an affiliated entity of Alpha Exchange, or a partner or director of an affiliated entity, presently or within the last three years;
- (iv) a partner, director, officer or employee of Alpha GP, presently or within the last three years;
- (v) a person who is, or has been within the last three years, an associate of a partner, director, officer or employee of Alpha Exchange, Alpha GP, or an affiliated entity of Alpha Exchange or Alpha GP;
- (vi) a partner, director, officer or employee of a limited partner of Alpha LP, or of an affiliated entity of a limited partner of Alpha LP;
- (vii) a person that received, or a partner, director, officer or employee of a company that received, more than \$75,000 in direct compensation from Alpha Exchange or an affiliated entity of Alpha Exchange during any twelve month period within the last three years (other than director or board committee fees and retirement plan payments or other deferred compensation for prior service, provided the compensation is not contingent in any way on continued service).

(c) The standards referred to in paragraph (b) and any amendments thereto, will be subject to the prior approval of the Commission, and must also be made publicly available on the Alpha Exchange website.

## **17. CONFLICTS OF INTEREST AND CONFIDENTIALITY**

(a) Alpha Exchange must establish, maintain and ensure compliance with policies and procedures that:

- (i) identify and manage any conflicts of interest arising from the operation of the marketplace or the services it provides. The conflicts of interest to be addressed must include those that arise from the involvement of any partner, director, officer



or employee of a limited partner of Alpha LP in the management or oversight of the exchange operations or regulation functions of Alpha Exchange and the services it provides; and

- (ii) require that information regarding exchange operations or regulation functions, or regarding an Alpha Member or Alpha Issuer, that is obtained by a partner, director, officer or employee of a limited partner of Alpha LP through their involvement in the management or oversight of exchange operations or regulation functions:
  - (A) be kept separate and confidential from the business or other operations of the limited partner of Alpha LP, except with respect to information regarding exchange operations where disclosure is necessary to carry out the individual's responsibilities for the management or oversight of exchange operations and the individual can and does exercise due care in its disclosure of the information, and
  - (B) not be used to provide an advantage to the limited partner of Alpha LP or to any of the limited partner's affiliated entities.

(b) Prior to the listing on Alpha Exchange of any security of a limited partner of Alpha LP or any security of an affiliated entity of a limited partner of Alpha LP, Alpha Exchange must develop and maintain appropriate conflicts of interest policies, and such conflicts of interest policies, and any amendments, will be subject to the prior approval of the Commission.

(c) Alpha Exchange will require each Alpha Member that is a limited partner of Alpha LP, or that is an affiliated entity of a limited partner of Alpha LP, to disclose the Alpha Member's relationship to Alpha Exchange to:

- (i) clients whose orders might be, and clients whose orders have been, routed to Alpha Exchange; and
- (ii) clients for whom the Alpha Member is acting or proposing to act as lead underwriter in connection with the issuance of securities to be listed on either of the "Alpha Main" or "Alpha Venture Plus" listing markets of Alpha Exchange.

(d) Alpha Exchange must regularly review compliance with the policies and procedures established in accordance with paragraphs (a) and (b), and must document each review of compliance.

(e) The policies established in accordance with paragraphs (a) and (b) must be made publicly available on the website of Alpha Exchange.

## **18. ACCESS**

Alpha Exchange's requirements must only permit properly registered investment dealers that are members of IIROC and satisfy the access requirements established by Alpha Exchange to access the facilities of Alpha Exchange.

## **19. REGULATION OF ALPHA MEMBERS AND ALPHA ISSUERS**

(a) Alpha Exchange must carry out appropriate procedures to ensure the effective monitoring and enforcement of compliance by Alpha Issuers and Alpha Members with the Rules, whether directly or indirectly through a regulation services provider.

(b) Alpha Exchange has retained and must continue to retain IIROC as a regulation services provider to provide, as agent for Alpha Exchange, certain regulation services which have been approved by the Commission. Alpha Exchange must provide to Commission staff, on an annual basis, a list outlining the regulation services performed by IIROC and the regulation functions performed by Alpha Exchange. All amendments to those listed services are subject to the prior approval of the Commission.

(c) Alpha Exchange must perform all other regulation functions not performed by IIROC, and will maintain adequate staffing, systems and other resources in support of those functions. Alpha Exchange must not perform such regulation functions through any other party, including affiliated entities or associates of Alpha Exchange, without prior Commission approval.

(d) Alpha Exchange must at least annually assess the performance by IIROC of the regulation services it provides to Alpha Exchange, and self-assess the performance by Alpha Exchange of any regulation functions not performed by IIROC, and provide a report to the board of directors, together with any recommendations for improvements. Alpha Exchange must provide Commission staff with copies of such reports and advise Commission staff of any proposed actions arising therefrom.

(e) Alpha Exchange must provide notice to Commission staff of any violations of Ontario securities law of which it becomes aware in the ordinary course of its business.

## **20. RULES AND RULEMAKING**

Alpha Exchange must comply with the rule review process set out in Appendix A, as amended from time to time, concerning Commission approval of changes in its Rules.

## **21. DUE PROCESS**

Alpha Exchange must, within six months of the effective date of recognition as an exchange, establish written procedural requirements governing the process for appeals or reviews of decisions referred to in paragraph 6.1(b) of the criteria for recognition. For clarity, these will be considered to be Rules and therefore subject to the rule review process established in accordance with section 20 of this Schedule 2.

## **22. CLEARING AND SETTLEMENT**

Alpha Exchange must maintain appropriate arrangements for the clearing and settlement of trades through a clearing agency recognized by the Commission under the Act.

## **23. FINANCIAL VIABILITY MONITORING AND REPORTING**

(a) Within 90 days of its financial year end, Alpha Exchange must deliver to Commission staff audited consolidated financial statements and unaudited non-consolidated financial statements for its latest financial year.

(b) Within 60 days of each quarter end, Alpha Exchange must deliver to Commission staff unaudited consolidated financial statements and unaudited non-consolidated financial statements for its latest financial quarter.

(c) Alpha Exchange must deliver to Commission staff its annual financial budget, together with the underlying assumptions, that has been approved by its board of directors, within 30 days after the commencement of each fiscal year. Such financial budget should include monthly projected revenues, expenses and cash flows.

(d) Alpha Exchange must calculate monthly the following financial ratios:

- (i) a current ratio, being the ratio of current assets to current liabilities;
- (ii) a debt to cash flow ratio, being the ratio of total debt (including any line of credit draw downs, and the current and long-term portions of any loans, but excluding accounts payable, accrued expenses and other liabilities) to adjusted EBITDA (i.e., earnings before interest, taxes, stock based compensation, depreciation and amortization) for the most recent 12 months, except that for the first 12 months subsequent to the transfer of the current marketplace operations of Alpha ATS LP to Alpha Exchange, where any of the previous 12 months' adjusted EBITDA does not reflect the results from the operations of a marketplace, the adjusted EBITDA of Alpha ATS LP for those month will serve as a substitute for the purposes of determining what constitutes the most recent 12 months of adjusted EBITDA; and
- (iii) a financial leverage ratio, being the ratio of total assets to shareholders' equity,

in each case calculated based on financial statements for the latest month that are prepared in the same manner as its unaudited non-consolidated financial statements.

(e) Alpha Exchange must report quarterly to Commission staff, along with the financial statements required to be delivered pursuant to paragraphs (a) and (b), the monthly calculations for the previous quarter of the financial ratios as required to be calculated under paragraph (d).

(f) Depending on the results of the calculations under paragraph (d), Alpha Exchange may be required to provide additional reporting as set out below.

- (i) If Alpha Exchange determines that it does not have, or anticipates that, in the next twelve months, it will not have:
  - (A) a current ratio of greater than or equal to 1.1/1,
  - (B) a debt to cash flow ratio of less than or equal to 4.0/1, or
  - (C) a financial leverage ratio of less than or equal to 4.0/1,

it must immediately notify Commission staff of the above ratio(s) that it is not maintaining, the reasons, along with an estimate of the length of time before the ratio(s) will be maintained.

- (ii) Upon receipt of a notification made by Alpha Exchange pursuant to subparagraph (i), the Commission or its staff may, as determined appropriate, impose terms or conditions on Alpha Exchange, which may include any of the terms and conditions set out in subparagraphs (g)(ii) and (iii).

(g) If Alpha Exchange's current ratio, debt to cash flow ratio or financial leverage ratio falls below the levels outlined in subparagraphs (f)(i)(A), (B) and (C) above for a period of more than three months, Alpha Exchange must:

- (i) immediately deliver a letter advising Commission staff of the reasons for the continued ratio deficiencies and the steps being taken to rectify the situation;
- (ii) deliver to Commission staff, on a monthly basis, within 30 days of the end of each month:
  - (A) unaudited non-consolidated financial statements, prepared for the latest month, and a status update on any pending capital raising transaction(s) including the amount, terms and name(s) of individuals/entities that have committed to providing funding and their commitment,
  - (B) a comparison of the monthly revenues and expenses incurred by Alpha Exchange against the projected monthly revenues and expenses included in Alpha Exchange's most recently updated budget for that fiscal year,
  - (C) for each revenue item whose actual was significantly lower than its projected amount, and for each expense item whose actual was significantly higher than its projected amount, the reasons for the variance, and
  - (D) a calculation of the current ratio, debt to cash flow ratio and financial leverage ratio for the month;

- (iii) prior to making any type of payment to any director, officer, related company or shareholder that is in excess of the amount included in the most recent annual financial budget delivered to Commission staff, demonstrate to the satisfaction of Commission staff that it will have sufficient financial resources to continue its operations after the payment; and
- (iv) adhere to any additional terms or conditions imposed by the Commission or its staff, as determined appropriate, on Alpha Exchange,

until such time as Alpha Exchange has maintained each of its current ratio, debt to cash flow ratio and financial leverage ratio at the levels outlined in subparagraphs (f)(i)(A), (B) and (C) for a period of at least 6 consecutive months.

## **24. OUTSOURCING**

(a) If Alpha Exchange outsources any of its key services or systems to a service provider, which includes affiliated entities or associates of Alpha Exchange, Alpha Exchange must:

- (i) establish and maintain policies and procedures for the selection of service providers to whom key services and systems may be outsourced and for the evaluation and approval of such outsourcing arrangements;
- (ii) identify any conflicts of interest between Alpha Exchange and the service provider to whom key services and systems are outsourced, and establish and maintain policies and procedures to mitigate and manage such conflicts of interest;
- (iii) enter into a contract with the service provider to whom key services and systems are outsourced that is appropriate for the materiality and nature of the outsourced activities and that provides for adequate termination procedures;
- (iv) maintain access to the books and records of the service providers relating to the outsourced activities;
- (v) ensure that the Commission and Commission staff have access to all data, information and systems maintained by the service provider on behalf of Alpha Exchange, for the purposes of determining Alpha Exchange's compliance with Ontario securities law and Alpha Exchange's performance of its exchange operations and regulation functions;
- (vi) take appropriate measures to determine that service providers to whom key services or systems are outsourced establish, maintain and periodically test an appropriate business continuity plan, including a disaster recovery plan;
- (vii) take appropriate measures to ensure that the service providers protect Alpha Exchange's proprietary, order, trade or any other confidential information; and

- (viii) establish processes and procedures to regularly review the performance of the service provider under any such outsourcing arrangement.

(b) For any and all exchange operations performed by Alpha Services for or on behalf of Alpha Exchange, whether carried out under the terms of an outsourcing agreement or otherwise, Alpha Exchange is responsible for the compliance of those operations with Ontario securities law, notwithstanding Alpha Services' responsibilities for the performance of those operations and its obligations under Part III of this Schedule 2.

## **25. SEPARATION OF LISTING MARKETS**

Alpha Exchange must take all steps necessary to differentiate and distinguish the listing markets operated by Alpha Exchange, referred to as "Alpha Main" and "Alpha Venture Plus", so that the separate and distinct nature of each listing market and the listing standards applicable to each listing market is clear.

## **26. ADDITIONAL INFORMATION**

(a) Alpha Exchange must provide the Commission or its staff with:

- (i) the information set out in Appendix B, as amended from time to time;
- (ii) any information required to be provided by Alpha Exchange to IIROC, including any and all order and trade information, as requested by the Commission or its staff;
- (iii) any additional information the Commission or its staff may require from time to time.

(b) Alpha Exchange must comply with the reporting program set out in the *Automation Review Program For Market Infrastructure Entities in the Canadian Capital Markets*, as amended from time to time, and published on the Commission website.

## Appendix A

### Rule Review Process

1. Each new or amended Rule will be approved by the Alpha Exchange board of directors.
2. Alpha Exchange will file with the Commission each new or amended Rule approved by its board of directors.
3. More specifically, Alpha Exchange will file the following information:
  - (a) the Rule;
  - (b) notice of publication including:
    - (i) a description of the Rule and its impact;
    - (ii) a concise statement, together with supporting analysis, of the nature, purpose and intended effect of the Rule;
    - (iii) the possible effects of the Rule on marketplace participants, competition and the costs of compliance;
    - (iv) a description of the rule-making process, including a description of the context in which the Rule was developed, the process followed, the issues considered, the consultation process undertaken, the alternative approaches considered and the reasons for rejecting the alternatives;
    - (v) where the Rule requires technological changes to be made by Alpha Exchange, Alpha Members or Alpha Issuers, Alpha Exchange will provide a description of the implications of the Rule and, where possible, an implementation plan, including a description of how the Rule will be implemented and the timing of the implementation;
    - (vi) a reference to other jurisdictions including an indication as to whether another regulator in Canada, the United States or another jurisdiction has a comparable rule or has made or is contemplating making a comparable rule and, if applicable, a comparison of the Rule to the rule of the other jurisdiction;
    - (vii) whether the Rule is classified as "public interest" or "housekeeping"; and
    - (viii) where the Rule is classified as "housekeeping", the effective date of the Rule.
4. For the purposes of this rule review process, a Rule may be classified as "housekeeping" if it does not affect the meaning, intent or substance of an existing rule and involves only:

- (a) the correction of spelling, punctuation, typographical or grammatical mistakes or inaccurate cross-referencing;
- (b) stylistic formatting, including changes to headings or paragraph numbers;
- (c) amendments required to ensure consistency with an existing approved rule; or
- (d) changes in routine procedures and administrative practices of Alpha Exchange provided that such changes do not impose any significant burden or any barrier to competition that is not appropriate.

Any rule falling outside of this definition would be categorized as a "public interest" Rule. Prior to proposing a Rule that is of a "public interest" nature, as defined above, the Alpha Exchange board of directors shall have determined that the entry into force of such Rule would be in the public interest. The material filed with the Commission in relation to "public interest" Rules shall be accompanied by a statement to that effect.

5. Where a Rule has been classified as "public interest", the Commission will publish for a 30 day comment period in its bulletin or on its website the notice filed by Alpha Exchange and the Rule. If amendments to the Rule are necessary as a result of comments received, Commission staff shall have discretion to determine whether the Rule should be re-published for comment. If the Rule is re-published, the request for comment shall include Alpha Exchange's summary of comments and responses thereto together with an explanation of the revisions to the Rule and the supporting rationale for the amendments.

6. A "public interest" Rule will be effective as of the date of Commission approval or on a date determined by Alpha Exchange, whichever is later. A "housekeeping" Rule shall be deemed to have been approved upon being filed with the Commission, unless staff of the Commission communicate to Alpha Exchange, within five business days of receipt of the Rule, their disagreement with Alpha Exchange's classification of the Rule as "housekeeping" and the reasons for their disagreement. Where staff of the Commission disagree with Alpha Exchange's classification, Alpha Exchange shall re-file the Rule as a "public interest" Rule. A "housekeeping" Rule shall be effective on the date indicated by Alpha Exchange in the filing.

7. The Commission shall publish a Notice of Commission Approval of both "public interest" and "housekeeping" Rules in its bulletin or on its website. All such notices relating to "public interest" Rules shall also include Alpha Exchange's summary of comments and responses thereto. All such notices relating to "housekeeping" Rules shall be accompanied by the notice filed by Alpha Exchange and the Rule itself.

8. If Alpha Exchange is of the view that there is an urgent need to implement a Rule, Alpha Exchange may make a Rule effective immediately upon approval by Alpha Exchange's board of directors provided that Alpha Exchange:

- (a) provides the Commission with written notice of the urgent need to implement the Rule prior to the submission of the Rule to Alpha Exchange's board of directors; and



(b) includes in the notice referenced in 3(b) an analysis in support of the need for immediate implementation of the Rule.

9. If the Commission does not agree that immediate implementation is necessary, Commission staff will advise Alpha Exchange that the Commission disagrees and provide the reasons for its disagreement. If no notice is received by Alpha Exchange within 5 business days of the Commission receiving Alpha Exchange's notification, Alpha Exchange shall assume that the Commission agrees with its assessment.

10. A Rule that is implemented immediately shall be published, reviewed and approved in accordance with the procedure set out above. Where the Commission subsequently disapproves a Rule that was implemented immediately, Alpha Exchange shall repeal the Rule and publish a notice informing its marketplace participants.

11. The terms, conditions and procedures set out in this section may be varied or waived by Commission staff. A waiver or variation may be specific or general and may be made for a time or for all time. The waiver or variation must be in writing by Commission staff.

## **Appendix B**

### **Information to be provided**

#### **1. Quarterly Reporting on Exemptions or Waivers Granted**

On a quarterly basis, Alpha Exchange must submit to Commission staff a report summarizing all exemptions or waivers granted pursuant to the Rules to any Alpha Member or Alpha Issuer during the period. This summary must include the following information:

- (a) The name of the Alpha Member or Alpha Issuer;
- (b) The type of exemption or waiver granted during the period
- (c) Date of the exemption or waiver, and
- (d) A description of Alpha Exchange staff's reason for the decision to grant the exemption or waiver.

#### **2. Quarterly Reporting on Listing Applications**

On a quarterly basis, Alpha Exchange must submit to Commission staff a report containing the following information:

- (a) The number of listing applications filed;
- (b) The number of listing applications that were accepted;
- (c) The number of listing applications that were rejected and the reasons for rejection, by category;
- (d) The number of listing applications that were withdrawn or abandoned and, if known, the reasons why the application was withdrawn or abandoned, by category;

In each of the foregoing cases, the numbers must be broken down by industry category and in any other manner that a Director of the Commission requests.

#### **3. Notification of Suspensions and Disqualifications**

If an Alpha Issuer has been suspended or disqualified from qualification for listing, Alpha Exchange must immediately issue a press release setting out the reasons for the suspension and deliver this information to Commission staff.

**Appendix B**  
**Summary of Comments and**  
**Responses to April Notice**

## Summary of Comments and Responses for Exchange Application

Prepared by Alpha Group

November 27, 2011

**Note: The responses to the comments reflect the views of Alpha Group and do not necessarily reflect the views of the Ontario Securities Commission (OSC).**

On April 15, 2011, the Ontario Securities Commission published the Alpha Exchange Inc.'s application to be recognized as an exchange. The Notice accompanying the publication of the application set out 10 questions which the OSC sought responses and comments. Five parties filed comments:

- Canadian Coalition for Good Governance (CCGG)
- CNSX Markets Inc. (CNSX)
- FAIR
- TMX
- WWWoods & Co. (WWW)

The following sets out a summary of the comments and Alpha's responses to those comments received.

***Question 1: Is Alpha Group's proposed governance structure, including its proposed role for a ROC, appropriate in the context of Alpha Group's ownership structure and regulatory responsibilities? Does it adequately address the potential conflicts of interest? Alternatively, is requiring 50% independent representation on the Alpha Exchange board of directors appropriate? If so, would a ROC still be appropriate or necessary, and with what level of authority over regulatory matters?***

CNSX indicated that although they agree with Ruben Lee's observation that no governance model is optimal for all market structure entities, Alpha should still be subject to the same level of independence requirements as that which exists for other existing Canadian exchanges. CNSX believes that the proposed governance structure does not adequately represent the diversity of all Alpha stakeholders in that members that are not shareholders and issuers will not be represented.

WWW notes that all stock exchanges, including publicly owned and listed exchanges, face conflicts of interest. WWW notes that the key issue is how to maintain a proper balance between an exchange's public interest obligations and its commercial interests. WWW provides a historical review of ownership structures and related issues where there was evidence of restrictive practices by broker-owned exchanges. WWW states that since Alpha Exchange is owned by the largest dealers in Canada who have a

dominant position in the majority of Canadian financial services, it requires the highest international governance standards to ensure it fulfills its public interest obligations and properly manages the inherent conflicts of interest. WWW believes that international standards now indicate that 50% of the board should be independent especially where the stock exchange is owned by dealers. WWW also suggests that the OSC review the activities of Alpha's owners outside of the exchange application when considering the application. WWW concludes by stating that Alpha Exchange should have a majority of independent directors and that the Chairman should be independent.

FAIR also questions the effectiveness of the ROC and suggests that it should be replaced by an independent subsidiary of Alpha with the majority of its board consisting of independent directors so that it could have final decision-making powers regarding listing policy, rule-making and budgetary matters. It indicates that if Alpha establishes this kind of subsidiary than 50% independence at the exchange level is not necessary.

TMX states that in light of Alpha's ownership structure, the Alpha Exchange Board of Directors should have 50% minimum independent directors. It does not provide comments on whether a ROC is necessary but it states it is not sufficient as a replacement for the 50% requirement It believes this is particularly true in light of the Alpha ownership.

**Alpha Response:** Alpha agrees with WWW's point that all stock exchanges, whether publicly owned or not, face conflicts of interest and that the key is to maintain a proper balance between an exchange's public obligations and commercial interests. Alpha's creation of the ROC with a majority of independent directors, was intended to be the final decision maker on issues relating to access to trading, access to listing and any conflicts that arise. As a result of discussions with the Commissions; we have agreed to increase the number of independent directors on the Alpha Exchange Board to 50% instead of implementing the ROC. The Chairman of the Board will be an independent director. In addition, Alpha will not include the business development function within the listing group; another solution to conflicts suggested by FAIR in its report.

We would also note that there is another check on any abuses of conflict through the OSC's authority to review both changes in policies and fees as well as how Alpha Exchange carries out its responsibilities.

**Question 2: Is the definition of independence proposed by Alpha Group to be applied to Alpha Exchange's board of directors appropriate in the context and nature of their proposed structure? Are there any other exclusions that would be warranted?**

CNSX states that the definition is appropriate but due to the "broad impact of the Alpha owners on the financial markets", any entity that receives significant compensation from Alpha Exchange or its owners should not be considered independent. It states that independence should be addressed in the recognition order.

FAIR proposes the materiality threshold for non-owners be changed from 10% to 5%.

WWW believes the definition in NI 81-107 for the Independent Review Committee should be used to achieve a much broader definition of independence for Alpha Exchange. Specifically it believes that no directors, officers or employees of any of the “Banks” nor the main “service providers” should be seen as independent.

TMX queries why the definition of material relationship in the recognition order does not include individuals that represent entities with a minimum level of ownership (it notes it is included in Alpha’s application). It agrees with the 10% minimum threshold unless the shareholder is also a significant customer of the exchange and owns greater than 5%. It also suggests that discretion of the Nominating Committee regarding independence is broader than what is allowed to the TMX because the TMX’s discretion cannot override NI 52-110. It requests a news release when the Nominating Committee exercises its discretion. In addition it suggests that certain family relationships can trigger a material relationship. It also believes an explicit definition of material relationship should be provided.

**Alpha Response:** Through our discussions with the OSC, we have agreed to a definition of independence that in some cases goes further than the standard applied to other exchanges in Canada. For example, we have agreed to remove the materiality thresholds regarding ownership. A definition of independence will be included in the Recognition Order.

We would note that Alpha’s original proposed definition of independence was based on the current definitions being used at the other Canadian exchanges, except for those aspects that apply specifically to a public company because it is not a public company. We do not believe that NI 81-107 is the appropriate precedent since it was created in regards to a specific product and the distribution of that product. However the general principal is the same which is anyone that has a material relationship cannot be considered independent.

We disagree with the TSX that we have not provided a definition of material. In fact our approach was to provide specific examples of what constitutes a material relationship with the ability for other circumstances to be identified by the Board. We would also note that we are not the only exchange who has shareholders who are customers. For example, consider the relationships between TSX and CI Investments or AGF Investments, both of which are shareholders, listed on TSX and produce products based on listed securities. We have agreed to include parties with any interest even though this goes further than the standard for TSX and also CNSX, which has a 10% threshold.

We have always agreed that the recognition order should require that there be an independence standard and that it should be transparent by making it publicly available, but we have also taken the position that good corporate governance is furthered by not

placing a barrier on the board's discretion to review and modify the standards (subject to approval by the OSC). This is why we argued that the content of that standard should not be included in the recognition order because it makes any changes difficult to achieve.

***Question 3: Are the proposed terms and conditions of recognition that deal with conflicts of interest and confidentiality appropriate in light of the potential conflicts of interest associated with Alpha Exchange's ownership structure? If not, why not? Would other or additional terms and conditions be more appropriate?***

CNSX believes the terms and conditions are appropriate.

TMX suggests there are different types of conflicts of interest that can arise, some due to ownership structure as well as some that arise due to the tension between profit motivations and public interest mandate. It suggests that Alpha failed to describe the conflict that arises between the commercial interests of owners and other members. It does not agree that competition and having alternative choices is sufficient. It suggests additional disclosure that if an owner has greater than 5% or more of the ownership interest or receives a financial benefit for promoting the listing due to its ownership, it should be disclosed in the prospectus for any security it has acted as underwriter for the issuer and is being listed on Alpha Exchange. TMX also indicated that the Recognition Order should expand the reference to managing conflicts from the operations of the marketplace to specifically refer to conflicts of interests arising from ownership interests of members.

FAIR suggests that the OSC prohibit dealers from receiving incentives to list on the Alpha Exchange and is concerned about the ownership by entities that the exchange is responsible for regulating.

WWW suggests that the Commission should impose an obligation on the owners and members of Alpha Exchange that requires them not to give an unfair preference to Alpha Exchange.

***Alpha Response:*** Alpha has always had a policy of promoting transparency whenever appropriate. We currently include in our Subscriber Agreements with Shareholders the requirement that they must disclose their relationship with Alpha ATS to their clients. We will include a similar provision in the Member Agreement with our Shareholders. We believe that current prospectus requirements appropriately cover disclosure regarding material relationships including interests in the listing exchange. In addition, this requirement to disclose ownership in an exchange or any special relationship should be equally applicable to all dealers/underwriters and any special relationship that the dealers/underwriters have with the listing venue (e.g. any exchange).

We will also have specific policies and procedures regarding the listing of any shareholder on Alpha Exchange which will include provisions for the handling of any potential conflicts that might arise. We will publish those policies and procedures on our web site.

***Question 4: Is it appropriate to impose a term and condition of recognition requiring Commission approval before a person or company obtains a certain percentage interest in Alpha Group, in order to consider the continued appropriateness of its ownership and governance structure? If so, what percentage of ownership is appropriate in the context of a privately-held exchange?***

CNSX has stated that it does not believe a threshold requiring approval is necessary if there is an appropriate governance structure.

TMX states that concentration of exchange ownership can be detrimental to the public interest and the OSC should approve any acquisition of an ownership interest over a specified threshold. While it general believes that 10% is appropriate, it suggests 5% for Alpha Exchange because it is closely held by significant customers.

***Alpha Response:***

It is Alpha's view that the purpose of a regulator reviewing owners of an exchange (or any other regulated entity such as a dealer) is to confirm that inappropriate people do not have undue influence on the operation of the exchange. The appropriateness aspect relates to a fitness criterion concerning honesty (lack of criminal record) and solvency. The percentage relates to the influence. There has never been an explicit policy position that broad public ownership is better than limited private ownership, and there are many examples of both of these ownership models operating successfully. We have not objected to the criterion, provided it relates to a material ownership. We also believe that the regulatory framework regarding dealers, financial institutions as well as marketplaces already addresses and prohibits unfair preferences and is specified in both securities rules and SRO rules.

***Question 5: Should issuers of the same size and quality be subject to an equivalent level of listed issuer regulation by competing exchanges? Are some elements of listed issuer regulation merely "branding" and if so, what are those areas?***

CNSX supports the idea of a disclosure based regulation by an exchange and noted that this model which it has used has been proven as an effective way to regulate issuers by combining the efforts of the exchange and securities commission. CNSX suggests that the fact that exchanges are authorized to set listing requirements supports the idea of exchanges being allowed to have different listing standards.



However it goes on to state that it is important that the requirements are transparent. CNSX points out that the existing requirements in securities laws for reporting issuers could be considered minimum requirements and certain listing requirements (additional disclosure requirements, float requirements, financial criteria and additional corporate governance criteria) should be considered “branding.” It also noted that an exchange can assist in filling in gaps for listed issuer regulation.

CCGC suggested that securities regulators should reconsider the current model and establish mandatory minimum listing requirements in order to ensure that competition does not lead to a “race to the bottom” vis-a vis shareholders’ right or other governance standards.

CCGC suggested Alpha Exchanges requirements offer less protection to shareholders in regarding option plans as follows:

1. No Periodic shareholder approval of evergreen option plans
2. No approval by shareholders of changes to insider options would be required.
3. No insider option plan maximum
4. No approval of amendments to shareholder rights plan

It believes that the Alpha Exchange listing standards should be the same as the TSX.

TMX states that the regulatory frame of each exchange should take into account and be consistent with prevailing Canadian securities and corporate legislation and not be detrimental to the public interest or integrity of the market. TMX goes on to differentiate between “fundamental matters” that are not branding issues and should be the same on all exchanges for the same size of issuers and matters where it is appropriate to be different from a competitive and branding perspective. It considers any matters with a potentially dilutive impact to be fundamental; however it believes that original listing requirements including sector specific requirements are not considered to be fundamental but branding in nature. It also comments that an exchange should ensure that it has appropriate resources to ensure appropriate ongoing oversight of listed issuer regulation.

WWW states that exchanges should be allowed to compete regarding issuer entry requirements, listing fees and listing policies not covered by CSA requirements. It also noted that the CSA has national standards that govern all listed issuers and should address which types of foreign listed issuers can cross list.

**Alpha Response:** Alpha agrees with CNSX, TMX and WWW that exchanges should be allowed to compete through having different listing standards; however those listing requirements should also take into account and be consistent with prevailing Canadian securities and corporate legislation and not be detrimental to the public interest or integrity. Alpha does not agree with TMX that any activity that is potentially dilutive should be a fundamental issue subject to the same standards irrespective of which exchange the issuer is listed on; such dilutive transactions are reviewed for the most part because they affect listing requirements (which the TSX has stated are “branding”

issues which should be governed by the standards set by each exchange). Moreover if the requirements are determined to be “fundamental” such that they require identical treatment, then Alpha believes that allowing shareholders to determine the outcome (through trading and/or voting) rather than exchange personnel by exercising discretion should be the common requirement. We also note that other exchanges outside of Canada, particularly in the US, use the same approach as proposed by Alpha.

FAIR proposed that there be one set of standards to avoid a race to the bottom. Alpha notes that the existence of competing standards has not led to a race to the bottom but has provided choices that are not inconsistent with the public interest or market integrity. In fact, Alpha has voluntarily included requirements suggested by FAIR in its report published on July 23, 2010 including: broader range of enforcement tools, higher governance standards, and separation of regulation units from business. Moreover, this is a public policy debate that would impact all exchanges and should not prevent this Application from proceeding since the current regulatory regime does allow alternative listing standards.

CCGC suggests imposing a bright-line test as to when shareholders approval should be required with a rolling stock option plan; It is our view that if the underlying issued and outstanding shares of an issuer have increased over a period of time then so should the number of securities reserved for issuance under the stock option plan without the requirement for yearly approval. Alpha does require shareholder approval for a stock option plan (regardless of whether it is a fixed or rolling plan) if the issuer is reserving over 10% of the issued and outstanding securities for issuance pursuant to the plan. That being said, we have agreed to implement a requirement that an Alpha Main Listed Issuer must ratify a rolling plan every 3 years and an Alpha Venture Plus Listed Issuer must ratify a rolling plan every year. We note that other exchanges like Nasdaq such plan approvals are every 10 years. We believe that ratifying rolling plans at a more frequent interval create unnecessarily a great deal of uncertainty to executives' compensation, especially for venture issuers that rely more on stock option plans. Moreover, if the plan is reserving between 5-10% of the issued and outstanding securities for issuance pursuant to the stock option plan, and any directors are eligible to receive options pursuant to such plan, then the stock option plan must be approved by the shareholders. This is a more stringent standard than a routine yearly approval of a rolling plan. Alpha requires shareholder approval to an amendment of certain fundamental terms of an option granted not only to insiders but any optionee, if the directors of the issuer are eligible optionees pursuant to the stock option plan; again this is a much more stringent requirement than only requiring shareholder approval to amendments to insider grants. Lastly, CCGC may have misinterpreted how Alpha limits the maximum issuances to related persons of an issuer (previously stated in the handbook as requiring listed issuers to comply with Section 2.25 of NI 45-106 as if they were an unlisted reporting issuer).

***Question 6: Given the listing requirements proposed by Alpha Exchange, is it appropriate to classify tier 1 issuers as “non-venture” issuers and tier 2 issuers as “venture” issuers under applicable securities legislation? Should the CSA***

***reconsider its current issuer “venture”/“non-venture” classification in light of the application by Alpha Exchange?***

CNSX believes that classification of issuers should be based on the issuer and not on the exchange. It also does not support adding a character to a symbol to identify the tiers by symbol because it would cause downstream effects on technology systems and confusion.

FAIR agrees it is appropriate to classify Tier 1 issuers as non-venture and Tier 2 issuers as venture under applicable securities legislation.

TMX submits that classifying Tier 2 issuers as “venture” issuers is not appropriate because it will not provide any level of oversight or discretionary decision-making and because it alleges that Alpha Exchange seeks to obtain venture status without regard for size and nature of issuers. It argues that all Alpha issuers should be classified as “non-venture” issuers. It argues that this is so because Alpha has chosen higher standards in most areas than TSXV issuers except for initial listing requirements. TMX states that Tier 2 issuers also could remain on Tier 2 indefinitely.

***Alpha Response:*** Alpha acknowledges CNSX’s and FAIR’s support for its tiers, and agrees that an additional character should not be added to the symbol as an identifier if it will have material downstream technology impacts. Alpha has agreed to make a clear differentiation between its listing markets (which have been branded as Alpha Main and Alpha Venture Plus) including separate listing handbooks, forms and identification on all documentation. We will have two separate areas on our website to clearly identify which listed issuers fall within which tiers and disclosure regarding the meaning of the different tiers. We believe this goes beyond how TSXV deals with its different tiers. We have also distinguished clearly that an Alpha Main Listed Issuer must comply with securities regulations as a “non-venture” issuer and AlphaV+ Listed Issuers as a “venture” issuer.

The Alpha Venture Plus issuers are intended to be similar to issuers within Tier 1 of TSXV and therefore the categorization as “venture” issuers is appropriate. The fact that Alpha has agreed to add higher standards in some areas should be encouraged and not punished. Otherwise we are being encouraged to remove those additional features (such as a compensation committee composed of unrelated directors) to identically match the requirements of a TSXV Tier 1 issuer. The appropriate question is if these early stage technology and R&D companies are within the securities regulator’s policy objectives for providing some relief for smaller companies, not whether the definition of an Alpha Venture Plus issuer on Alpha is different from a Tier 1 issuer on the TSXV. Alpha’s response to the question regarding policy objectives is that yes, the policy objectives of the securities regulators are satisfied by the requirements imposed upon an Alpha Venture Plus issuer. Furthermore, the TSXV does not require issuers to move up to Tier 1 from Tier 2 (or from TSXV to TSX for that matter) if they meet certain requirements but their manual merely states that management of a Tier 2 issuer can apply to move up to Tier 1; it is unclear from the TMX comments why issuers on the

Alpha Exchange should be forced to move up from Alpha Venture Plus to Alpha Main when the TSXV does not have the same requirement.

***Question 7: Is an exchange's ability to exercise discretion necessary for regulating its listed issuers? Or can shareholder approval and the role of independent directors be a substitute to ensure the maintenance of a quality marketplace?***

CCGC indicated it is essential for an exchange to retain discretionary oversight of the activities of its listed issuers because it cannot contemplate all circumstances that may arise. CCGS also submitted that it is impossible for any set of rules to contemplate all circumstances that may arise and that an exchange must have discretion to impose additional requirements or disallow a transaction when appropriate.

CNSX suggested that discretion is an important aspect of regulation and is necessary to applying rules and policies or exercising its authority as an exchange.

FAIR indicates that while Alpha Exchange has provided objective listing standards and shareholder approval, it will need to exercise some discretion in particular cases.

The TMX states that it is necessary to exercise discretion to uphold market integrity and protect the public interest because it cannot address all facts and situations as well as may need to impose conditions. It notes that the Alpha Exchange Listing Handbook will require Alpha Exchange to exercise discretion in regards to listings and delistings. It states that shareholder approval and independent director review are important components of corporate governance and may not be an effective substitute for exchange oversight to maintain the integrity of the market in all situations. The TMX also wants Alpha Exchange to publish its process for the review of management and directors of its listed issuers.

***Alpha Response:*** The commentators focused on the fact that Alpha will not be able to avoid the exercise of discretion and nor should it. We agree with all of the commentators that it is necessary for an exchange to retain discretion in applying its rules and policies in the right circumstances. We have never meant to suggest that would not be the case in dealing with listing applications or certain events. We have revised our Listing Handbooks to clarify that we will be reviewing transactions to determine if the transaction raises any public interest or market integrity issues.

Our comments regarding the exercise of discretion focused on the review of transactions having dilutive impact from a merit perspective. We have determined that clear objective standards setting out when shareholder approval is required are better than exchange staff exercising their judgment on the merit of the transaction since those impacted is the best to decide. The OSC May 26, 2011 decision regarding CI Financial Corp. and the January 23, 2009 decision regarding Hudbay Minerals Inc. both overturned the TSX's exercise of discretion in regards to a shareholder rights plan in the

former and a business combination in the latter. In the CI Financial Corp. ruling, the TSX had forced a shareholder rights plan to be reconfirmed by a two-tiered vote as opposed to an ordinary shareholder vote; this decision was overturned as the discretion used went beyond what the rules called for. Similarly in the Hudbay Minerals Inc. ruling, the TSX exempted the need for shareholder approval of a business combination despite the fact that the transaction would result in a 100% dilution to the existing Hudbay Minerals Inc. shareholders. These rulings suggest favoring decisions based on actual requirements rather than on an exchange exercising its own discretion. Neither of these TSX discretionary decisions seemed to uphold market integrity or the public interest. Alpha recognizes that security holder approval is better than exchange discretion.

In general we will try to set out objective requirements in order to minimize the exercise of discretion, but acknowledge it is our obligation to exercise discretion if we become aware of market integrity issues through our review of notices of specified transactions.

***Question 8: Should a listed issuer that is an investment fund be subject to the same securityholder approval requirements for acquisitions as mutual funds? In particular, should the investment fund manager bear the costs and expenses associated with an acquisition of a listed issuer that is an investment fund?***

CNSX, FAIR, TMX and WWW believe that security holder approval requirements should generally be the same and that the fund manager should bear the costs and expenses.

***Alpha Response:*** Alpha agrees to make the changes so that security holder approval will be the same and the fund manager will bear the costs.

***Question 9: Should Alpha Exchange's Listing Handbook contain specific criteria relating to listing applications from foreign special purpose issuers, such as investment funds or exchange-traded notes? Should this criteria require Alpha Exchange to consider Staff's assessment that it would be in the public interest to approve such a listing application?***

CNSX' position is that foreign listed companies should be required to be reporting issuers or CNSX should be relieved from that obligation.

FAIR agrees that Alpha should notify the Commission in advance of listing of foreign issuers or structured products to confirm whether a similar product was offered by prospectus in Ontario.

TMX believes that Alpha Exchange should contain specific listing requirements for foreign special purpose issuers but does not believe it is necessary for Alpha Exchange to consider the OSC staff's assessment whether to approve the listing or not.

WWW agreed that companies should be able to cross-list but believes the regulators should publish a list of recognized exchanges for this purpose.

**Alpha Response:** The commentators were generally supportive of cross-border listings, but had some specific issues they wanted addressed.

The *Securities Act* (Ontario) requires that any issuer that has listed securities on an exchange must be a reporting issuer. We believe that the provision was added to the CNSX' original recognition order because at the time of its initial application it was seeking recognition as a quotation and trade reporting system and did not fit within the definition of an exchange.

Alpha has agreed to provide notice to the staff of the securities regulators for any types of securities or issuers identified by them. We believe they have the tools through the issuing or refusal to issue a receipt, to determine if a public offering, and as a result, the listing will proceed or not and should use those tools if there is a concern.

We have changed our approach to the cross-listing of foreign issuers and will be reviewing foreign issuers based on the specific exchange that the foreign issuer is listed on in order to determine that such exchange's requirements are similar to that of Alpha Exchange. We expect over time to be able to specifically identify and publish information regarding exchanges and/or exchange requirements that may be substituted for some of our listing requirements.

**Question 10: Does the changing environment impact the Alpha Group application? If so, how?**

CNSX states that Alpha should not be granted any special consideration with respect to corporate governance or eligibility of issuers.

FAIR believes public comment should be deferred "until there has been a decision that Alpha will establish an exchange and not be part of the Maple Group bid for the TMX."

**Alpha Response:** Alpha has not requested any special consideration with respect to governance or eligibility of issuers, but has based its application on the nature of its business model and current regulatory requirements. If there is any material change in ownership or other circumstances, notice and filings would have to be made with the applicable securities regulators and would be subject to review. It would not be unique or new to have one entity operating multiple exchanges. We believe receiving exchange status is not inconsistent with the Maple transaction, even if changes to recognition order may be required as a result. For these reasons, there is no need to delay the application.

## **Other Issues**

CNSX asks the OSC to reconsider the exemption granted to report trades occurring through the IntraSpread™ Facility.

**Alpha Response:** Alpha has already agreed to make the necessary changes prior to the end of 2011.

CNSX does not believe that exchanges should have the authority to cancel trades without the consent of both parties to the trade.

**Alpha Response:** Alpha has been following the current approach required by IIROC and has confirmed it will continue to follow this approach until any changes are introduced as a result of this issue being reviewed as part of the proposed Electronic Trading Rule.

FAIR recommends that the decision to allow SPACs should be subject to a broader review of the issue on a policy basis because it believes there was inadequate consultation on the current TSX listing rules for SPACs.

**Alpha Response:** Alpha believes that this requires a policy discussion by the regulators outside of the Alpha Exchange Application.

FAIR repeated the views previously submitted to government bodies regarding the inherent conflict of interest that exists in the “for profit” status of the TSX and the TSX acting as a regulator of listed companies to which it has a responsibility to act in the public interest. It sets out three approaches (regulation subsidiary with independent governance, listings regulation department separate from business operations of the exchange, or statutory regulator performs listings regulation) applied across other jurisdictions and urges the Commission resolve the issue in line with its suggestions.

**Alpha Response:** Alpha believes its approach addresses the concerns raised and any other solutions require a policy discussion by the regulators outside of the Alpha Exchange Application.

FAIR believes there should be an independent SRO created to establish and administer core listing requirements.

**Alpha Response:** Alpha believes that this requires a policy discussion by the regulators outside of the Alpha Exchange Application.

TMX raised the following additional issues:

Alpha did not publish any evidence of its financial viability with the application and should be required to publish its financial statements as part of the public review process and on an annual basis.

**Alpha Response:** Alpha believes that the financial ratio test is used to establish the soundness of the exchange. Moreover, the provision of financial statements for review is more appropriate for regulatory oversight rather than public dissemination since there has generally been respect for the confidentiality of commercial and financially sensitive information.

Concerns about the accuracy of the Listing Standards Comparison Chart.

**Alpha Response:** The Comparison chart was intended to provide general contextual information and is not a regulatory requirement. Moreover, the inaccuracies were not material to the application and a revised chart was published with the relevant changes.

The dealer-owners may benefit directly and indirectly from the Alpha Listing Standards because of alleged lack of oversight of issuers, lack of transparency around delineation of regulatory functions and business functions.

**Alpha Response:** This comment is based on unsupported allegations. Moreover, as the TMX should be aware, the securities regulators through their regular reviews of exchanges as well as the NI 21-101 filings provide detailed information regarding its listing standards including ongoing requirements applicable to issuers and how its resources are allocated. The OSC has the tools to find, monitor and address any of these issues.

Lack of clarity around the role of IIROC as its agent.

**Alpha Response:** Alpha has clearly identified the role of IIROC. It will perform the market regulation function and will also look at timely disclosure for listed issuers. We believe the role is very similar for other exchanges but since no exchange publishes a copy of the Regulatory Services Agreement with IIROC, it is difficult to confirm. We would be willing to agree that all exchange publish all arrangement they have with IIROC.

Alpha Exchange did not provide a blacklined version of Trading Policies.

**Alpha Response:** We did not provide a blacklined copy because many of the changes were formatting and could lead to confusion.

More details on use of market makers should be required.



**Alpha Response:** All relevant information has been published. We published our changes on September 9, 2011. A separate summary of comments and our responses will be published for that request for comments.

Concerns that Approved Traders are not subject to regulation:

**Alpha Response:** Approved Traders are generally traders registered with IIROC.

Specific requirements of NI 21-101 have not been repeated in the Recognition Order.

**Alpha Response:** It is not necessary to repeat specific requirements since clearly the obligation applies.

Failure to include IntraSpread™ in Trading Policies.

**Alpha Response:** We only included what was approved at the time of publication. Application was not published in French.

**Alpha Response:** This is not correct; the Application letter was published in French by the AMF.

Rule review process was not published.

**Alpha Response:** At the time we had thought this would be covered through the proposal on ATS amendments and did not feel it was necessary to publish it with the Application. Since the amendments and subsequent implementation has not been resolved, Alpha will be subject to the same rule protocol as CNSX.

Appeals process has not been published with the Application.

**Alpha Response:** The appeals process will be a policy and procedure that is reviewed by the OSC.

Regional interests were not addressed in the application.

**Alpha Response:** Alpha's owners as well as customers represent interests from all regions in Canada and we do not believe there is a specific issue that needs to be addressed.

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1(c)	2.02(2) and 2.05(2) – The tests titled “Income” are really cash flow tests, although the commentary describes the tests as an income requirement. Tests for meeting original listing requirements should be clearly stated. These income tests should therefore be renamed as “Cash Flow” and appropriately described.	This has been clarified to be a cash flow test and commentary has been added to reflect how this calculation is made.	Accept
1(d)	2.05(6)(e) – The number of required board lot holders (200) appears to contradict the requirement in 2.05(3) (250).	This section has been clarified that the former 2.05(6)(e) is an alternative test to 2.05(3) and thus the Board Lot requirements are different. The alternative test is designed for issuers who do not specifically fall within the parameters of the ordinary test; see Section 2.03 of the AlphaV+ Listing Handbook.	Accept
1(e)	(e) Alpha Exchange should clarify the process for reviewing PIFs and how decisions regarding management suitability will be made. This is particularly important given the purported reliance on independent director approvals and corresponding reduced level of oversight by the exchange. See also Appendix A, response to Question 7.	<p>This comment does not apply to the listing handbook.</p> <p>As the TSX is aware, the Listing Handbook does not cover the policies and procedures for the implementation of requirements. The TSX does not publish its policies and procedures. Moreover, the securities regulators review the policies and procedures through</p>	No Change Required

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		their oversight reviews.	
1(f)	<p>2.07(1) – Foreign incorporated issuers that are listed and in good standing on a recognized foreign exchange may be listed on Alpha Exchange by filing the documents listed in Section 2.06. However, Section 2.06 does not require the filing of any documents, but provides that Alpha Exchange may review the conduct of a Related Person of an issuer. Further, this subsection then provides that such issuers are not subject to the provisions of the Listing Handbook. We submit that this broad denial of responsibility for foreign listed issuers presents significant risk to the integrity of the market and investor protection.</p> <p>We further submit that there are significant risks in allowing foreign companies to list on Alpha Exchange or any Canadian exchange without meeting its listing standards, unless significant diligence has been done on the foreign exchanges to ensure that listing standards are</p>	<p>There is a cross-reference error (previously pointing to Section 2.06) which has been corrected. We have revised the handbooks such that Section 2.05 of the AlphaV+ Listing Handbook and Section 2.06 of the Alpha Main Listing Handbook state that a foreign issuer must follow the original listing procedures of the Handbook including the posting of certain documents and background searches.</p>	Accept

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	<p>equivalent or higher. In addition, other exchanges may have standards that are equivalent to or exceed Alpha Exchange's listing requirements, but that does not provide any assurance that an issuer would meet Alpha Exchange's listing requirements at the time they list on Alpha Exchange. Generally, exchanges have ongoing listing requirements which are significantly lower than original listing requirements.</p> <p>TSX and TSX Venture require that all issuers, foreign or domestic, meet its original listing requirements. In addition to those requirements, the Exchanges conduct a jurisdictional review to ensure that basic shareholder rights are present and conduct local background reviews with respect to key insiders of the issuer.</p>		
1(g)	2.07(3) - The list of accepted foreign exchanges broadly includes all exchanges located in countries represented on the IOSCO Technical Committee. The commentary in this section suggests that the exchanges located in these countries have substantially similar requirements. There are	A Foreign Issuer must follow the original listing procedures. However, in order to receive an exemption from a provision of the applicable handbook, Alpha Exchange may require a Foreign Issuer to establish that its original listing jurisdiction has substantially similar requirements to those required	Accept

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	<p>countries represented on this committee that are not “designated foreign jurisdictions” under National Instrument 71-102. These designated foreign jurisdictions have undergone a form of review to determine that those jurisdictions had substantially similar requirements for the purposes of exempting certain foreign issuers from certain Canadian continuous disclosure requirements.</p> <p>There is no apparent support for concluding that exchanges in the countries represented on the IOSCO Technical Committee member jurisdictions have substantially similar requirements. It is not apparent whether any review has taken place. In particular, we note that the list of countries that are IOSCO Technical Committee members is very broad. Companies listed on exchanges in those countries may be exempt from some or all of the provisions of the Handbook. We submit that there may be serious implications for listing foreign issuers based on the IOSCO Technical Committee jurisdictions without a thorough review of the local exchange</p>	<p>by Alpha Exchange Requirements and Ontario securities laws. Alpha Exchange may publish a notice detailing standard exemptions from the Handbook for specific Accepted Foreign Exchanges. Alpha Exchange may also provide notice and seek advice of the Ontario Securities Commission in respect of exemptions granted to Foreign Issuers.</p> <p>Alpha is also required pursuant to the terms and conditions of the draft recognition order to provide the Commission with quarterly reports to identify exemptions and waivers from its listed issuer rules, together with Alpha's reasons for granting the exemption or waiver.</p>	

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	<p>requirements and securities and corporate law. Canadian capital markets may be seriously adversely impacted by Alpha Exchange listing companies in reliance on another exchange's requirements, without separate due diligence by Alpha Exchange. In addition, this section requires the exercise of discretion by Alpha Exchange and has no guidance for the exercise of such discretion. Alpha Exchange should clarify what exemptions may be provided since 2.07(1) provides that the Handbook does not apply to international issuers. Refer to the response to Question 7 in Appendix A for a discussion of the use of discretion.</p>		
1(h)	<p>2.10(1) - Escrow is limited to IPOs and backdoor listings (8.03(3)). Escrow should apply to other going public transactions, such as reverse take-overs, to ensure investor protection and the integrity of the market. Without escrow, founders of newly listed issuers can immediately liquidate their holdings to the detriment of other security holders and may negatively impact the reputation of Canada's capital markets.</p>	<p>We agree with this principal; that is why Alpha's Handbook addresses escrowing in respect of reverse takeovers (referred to as backdoor listings in the Handbook) in Section 8.03(3) of the Handbook already which states that principals of a resulting company must enter into an escrow agreement that complies with National Policy 46-201. We have also provided for the escrow of holders of AlphaV+ Listed Securities pursuant to a seed share and</p>	Accept

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		founder share regime that is applicable to all securities acquired in respect of IPOs, transactions requiring the application of the original listing procedures (e.g. a backdoor listing) which imposes escrow or legending requirements based on the acquisition date of such securities and the issuance price compared to the IPO/transaction price.	
2(b)	3.05(2)(i) – Reference to “section 2.07(c)” – this section does not exist.	Section 3.05 has been amended and as such this reference no longer exists.	Accept
3(a)	5.02 Dividends – Alpha Exchange should clarify how issuer errors, such as late dividend notice, will be handled. Failure to address such issues may adversely affect market participants.	As the TSX is aware, the Listing Handbook does not cover the policies and procedures for the implementation of requirements. The TSX does not publish its policies and procedures. Moreover, the securities regulators review the policies and procedures through their oversight reviews.	No Change Required
3(b)	5.04 Enhanced Disclosure - Alpha Exchange should clarify whether issuers must comply with 58-101 F1 or F2.	This has been clarified in each version of the Handbook.	Accept

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4(a)	<p>6.01(2) - Requires notice of any issuance or potential issuance of securities but it is unclear whether any response is required from Alpha Exchange before the issuance can occur. It is also unclear how or whether this rule is being enforced. If there are requirements, they must be enforced. The process for monitoring and enforcement of the rules should be transparent and subject to the public review process. In Canada, generally, enforcement of exchange rules occurs either through a pre-approval process (TSX and TSX Venture) or a “post &amp; go” process (CNSX). If Alpha Exchange’s proposed system is a “post &amp; go” process, some clarification is required on how the rules will be enforced and whether there will be a post-transaction review. Without a robust system of enforcement or review, there will be a negative impact on the quality of the market and investor protection. There are matters which are fundamental to the public interest for which a post review is not sufficient. For example, after closing of a private placement, it is difficult to undo the transaction without harm to security holders so there may not</p>	<p>A notice must be posted with Alpha in order to list the shares issued pursuant to a corporate finance or capital structure change for Alpha to review for market integrity concerns. Alpha Exchange is employing a non-disapproval process whereby if we don't notify the issuer of a concern then it is accepted. We have revised the requirements to reflect that an issuer must submit a notice before the close (or news release) of a transaction in which market integrity could be affected.</p> <p>Alpha also requires that the security holders of an issuer vote on certain private placements in which the issuance price is below the discount market price or for offerings above 25% of the issued and outstanding securities (see Section 10.7 of the Handbook).</p> <p>If the issuer does not comply with Alpha's requirements then the securities will not be listed for trading.</p> <p>As the TSX is aware, the Listing Handbook does not cover the policies and procedures for the</p>	No Change Required



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	<p>be an appropriate remedy. If there is a pre-review, there can be conditions imposed in advance such as security holder approval and pricing. We submit that the Listing Handbook should clearly provide for pre-review of such fundamental matters to adequately protect security holders and the integrity of the market.</p>	<p>implementation of requirements. The TSX does not publish its policies and procedures. Moreover, the securities regulators review the policies and procedures through their oversight reviews.</p>	
4(b)	<p>6.04 - Private Placements – Alpha Exchange should clarify if there is any restriction on how long the issuer will be eligible to use the offering price that is referenced in a private placement announced by press release. There is an explicit time limit on price protection (45 days) when a confidential notice is submitted to Alpha Exchange (6.04(5)), but there appears to be no time limit when the market price is established with a press release. In the absence of any such requirement, the issuer could potentially rely on that offering price indefinitely and therefore be able to complete a private placement that is at a substantial discount to the market price at the time of closing of the private placement. The rules should include a limitation on how long an offering price can remain valid</p>	<p>We have amended section 6.04(5) to clearly state that the press release setting the price will also be limited to 45 days.</p>	Accept

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	in order to preserve market integrity and protect investors.		
4(c)	6.04(6) – Clarify why there is a reference to the issuance of securities “pursuant to a prospectus” in the section governing private placements.	This was a clerical editing error and has been corrected.	Accept
4(d)	6.05(2) - Indicates that convertible securities (such as share purchase warrants) may not be issued for no consideration except as “sweeteners” in conjunction with a private placement of listed securities. This implies that an issuer can complete a private placement of warrants provided that the warrants are issued for something other than no consideration. 6.05(1) provides that the aggregate of the issue price and the exercise price of warrants issued on this basis must not be less than the market price on the trading day prior to the private placement being announced.	<p>The commentator is confusing issuance price and exercise price in this comment. Although most warrants issued as "sweeteners" have a "nominal" price ascribed to them (i.e. \$0.00001) their exercise price is most often above the issuance price of the underlying private placement. Furthermore, Section 6.05 (now 6.06) clearly states that the underlying securities issued on exercise of the warrant (in this instance) will not be less than the market price on the trading day prior to the press release announcing the offering.</p> <p>As per the term, there is no incentive on an issuer to have a convertible security (such as a</p>	No Change Required

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	<p>These rules therefore provide issuers with an avenue to effectively reserve an issue price for common shares that is equal to the current market price indefinitely. For example, an issuer can complete a private placement of warrants at a nominal price of \$0.0001 per warrant (which is something greater than no consideration). The exercise price of the warrants would be set at the current market price and have a term of 20 years (as the Listing Handbook contains no restrictions on the term of warrants). The net effect is that the persons holding the warrants (for which they only paid nominal consideration) would have the right to acquire common shares at the current market price for the next twenty years. This is contrary to the principles of market integrity.</p>	<p>warrant) on their books and reserved for issuance for a lengthy period unless the exercise price is significantly above the market price or what would be foreseeable into the future. Too low of an exercise price would set a lower bar in the future for what the issuer could raise at and set a precedent as to what the issuer is willing to offer.</p> <p>Furthermore, we have clarified the language in this Section.</p>	

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4(e)	<p>6.05(3) – Requires the prior consent of Alpha Exchange and provides for discretion in connection with the amendment of conversion prices of warrants and convertible securities. There are no guidelines provided for how or when discretion may be exercised, nor what may be the result of the use of discretion. Refer to Question 7 in the Request for Comments for a discussion of the use of discretion.</p> <p>Consider how Alpha Exchange’s Listing Handbook would deal with the following:</p> <p>(i) If a holder of a maturing convertible debenture is willing to convert (thus preserving the issuer’s cash) but only at a lower price?</p> <p>(ii) If an issuer wishes to provide an incentive to exercise to holders of in-the-money warrants (e.g., a new partial warrant?)</p> <p>(iii) If an issuer wishes to extend the maturity of a convertible debenture due to current financial difficulties?</p> <p>We submit that these gaps in Alpha Exchange’s proposed rules will have a negative impact on the quality of the market and</p>	<p>Section 6.05(3) (now 6.06(4) of the Alpha Main Listing Handbook and 6.07(4) of the Alpha Venture Plus Listing Handbook) has been amended to remove any discretion from Alpha and place such discretion on the majority of Unrelated Directors of the issuer. We have set minimum conversion prices in respect of convertible securities.</p>	Accept

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	may harm investors.		
4(f)	<p>6.07 Incentive and compensation options – Appears to only deal with stock options, and not a broader concept of security based compensation. It is unclear whether these requirements will apply to other plans such as Deferred Share Unit and Share Purchase Plans. It is also unclear whether the payment of employee salaries, director fees or bonuses paid in listed securities would be subject to these requirements.</p> <p>Further, there do not appear to be any prohibitions in relation to evergreen plans which have become quite common. It appears that issuers could adopt plans, including evergreen plans,</p>	<p>We have clarified that Section 6.07 (now 6.08 of the Alpha Main Listing Handbook and 6.09 of the Alpha Venture Plus Listing Handbook) deals with stock option grants/plans and other security based compensation arrangements. As well, security based compensation arrangements are dealt with in Section 10.10 of the Alpha Main handbook (10.09 of the AlphaV+ handbook).</p> <p>Pursuant to Section 10.10(5) of the Alpha Main handbook (10.09(5) of the AlphaV+ handbook), Alpha requires security holder approval of a security based compensation arrangement when the security</p>	Accept

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	<p>without initial or renewal shareholder approval. Amendments to insider options, such as a reduction of the exercise price or extension, will also be permitted without security holder approval. Based on very strong feedback from institutional investors, TSX and TSX Venture rules require security holder approval for all of these matters. We submit that a failure to require security holder approval in this area, which is subject to particular risk of self-dealing and abuse, would negatively impact market participants.</p>	<p>issuable pursuant to a plan exceeds 10% of the issued and outstanding securities.</p> <p>Please refer to Section 10.10 of the Alpha Main handbook (10.09 of the AlphaV+ handbook) for a description of when security holder approval is required for actions relating to security based compensation arrangements.</p> <p>We have also addressed rolling plans (evergreen plans) in this section as well.</p>	
4(g)	<p>6.16 Supplemental listings – Provides that Other Issuers, defined as issuers listed on an exchange other than Alpha Exchange, may apply to have a new class of securities listed and posted for trading on Alpha Exchange. It does not appear to provide any limits on what other exchange would be acceptable, or impose any standards on such listing. It does also not appear to limit the kind of securities that could be listed. For example, if common shares are listed on an exchange which has limited liquidity, and a convertible security is listed on Alpha</p>	<p>Section 6.18 of the Alpha Main handbook (6.20 of the AlphaV+ handbook) requires the distribution requirements that are required by an original listing (with specific modifications) and such issuer is required to follow the procedures of an original listing. Furthermore, we limit supplemental listings to Other Listed Issuers which is defined to be an issuer already listed on another Canadian exchange and specifically excludes Foreign Issuers.</p>	No Change Required

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	Exchange, there could be a market integrity issue. Further, retail security holders may bear high costs to then be able to sell the underlying securities in the foreign market.		
4(i)	6.20 NCIBs – Limits on Price and Volume – The requirements are unclear about what constitutes an inadvertent uptick. Specific factors and considerations should be provided. Also, there is no restriction on purchases during the opening session and last 30 minutes of the regular trading session. Generally, the opening price and trades in the last half hour of the regular trading session are significant market indicators that should not be influenced by NCIB purchases. Alpha Exchange’s approach is inconsistent with TSX requirements and the US safe harbour rules which apply to all US public companies. While US public companies generally tend to be larger and more liquid than Canadian public companies, it should be noted that the US safe harbour rules apply to all US public companies and not just those companies listed on senior	Section 6.21(3) (previously 6.20(3)) provides that NCIB purchases may not be made at the opening of trading or during the last 30 minutes prior to the close of the session.  An "inadvertent uptick" is now specified in the rules themselves.	No Change Required

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	<p>exchanges. Note also the exercise of discretion under this rule. Refer to the response to Question 7 in Appendix A for a discussion of the use of discretion.</p>		
4(j)	<p>6.21 Shareholder Rights Plans – This section does not consider whether the issuer has knowledge of a take-over bid. The provisions also omit any reference to plan considerations such as triggering thresholds of less than 20% and other significant information concerning the plan. These factors have recently been considered important to regulators and relevant to investor protection. There are also no provisions for amending plans, and whether security holder approval is required for amendments.</p>	<p>Section 6.21(3) (now 6.23(3) of the Alpha Main handbook and 6.25(3) of the AlphaV+ handbook) requires approval of an amendment within 6 months to such a plan.</p> <p>Canadian securities authorities have generally only permitted a rights plan to remain in place for a limited period of time in the face of a hostile bid so as to "buy time" for the target board to attract another bid. Since a rights plan is generally not permitted to be used as a block to a take-over bid, we believe it is irrelevant if the issuer has knowledge of a take-over bid prior to instituting a plan. The applicable Canadian securities authority will determine if the plan will be enforced or not.</p>	No Change Required



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		The commentator's comments reflect its discretion in its own policies which were recently overturned by the Ontario Securities Commission.	
4(k)	6.21(3) - Provides that existing shareholders may be exempt from a security holder rights plan. We are unaware of what an existing shareholder is in the context of a plan. Clarify the definition of an exiting shareholder, and who is excluded from minority shareholder approval.	<p>The context of an "existing shareholder" does not need clarification as a plan will specify who these security holders are.</p> <p>We have added commentary to Section 6.21(3) (now 6.23(3) of the Alpha Main Listing Handbook and 6.25(3) of the Alpha Venture Plus Listing Handbook) to note that minority security holder approval means security holders who are not exempted from the plan.</p>	Accept

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5(a)	<p>7.01 Notification – There is a lack of guidance as well as an indication that Alpha Exchange will use discretion in reviewing these transactions. The process for review of such notices is not apparent. There are no guidelines provided for the exercise of discretion by Alpha Exchange in these rules. The rules merely provide for notice of significant transactions and notice of closing. Consider how Alpha Exchange will deal with the following:</p> <p>(i) 7.01(1)(a) – When and how is the 10% calculated – pre or post transaction, at the time of announcement or signing agreement? Will Alpha Exchange assess what constitutes a “series” of transactions?</p> <p>(ii) 7.01(1)(b) – What specific entities qualify as a “financial institution”?</p> <p>(iii) 7.01(3) – What is a “change of business”? No definition or guidance is provided. This section provides that a change of business may be subject to the backdoor listing rules. Alpha Exchange must therefore use discretion in reviewing these transactions and determining the level of regulation it will apply and no guidance for the exercise of such discretion has been</p>	<p>It is the intention of Alpha to review transactions in this Part for market integrity concerns; Alpha issuers must also post certain information for investors to review.</p> <p>We have changed the phrase "financial institution" to "financial intermediary" to confirm with the definition in OSC Rule 14-501.</p> <p>In respect of comment 5(a)(i), we will clarify that this 10% calculation will be pre-transactional basis.</p> <p>Guidance as to what constitutes a "change of business" is provided in the commentary on section 8.01(1) as well as a definition.</p>	Accept

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	provided.		
6(b)	8.02(1) - Exempts transactions involving two or more listed issuers from being considered backdoor listings. Consider the following example where the rules do not support the public interest and integrity of the market: ...	For Alpha Main, two Listed Issuers can avail themselves of this exemption but Alpha Exchange has the discretion to deem any transaction a backdoor listing and Listed Issuers must consult with Alpha Exchange first in order to determine if they can be exempted.	No Change Required
7(a)	9.01(1), 9.02(1) - Alpha Exchange may halt or suspend trading in a Listed Security. However, Section 11.01(1) under Appeals provides that there is no appeal of a decision to suspend trading pursuant to 9.01 or 9.02. Clarify why it is appropriate to exclude such a decision by the exchange from rights of appeal. Suspensions can last a considerable period of time and	Alpha cannot overturn a decision made by a Market Regulator which are the decisions described in Sections 9.01 and 9.02.  However, we will clarify Section 11.01(1)(b) to reflect that Alpha's halts or suspensions are appealable.	No Change Required

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	have a significant impact on investors.		
7(b)	9.01(1) – The Market Regulator may suspend trading. Clarify how this may happen.	This is accomplished by IIROC halts or securities regulatory authority cease trades.	No Change Required
7(c)	9.02(1) – Alpha Exchange or the Market Regulator may halt an issuer to permit dissemination of material news. Clarify how this authority is divided and provide details about how halts will be imposed.	See the response above.	No Change Required
7(d)	9.02(2) – Contemplates a trading halt imposed by the Market Regulator across other marketplaces and over-the-counter. Clarify how this may happen and what marketplaces would be affected.	See the response above.	No Change Required
7(e)(i)	(i) Contemplates that Alpha Exchange may implement suspensions that are in the public interest pursuant to 9.01. Those decisions are not appealable according to Section 11.01(1)(ii). However, Alpha Exchange staff may also implement suspensions that are in the public interest pursuant to 9.03(1)(k) and those decisions are appealable. The appeal provisions should be published and clarified in support	We have added in the words "made by a Market Regulator" into Section 11.01(1)(b) to clarify the ability to appeal certain decisions.	Accept

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	of the integrity of the market and transparency for market participants.		
7(e)(iii)	(iii) Alpha Exchange has discretion to suspend trading in the enumerated circumstances. There is no apparent definition or coordination between halts and suspensions. Circumstances in which investors are not permitted to trade are of particular public interest and should be very transparent.	The context of this Part makes it clear that a halt is for a transient event whereas a suspension is for a prolonged period of time.	No Change Required
7(e)(iv)	(iv) Alpha Exchange submits that Tier 1 and Tier 2 issuers will have “clearly differentiated listing and continuing listing requirements”. This appears to only be differentiated at the stage of original listing. There is only one set of continued listing requirements for both Tiers of issuers. See Appendix A, Response to Question 6, for a fulsome discussion of the impact of this proposed structure.	Section 9.03 has been revised to implement different continuing listing requirements for Alpha Main (formerly Tier 1) Issuers and AlphaV+ (formerly Tier 2) Issuers.	Accept

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7(e)(v)	(v) The rules do not contemplate any ability for the issuer to remediate the issues giving rise to the suspension, or provide a timeframe in which they may do so. They also do not identify the circumstances under which an issuer will be permitted to resume trading. We submit that it is not in accordance with supporting market integrity and investor confidence to omit guidance for how an issuer could regain compliance. This gives rise to a public interest concern since issuers and investors will not understand the process or relevant factors.	Section 9.03(4) states that a suspension will be lifted when the listed issuer meets the requirements for original listing. Furthermore, Section 9.06 states that a suspended issuer has 150 days to address any failures in the original listing requirements.	No Change Required
7(e)(vi)	(vi) There is no ability to move between tiers. Consider if this should be reflected in the suspension and delisting process. See also Appendix A, response to Question 6.	An Alpha Main Issuer cannot be demoted to an AlphaV+ Issuer and, as such, they must maintain the ongoing requirements of an Alpha Main Issuer. An AlphaV+ Issuer can graduate by applying and meeting Alpha Main requirements; we note that this is no different than the procedure for graduating from the TSXV to the TSX.	No Change Required

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7(e)(vii)	(vii) It is not clear how Alpha Exchange will identify whether suspension circumstances have occurred. Clarify whether a Continued Listing Review program will be put into place and how continued listing reviews will be managed. Alpha Exchange should be required to publish for public review how it will conduct ongoing review of issuers and their transactions and management. See also Appendix A, response to Question 7.	<p>Section 9.03(2) states that Alpha will issue a press release indicating that a suspension has occurred. The issuer is required to press release material changes and, pursuant to securities laws requirements, a suspension would constitute a material change requiring a news release by the issuer.</p> <p>Reviews are done in accordance with Alpha's policies and procedures. As the TSX is aware, the Listing Handbook does not cover the policies and procedures for the implementation of requirements. The TSX does not publish its policies and procedures. Moreover, the securities regulators review the policies and procedures through their oversight reviews.</p>	No Change Required
7(f)(i)	(i) The Head of Listings may publicly reprimand an Alpha Exchange listed issuer for failure to comply with certain parts of the Handbook if suspension of trading is not an appropriate remedy. 9.03 contemplates suspensions in specific circumstances. Clarify the circumstances in which a reprimand might be seen as a suitable substitute to a	There is nothing in Section 9.05 that precludes a suspension and a reprimand at the same time; they are not mutually exclusive. Reprimands apply to certain failures on the issuer behalf as stated in Section 9.05 and further provides commentary detailing criteria as to when a reprimand may or may not be applicable. For example, the late filing of financial statements by	No Change Required

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	suspension. Typically a reprimand is something that would be applied in addition to, not substitution for, a suspension. Given Alpha Exchange’s submission that “discretion is just as likely to be abused as exercised appropriately”, it is difficult to understand the application of discretion in determining something as fundamental as whether a suspension of trading in a security or a reprimand is appropriate, without specific enumerated circumstances to inform the decision.	one day would trigger a regulatory response but it may not be necessary for Alpha Exchange to suspend trading for the inadvertent late filing but a public reprimand would be appropriate.	
7(f)(ii)	(ii) The decision whether to reprimand in lieu of a suspension is subject to appeal, but the decision to suspend may not be (see item 7(e)(i) above). This disparity creates a conflict in a discretionary decision.	See the response above; a suspension by Alpha is appealable. Any decision of Alpha (including a suspension) is appealable pursuant to Section 11.01.	No Change Required
7(f)(iv)	(iv) The commentary enumerates factors you would expect to consider when determining whether to issue a reprimand, but gives no guidance for determining whether to issue a reprimand or suspend trading. Suspensions are undertaken to protect market quality and integrity. Public reprimands generally sanction an issuer and are intended to have a deterrent	Public reprimands are given in cases where an issuer has failed to follow rules relating to timely disclosure, periodic disclosure or corporate governance. Suspensions and public reprimands are both are undertaken to protect market quality and integrity; they are separate remedies available to Alpha. Again a public reprimand may be implemented in respect	No Change Required



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	effect. These two goals are not the same. These sections should be clarified and reconsidered in order to give effect to market quality considerations, due process and investor protection.	of the late filing of financial statements by one day which would trigger a regulatory response but it may not be necessary for Alpha Exchange to suspend trading for the inadvertent late filing.	
7(g)	9.06(1) Delisting – Clarify whether the time frame to meet original listing requirements is 150 days or 1 year, particularly given the onerous outcome of automatic delisting without further notice.	Section 9.06(1) has been clarified to remove the error of including the words "one year".	Accept
8(a)	(a) 10.01(2) - Exempts issuers that have more than 50% of the voting power for the election of directors held by an individual group acting in concert or another company from independence, audit committee and compensation committee requirements. This exemption is contrary to Alpha Exchange's purported increased governance requirements and is not aligned with proposed decreased exchange oversight or the public interest.	This provision has been removed in the most recent version.	Accept

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8(b)	(b) 10.04 – Audit Committee - No Alpha Exchange listed issuers should be classified as “venture” issuers. See Appendix A, Response to Question 6 for a fulsome discussion of this issue. If Alpha Exchange is able to use the “venture” classification for its Tier 2 issuers then these issuers will be exempt from the independence and composition requirements of 52-110 (note that TSX Venture imposes its own audit committee composition requirements in addition to 52-110).	Alpha is requiring its listed issuers to comply with Multilateral Instrument 52-110 and AlphaV+ Listed Issuers are required to have a majority of independent members on its audit committee.	Accept
8(d)	10.08(1) Private Placements – Market price appears to be the most recent closing price. Strict use of a closing price may become problematic. In TSX experience, closing price may not be representative of market price. There are instances where there is material undisclosed information, and insiders may be participating in the private placement. Would Alpha Exchange allow such a private placement to proceed using an unrepresentative market price? There would be no apparent violation of insider trading rules as both parties would have access to the material undisclosed information, yet	Trading on an undisclosed change is a contravention of applicable securities laws. If an insider were to purchase under a private placement while there is material undisclosed information such insider would be breaching Ontario securities laws. Furthermore, most issuers have blackout policies which prevent situations just like the example provided by the commentator.  In respect of illiquid securities, an issuer can apply the discount market price as applicable. Furthermore, subject to Section 10.07, if an issuer wishes to discount the private placement	No Change Required

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<b>Comment Number</b>	<b>Comment</b>	<b>Response</b>	<b>Accept/No Change Required</b>
	<p>such a placement could severely impact market integrity. In addition, for securities that are less liquid, a closing price may be an aberration and unrepresentative. Further, without any ability to use discretion, Alpha Exchange will be unable to ensure an appropriate outcome in support of security holders or the integrity of the market.</p>	<p>offering price below the discount market price they must conduct a security holder vote. Similarly, if an issuer wishes to issue more than 25% of the securities outstanding in a private placement at any discount they must also receive security holder approval.</p>	
8(e)	<p>10.09 Acquisitions – The drafting in this section suggests security holder approval is required even though the acquisition is of another investment fund that meets the listed requirements. This is inconsistent with the summary in the Notice and Request for Comments at Question 8 which provides that Alpha Exchange proposes to require security holder approval of an acquisition of a listed issuer that is an investment fund unless certain conditions are met.</p> <p>It is difficult to understand the benefit security holders might obtain from a merger, as the primary beneficiary is generally the management company in terms of cost reduction from managing a larger fund rather than several smaller funds. In</p>	<p>The error in drafting has been corrected; please see the revised Section 10.08(2).</p> <p>We have agreed to change this requirement to state that the manager bears the cost of a merger.</p>	Accept

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	<p>such circumstances, the security holders should only bear costs associated with such a merger if they approve the matter at a meeting where there was full disclosure on the costs of the merger.</p> <p>The OSC has advocated that security holder approval requirements for acquisitions of listed issuers that are investment funds should be substantially similar to the requirements in NI 81-102 for mutual funds, including the requirement that the investment funds participating in the acquisition bear none of the costs and expenses associated with the transaction. This approach was recently adopted by TSX after a public comment period. If an investment fund seeks to be exempt from security holder approval for an acquisition, the fund must not bear any of the costs and expenses of the acquisition. Otherwise, they ought to be required to seek security holder approval.</p> <p>Without a consistent approach to investment fund acquisitions by Canadian exchanges, opportunities for regulatory arbitrage will result that could be detrimental to the quality of the</p>	<p>See the comment above.</p>	

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	market.		

**Response to TMX Comments – Appendix C**

<b>Comment Number</b>	<b>Comment</b>	<b>Response</b>	<b>Accept/No Change Required</b>
1(a)	Alpha System, Alpha – clarify if the facilities and services under these definitions includes Intraspread, TTM and all market data services.	The facilities will include Alpha IntraSpread™. TTM is a service used by Alpha ATS and eventually by Alpha Exchange to comply with OPR.	Trading Policies have been revised to reflect new functionality that has been approved and is in production.
1(b)	Approved Trader – definition permits an “employee of a client of a Sponsoring Member” to be an Approved Trader. DMA orders should be represented through an Approved Trader that is an employee of the Member that is responsible for the supervision of the orders. Permitting an Approved Trader who is an employee of a client of a Member does not support accountability, supervision, monitoring and investigative processes and practices in relation to DMA trading. Further, Market Makers should similarly not be permitted to be an employee of a client of a Sponsoring Member. See also comment at 2(b) below.	Approved Traders are employees of Members and must have approved trader ids. This definition has not changed. We also state that the Trading Policies and other requirements clearly indicate a Member’s responsibilities (which would include appropriate supervision) for any DMA trading. We have clarified the requirements regarding DMA.	We have clarified the requirements regarding DMA.
	Market Maker – definition only refers to assignment on Alpha listed securities. This definition is inconsistent with the Market Maker provisions	We do refer to Alpha listed securities <u>and</u> other traded securities in Section 6 of trading policies with respect to	Accept

	in Part VI.	appointment of a market maker. Our intention is to allow for market makers for any security traded on Alpha. We will clarify.	
	Other Traded Security (OTS) – clarify what “stock exchange” is intended to qualify. Will it include exchanges recognized by a securities regulatory authority in a Canadian jurisdiction, or any globally recognized stock exchange? Understanding this definition is relevant to reviewing the adequacy of the proposed Trading Policies and their impact on the integrity of the market.	We are required to identify what securities we are trading and have stated to the regulators the scope. We have a broad definition in case we decide to expand the set of securities we trade, but any change would be subject to filing with the securities regulators and notice to our customers.	No change required.
	Related Entity/Related Person/Retail Customer – clarify the relevance of these terms as they are not used in the proposed Trading Policies or related agreements	We do not understand why this question was asked. The relevance is that they are used within the Alpha Exchange Requirements.	No change required.
4.1	What are the requirements and criteria for becoming an Approved Trader and what is Alpha’s proposed approval process? Alpha’s current ATS Trading Policies are more detailed. It is unclear if Alpha Exchange intends to have an approval process as an exchange or whether there are any conditions or qualifications to become an Approved Trader	Approved Traders are traders who are identified for the firm and have a unique trader id.	We have clarified.

	<p>Under the definition of Approved Trader, a DEA/DMA person can be an Approved Trader. An Approved Trader should be a representative of a Member who is responsible for the trading activity being conducted through that Member and not merely a client. Although Section 4.1(4) provides that the Member is responsible for the activity of any Approved Trader, DEA/DMA activity should be designated through an IIROC registered trader that is responsible for that flow and through which trading is being supervised in order to uphold the integrity of the market and enforce consistent rules among exchanges</p>	<p>See response to 'Approved Trader' (section 1b)</p>	<p>See response to 'Approved Trader' (section 1b)</p>
5.5	<p>Trading Halts - Alpha should be required to notify members, regulators, and any other impacted participants through electronic means when a halt occurs, to support market integrity</p>	<p>We agree and in fact this information is made available immediately via the public feed. We also send out notices.</p>	<p>We have clarified.</p>
5.5(3)	<p>Alpha can initiate trading halts under circumstances which are governed by UMIR and administered by IIROC. Alpha should not be able to initiate such halts. There is no differentiation made between business halts and regulatory halts. See also related comments on the Listing</p>	<p>Regulatory halts are described in section 5.5 (2).  Other types of halts (described as business halts by the commenter) are described in section 5.5(3). Business Halts as described are in fact used by the TSX, this statement</p>	<p>We have made changes to clarify IIROC's role.</p>



	Handbook at Appendix B, Section 7.	completely contradicts their own practices. IIROC has in fact stated that these types of halts are acceptable and used by exchanges with their knowledge for a business reason such as non-payment of fees	
5.8	Cancellation and amendment of orders and trades – Alpha proposes to cancel and correct trades without notifying the parties in advance.	This comment is misleading. It is Alpha’s practice to notify clients and request consent prior to taking any action.	We have made changes to clarify the process.
5.9 (2)(a), (3)(a), (4)(a)	Error Corrections Requested by Member – provides that Alpha will cancel a trade “...after consultation with the Market Regulator”, but is not clear with respect to who makes the decision. It should be IIROC’s decision, or only made after approval of the Market Regulator. We note that this is the current policy under the Alpha ATS Trading Rules.	The Policies clearly state that if both parties consent, the trade bust may take place. This section of the Trading Policies in no way states or implies that the decision will be made without the consent of the Market Regulator.	We have clarified that we will act only with consent or after consultation with IIROC.
5.12(1)	Account Types - rules do not provide that all required UMIR markers will be supported, which is inconsistent with requirements applied to other marketplaces	We do not understand comment. We currently support all relevant UMIR markers and there is nothing in our documents that suggest otherwise. These markers would be evident in our specifications.	No change required.
5.12(1)	Clarify that the reported trades made outside the CLOB include trade reporting pre-	We do not understand the comment.	We have made some drafting changes in

	opening, and that such trades are limited to crosses.		response to discussions with Commission Staff.
5.12(2)	Provides that crosses must be made at a price at or within the ABBO (Alpha Best Bid Offer). UMIR best price execution requires the cross at or within the NBBO.	Members must comply with all UMIR requirements. Alpha provides a choice to allow the dealer to have a cross at or between ABBO or NBBO. These rules have been in place without any regulatory issues since Alpha began operations.	Trading Policies have been clarified to provide that crosses must be entered at a price that is at or within the ABBO but subject to any regulatory provisions.
5.21(2)	Display of Orders - references "Dark Orders" which are not defined.	This is not applicable, as of date of publication Alpha did not have 'Dark Order' type. As of date of this comment letter – Alpha still did not have "dark Order" types available (i.e. IntraSpread in black lined state)	No change required.
	The differences between the Market Makers and the Odd Lot Dealers are not clear. It appears that all Market Makers and Odd Lot Dealers must be Members and/or Approved Traders with POs. Is there an enforcement mechanism to ensure this process is adhered to? Will there be a Market Maker and Odd Lot Dealer assigned to every listing issue?	There have been policies and procedures for odd lot assignments and monitoring and there will be for market making activity.	We have revised the Trading Policies to reflect the fact that the LMM will be the odd lot dealer for Alpha Listed Securities and the MM for OTS will be the odd lot dealer for securities traded on Alpha but listed on other marketplaces.
6.13(1)(a) , 6.13(4)	Clarify use of NBBO in these sections. The opening in (1) says incoming Odd Lot Market	This mechanism has been in place without any issues or	No change required.

	Orders will auto-execute at NBBO, while (a) says if the relevant price is not available in NBBO the order will be booked. In (4), the examples referring to NBBO similarly do not seem correct.	confusion. The 'relevant price' is defined as the National Best Bid for sell orders and National Best Ask for buy orders. This is explained in parentheses in 6.13.1	
6.16(1)	Orders booked in OLOB – Explain why these will not be disseminated on the public data feed. There is no rationale provided for why these trades should not be transparent. Also, clarify whether Odd Lots can trade against each other.	There is no “book” because it is an automated execution facility that works without discretion. These orders only execute with odd lot dealer.	No change required.

**Response to TMX Comments – Appendix D**

<b>Comment Number</b>	<b>Comment</b>	<b>Response</b>	<b>Accept/No Change Required</b>
Schedule 2 – Market Maker Application Form and Agreement	Clarify drafting to ensure that notification may be compressed by Alpha, but that changes to Policies must be made in compliance with Alpha’s obligations for changing its Policies.	We have clarified the drafting to make it clear that any changes are subject to the rule review process of the securities regulatory authorities. Note also that the Market Maker Agreements are now stand-alone agreements, rather than schedules to the Member Agreement.	Accept.
Schedule 3 – Odd – Lot Dealer Agreement Attachment A - Note 9	Odd-Lot dealers are not generally assigned for debentures/bonds. Odd lots can sometimes occur when two participants match each other with odd lots, but debentures/bonds otherwise trade at face value and are not intended to be broken up into sub face value amounts. Odd lots of these instruments should not be encouraged as they may disadvantage investors who may be left without an ability to sell where no match exists.	We do not assign odd lot dealers for debentures that are listed on other marketplaces, but we have retained the ability to assign odd lot dealers for debentures listed on Alpha Exchange. We have clarified that in the fee schedules to the various market maker/lead market maker agreements	Accept in part.

**Response to TMX Comments – Appendix E**

<p>Section 3. Ownership of Alpha LP and Alpha GP</p>	<p>Given Alpha Exchange’s ownership structure which is that of a private exchange closely held by its significant customers, we submit that an ownership threshold of 5% should be the trigger for OSC approval. This is consistent with the threshold chosen by the OSC with respect to The Toronto Stock Exchange Inc., prior to the time that it became a widely-held public company. We believe that this threshold is appropriate because a concentration of exchange ownership, particularly where the concentration of ownership resides among a few powerful customers, can impact the manner in which an exchange takes into account the public interest. We note further that this threshold is not a prohibition against ownership concentration; rather it is merely a provision that enables the OSC to approve an entity, whether acting individually or acting jointly or in concert with another entity, prior to that entity attaining a concentrated stake in Alpha Exchange.</p>	<p>The change from 5% to 10% was not based on other precedents but was not related to whether the exchange was publicly held or not. There are other examples of regulators imposing ownership limits of 20% on dealer-member ownership of exchanges – for example, EdgeX and BATs. Any concern the regulators may have regarding changes in ownership of Alpha Exchange should be whether any one owner may significantly increase its percentage ownership, thereby potentially having the ability to exercise significantly greater influence over the Exchange than the other owners. This concern is mitigated by the requirement that the OSC approve any change in ownership that will result in any shareholder going over the 20% threshold. Moreover, Alpha believes that If there is a perceived concern with respect to concentration of ownership of an exchange, this concern should be dealt with on a policy-based, industry-wide basis and not through the application process.</p>	<p>Reject.</p>
<p>Sections 4. and 12. Fitness</p>	<p>We agree that given Alpha Exchange’s ownership</p>	<p>Accept comment provided will be applied to all</p>	<p>Accept.</p>

	<p>structure, the fit and proper person test should extend to persons beyond the directors and officers of Alpha Exchange. In our view, it is appropriate that the persons identified in sections 4 and 12 are subject to a fit and proper person review.</p>	<p>exchanges - we had already agreed to apply the fit and proper test to major shareholders as well as directors and officers, as set out in the recognition order.</p>	
<p>Section 5. Conflict of Interest and Confidentiality</p>	<p>We agree that Alpha Exchange should be required to establish and maintain policies and procedures that identify and manage conflicts of interest, and that these policies and procedures should be publicly available. The Alpha Exchange recognition order references conflicts arising from the operation of the marketplace or the services it provides. As discussed at Appendix A of our submission, a conflict that is both material and specific to Alpha’s model is its ownership structure. The recognition order should specifically reference conflicts of interest arising from ownership by Alpha Exchange members (or their affiliates), to ensure that the conflicts policies both identify this conflict and contain mitigation and management provisions that address the conflict.</p>	<p>We note that all exchanges have conflicts. Conflicts arising from ownership should not be treated any differently than other types. The tools used are transparency and policies to manage both potential and actual conflicts. As stated in the Application, it is Alpha’s practice to have procedures which, wherever possible, rely on objective criteria to determine what action to take, including in the context of managing potential conflicts of interest. The status of a participant as a shareholder or employee of a shareholder is never used as criteria in making a decision. Alpha Exchange has language in its operational policies and procedures that clearly sets this out, and the Employee Code of Conduct clearly instructs all employees of Alpha that, in the event that discretion must be exercised in a potential conflict of interest situation, the fact that one party is a shareholder must not be taken into account.</p>	<p>We reject.</p>

<p>Section 13(a). Independent Representation on the Alpha Exchange Board</p>	<p>The Alpha Exchange Board Standards should be published as part of the public comment process. In order to be in a position to provide meaningful comment on whether the Alpha Exchange board independence standards are appropriate at the outset, the standards must be published as part of this public comment process prior to Alpha Exchange beginning operations. Incorporating the Board independence standards as part of the public comment process is consistent with the practice that was followed by TMX Group Inc. and TSX Inc. when they enhanced their independence definition for Board members by, among other things, creating board independence standards. When the concept of the Board independence standards was initially proposed to the OSC by TMX Group, OSC staff at that time felt that these provisions were of sufficient importance to warrant a public comment process. The notice and request for comments for this purpose was published for a 30-day comment period. As part of the request for comments, the complete Board of Directors Independence Standards for each of TMX Group Inc. and TSX Inc. were published. This way, the public was able to review and comment on the full</p>	<p>We do not understand this comment. The proposed independence standards have been published as part of the public comment process – they can be found in the Alpha Exchange Application, in the OSC Bulletin, starting at (2011) 34 OSCB 4571.</p>	<p>We reject.</p>
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	<p>content of the standards, which we believe was necessary in order be in a position to provide informed comments.</p>		
13(b)	<p>Material Relationship. The Alpha Recognition Order at subsection 13(b) confirms that if an individual has a material relationship with Alpha Exchange, he or she will be considered not to be independent. However, this definition is incomplete because “material relationship” is not defined. Alpha Exchange may decide to use the definition of “material relationship” as set out in subsection 1.4(2) of National Instrument 52-110 – Audit Committees (NI 52-110), or it may choose to use a different definition. In any event, as that definition essentially drives the determination of independence, it must be included in the text of the Recognition Order.</p>	<p>Again, we do not understand this comment. Alpha’s definition of “material relationship” is set out in its application, at page (2011) 34 OSCB 4572, and the proposed definition is also set out in Section 13(b) of the Recognition Order. Therefore, the proposed test for material relationship is subject to the public comment process, and the independence standards themselves will be set out in the relevant corporate mandates, and will be subject to Commission approval.</p>	<p>We reject.</p>
	<p>Based on the limited list of individuals who are considered not to be independent, as set out in subsection 13(b) of the Recognition Order, there appear to be a number of significant relationships that could trigger non-independence that are not captured in the Recognition Order. For example, the concept that immediate family members of certain</p>	<p>The definition of material relationship was not based on that found in NI 52-110, because Alpha Exchange is not a public company. We believe that including immediate family members of the individuals listed in paragraphs 13(b)(iv) and 13(b)(vi) is unnecessary and overly broad.</p>	



	<p>individuals also have material relationships with an entity is not included in the Recognition Order. We submit that the OSC should consider whether the definition “material relationship” should extend to individuals who are immediate family members of those individuals listed in subsections 13(b)(iv) and 13(b)(vi) of the Recognition Order. This would be consistent with the approach taken in NI 52-110 subsection 1.4(3)(b).</p>		
13(c)	<p>The Recognition Order has omitted the material relationship that is attributed to individuals who are representatives of entities that own more than 10% of Alpha Exchange. This is a fundamental material relationship that must be described in the recognition order in order for the public to understand the composition of the Alpha Exchange Board, and its independent portion.</p>	<p>This relationship has been added to the independence standards, and in fact Alpha has agreed to having no threshold, so that owners or any percentage of shares of the Exchange will be considered non-independent.</p>	Accept.
Section 22. Listing of Shareholders	<p>The Alpha Exchange Recognition Order should contain a complete process to deal with listings of affiliated organizations. The rules should not be established after the first scenario arises. These rules and processes should be created prior to Alpha receiving its exchange recognition, and should be</p>	<p>The rules will not be established after “the first scenario arises”. As stated in the recognition order, the Exchange must have policies and procedures in place prior to any listing of securities of any partner of Alpha LP or an affiliate of such partner. These policies and procedures will be subject to review and</p>	We reject.

	part of the public comment process. This process is in addition to any general conflict of interest provisions that Alpha Exchange is subject to as part of its daily operations.	oversight of implementation by the Commission and will be available on the Exchange website per the terms and conditions of Alpha Exchange's recognition order.	
Related Party Transactions	It appears that the Alpha Exchange Recognition Order does not contain requirements regarding related party transactions. TSX Inc. is subject to related party transaction requirements in its recognition order, in order to further ensure the ongoing financial soundness of the operating exchange within the broader TMX Group organization. We submit that it would be prudent to impose similar requirements on Alpha Exchange that would ensure that any material agreement entered into with its affiliates or associates would be on terms and conditions that are as favourable to Alpha Exchange as market terms and conditions. This will impose a discipline on Alpha Exchange that would assist it in ensuring its financial soundness, which is consistent with the public interest mandate that comes with exchange recognition.	We submit all material contracts for the review of the securities regulators and do not believe it is necessary to include this provision in the recognition order.	We reject.

**Appendix C**  
**Summary of Comments and**  
**Responses to September Notice**

## **Summary of Comments for Alpha Exchange Market Maker Program**

**Prepared by Alpha Group**

**November 19, 2011**

***Note: The responses to the comments reflect the views of Alpha Group and do not necessarily reflect the views of the Ontario Securities Commission (OSC).***

### **Background**

Alpha Trading Systems Limited Partnership ("Alpha LP") and Alpha Exchange Inc. ("Alpha Exchange") (together, "Alpha Group") filed an application for Alpha Exchange to become recognized as a "exchange" which was published on April 15, 2011 by the Ontario Securities Commission (the "OSC") as the lead regulator and in French by the Autorité des Marchés Financiers, the regulator coordinating on behalf of the exempting regulators.

Since this initial application was submitted and published, Alpha Exchange has modified the market maker proposal contained in the documents published on April 15, 2011 and published on September 9, 2011 a notice of the changes for comment.

The Market Maker Program (MMP) applies to securities listed and traded at Alpha Exchange and those securities that are traded but not listed on Alpha Exchange. The MMP has two classes of market makers: the Lead Market Maker ("LMM") and the Market Maker ("MM"). The LMM is only for Alpha listed securities and has higher obligations and performance criteria as well as greater benefits when compared to a MM for Alpha listed securities. MMs for Other Traded Securities do not have maximum spread and minimum board lot size requirements to meet its obligations but have a specified percentage of volume traded for the continuous market in addition to odd lot execution obligation.

The objective of the MMP is to create an effective program to achieve and/or improve liquidity and market quality. To achieve this, the MMP aims to: (1) maintain liquidity and market quality for securities listed and traded on Alpha Exchange through obligations to provide quotes and maintain certain depth requirements; (2) increase market integrity by having the market maker act as a gatekeeper due to their close monitoring of trading activities; and (3) create an effective market for Special Purpose Issuers which require market makers to offer units and trade in the underlying securities.

Alpha received 3 comment letters: one from a marketplace and two from current market makers<sup>1</sup>.

Alpha would like to thank all commenters for their submissions. This summary will summarize the issues and Alpha's responses.

### **Alpha Issuer negotiating with Lead Market Maker**

TSX and Desjardins believe that the Issuer should not negotiate with the LMM better spread /size commitments because it would create a conflict of interest.

#### Alpha Response

While we believe the process we had developed (which included Exchange approval, monitoring of the LMM as well as setting the minimum requirements) would eliminate potential conflicts, we have agreed to implement a more traditional model where the issuer will not negotiate with potential market makers to approve them nor to set criteria.

### **Multiple Market Makers on the same security**

Desjardins believes appointing only one a Lead Market Maker per security is sufficient. It expressed a concern that additional market makers could erode liquidity.

#### Alpha Response

There are very successful marketplaces such as Nasdaq which have multiple market makers. We believe that the potential for more than one market maker will provide an incentive for better performance. We do note that there is only one Lead Market Maker per security. It is our expectation that at least initially, a Market Maker will only be named for Alpha Listed Securities if the Lead Market Maker is not performing or is marginally performing its obligations.

### **DMA clients as market makers**

All three commenters expressed concern regarding clients of a Member acting as market maker.

#### Alpha Response:

Alpha ATS has had experience with sponsored clients acting as odd lot dealers without any concerns or issues. We believe it is feasible to have a program which requires the Member to be responsible but allows it to delegate to a client, provided there is transparency to the marketplace and tools in place to address any issues.

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<sup>1</sup> TMX, Desjardins and ITG

However we have agreed that we would begin with a model where the Lead Market Makers and Market Makers for Alpha Listed Securities shall not assign the performance and benefits of their market making and odd lot responsibilities to DMA Eligible Clients. We will monitor developments to see if this issue should be raised again in the future. As is our current practice, DMA Eligible Clients will be able to be Market Makers for OTS.

### **Market Makers**

TMX believes MMs for Alpha Exchange listed securities and MMs for OTS are not market makers, but are liquidity providers that should not benefit from the exemptions that are applicable to true market makers.

#### Alpha Response

Alpha market makers for Alpha listed securities have to comply with maximum spread and minimum depth goals in order to obtain a preferential passive rebate. Additionally, only the Lead Market Maker will have the benefit of UMIR exemptions applicable to market making and be eligible for the market maker discount on regulatory fees.

### **LMM in the opening auction**

TMX believes that incenting LMMs to achieve volume targets in the opening auction could lead to more price volatility on the opening and is not in line with best execution obligations or market maker obligations more generally.

#### Alpha Response

We disagree that the volume targets will create volatility or is not in line with best execution. First this is a target and is not a requirement. It does not supersede best execution. Second this will address issues that have occurred when a delayed opening happens due to a significant price deviation in the opening. This is in line with the role of market makers to achieve appropriate spreads. Third, the additional volume will reduce volatility because of the extra liquidity.

### **MM for multiple markets**

TMX commented that it appears that a Market Maker (Alpha Exchange listed and OTS) can be the market maker for a security on more than one exchange. TMX expresses concern that this could have negative market impact by spreading liquidity across two markets and therefore can weaken price discovery on both.

Alpha Response:

We have seen that trading in multiple marketplaces does not weaken price-discovery. Secondly, there may not be the same market maker on each marketplace for the same security.

**Trading in the odd lot book**

TMX believes Alpha should not be permitted to continue to operate an undisclosed order book for odd lots, if not these orders would then appear to be dark orders and should be required to follow existing rules for dark orders.

Alpha Response:

The odd lot autoexecute functionality is currently not a dark order book. It is an execution facility that provides for the automated matching of odd lot orders. Moreover, odd lot orders are exempt from most rules because they are special term orders.

**Appendix D**  
**Summary of Key Amendments to**  
**Rules of Alpha Exchange**



# **Alpha Exchange Summary of Key Amendments to Documents Since Last Publication**

## **Prepared by Alpha Group**

In response to comments, as well as a result of discussions with various securities regulators, Alpha Exchange Inc. (“Alpha”) has made changes to the original Listing Handbook (the “Original Handbook”) and the accompanying Forms (the “Original Forms”), the Trading Policies and Member Agreement published by the OSC on April 15, 2011. The purpose of this summary is to assist in identifying key substantive changes instead of providing a blacklined version<sup>1</sup>.

### **Listing Documents**

Alpha has separated the Original Handbook and Original Forms into two distinct sets of handbooks and forms; one for each of the former listing tiers (now known as Alpha Main (previously Tier 1) and Alpha Venture Plus (previously Tier 2)). This separation of handbooks and forms was undertaken to reinforce that Alpha Main issuers fall within the category of a “non-venture issuer” for securities laws purposes and Alpha Venture Plus issuers fall within the category of a “venture issuer” for securities laws purposes.

### **Changes Applicable to Both Handbooks:**

- A Foreign Issuer is no longer automatically exempt from the provisions of the handbooks and must follow the initial listing procedures;
- Rolling security compensation arrangements (known as ‘evergreen plans’ or ‘rolling stock option plans’) are subject to periodic approvals (three years for an Alpha Main issuer and yearly for an Alpha Venture Plus issuer);
- Alpha requires pre-notification of all transactions involving the issuance of securities and certain material transactions not involving the issuance of securities, and has clarified that it will conduct a review of such transactions for market integrity concerns;
- Both handbooks now require issuers to provide a maximum number of securities issuable pursuant to a security based compensation arrangement either as a fixed number or percentage of the issuer’s outstanding securities;
- Both handbooks now have requirements in relation to the sale of securities by a control block holder which contain reporting obligations and certain limitations;
- An issuer undertaking a backdoor listing (also known as a reverse takeover) must comply with all of the initial listing requirements and procedures as if it was an initial

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<sup>1</sup> Since there were significant formatting changes, blacklined versions could be confusing.

listing and Backdoor listings are now subject to the same minimum discount price in relation to security issuances as a private placement; and

- Security holder approval is now required in respect of security based compensation arrangements for: (i) a re-pricing; (ii) an extension of the term of a grant benefiting a related person of an issuer; (iii) an amendment to remove or to exceed the participation limit of related person of an issuer; or (iv) an amendment to an amending provision within such arrangements.

### **Salient Changes Applicable to the Alpha Venture Plus Handbook:**

- Special Purpose Issuers cannot be listed on Alpha Venture Plus and the alternative minimum listing standards for technology and research and development issuers are only available to Alpha Venture Plus issuers;
- Alpha has implemented the concept of ‘founder shares’ (i.e. securities issued at less than \$0.05 or to related persons as part of certain transactions) and the Alpha Venture Plus handbook provides for strict limits in respect of the amount of such founder shares issuable as well as specific escrow periods pertaining to such shares. Alpha has also enunciated its position that ordinarily an issuer should have no more than 20% of its issued and outstanding securities issued or proposed to be issued as Founder Shares as at the time of listing;
- Alpha Venture Plus issuers are now subject to a review of pre-listing transactions and its capital structure whereby the capital structure of an Alpha Venture Plus issuer prior to listing must be acceptable to Alpha. In this regard, Alpha has implemented the following requirements:
  - Minimum exercise price for convertible securities which is the greater of market price or \$0.10;
  - A requirement that if the conversion price of convertible securities issued under past financings before listing is below the market price then Alpha may impose additional hold requirements;
  - Seed share resale restrictions whereby securities will be held for periods of various lengths where they were issued to individuals (who are not Related Persons of an Issuer) by private companies before an IPO, or issued by a private company before a backdoor listing or a change of business. The length of such hold or escrow periods will be determined by the original issuance price of such securities and how long such securities have been held;
  - At least 20% of the outstanding listed securities of the issuer must be freely tradeable securities (meaning securities held by public security holders that are not subject to any restrictions);

- Securities issued pursuant to a private placement or prospectus offering have a minimum issuance price of \$0.05 and a minimum exercise price per warrant, convertible security or stock option, as the case may be, of \$0.10;
- In respect of backdoor listings, Alpha Venture Plus issuers are subject to more stringent requirements, including:
  - A halt of trading upon the announcement of the backdoor listing lasting until very specific disclosure has been provided by the issuer and Alpha has reviewed the transaction and conducted necessary background searches;
  - Security holder approval pursuant to the requirements of MI 61-101 and excluding the votes of related persons of the issuer (where the transaction is a related party transaction);
  - News releases on material changes in the backdoor listing transaction or every 30 days after the initial news release;
  - A requirement that principals of the resulting issuer will be escrowed pursuant to NP 46-201;
  - A requirement that if an acceptable valuation method is not used to determine the consideration attributed to the issuance price of securities in respect of a backdoor listing, Alpha will not approve the backdoor listing; and
- Dispositions that involve the sale of more than 50% of an issuer's assets, business or undertaking will require a security holder vote.

### **Trading Policies**

- Revisions to the proposed market maker program for Alpha Exchange to establish different types of market makers, those being the "Lead Market Maker" for Alpha Listed Securities, "Market Maker for Alpha Listed Securities", as well as "Market Maker for Other Traded Securities", and provisions setting out the responsibilities and benefits of each;
  - These revisions were published for comment on September 9, 2011. Certain aspects of the proposed revisions as published will not be implemented. Specifically, Alpha has agreed to implement a more traditional model where the issuer will not negotiate with potential market makers to approve them nor to set criteria. In addition, Alpha has agreed to prohibit Lead Market Makers and Market Makers for Alpha Listed Securities from assigning the performance and benefits of their market making and odd lot responsibilities to DMA Eligible Clients.

- Changes to the suspension and termination provisions to provide that Alpha will, in most cases, suspend before terminating, and clarification around when Alpha will suspend or terminate;
- Changes to the Error Trading Policies to reflect current practice;
- Changes to the “Appeals” section, to reflect the fact that Alpha will not have a Regulatory Oversight Committee and therefore appeals of decisions will go to the Board of Alpha, as well as the fact that Members may appeal decisions of the Board by way of arbitration and/or by appeal to the securities regulatory authorities; and
- Changes to reflect amendments to the Trading Policies of the current Alpha ATS that have been implemented since the publication for comment of the Trading Policies for Alpha Exchange.

### **Member Agreement**

- The Market Maker Agreements (Lead Market Maker, Market Maker for Alpha Listed Securities and Market Maker for Other Traded Securities) have been broken out from the Member Agreement and are now standalone agreements;
- Change of notice period for fee changes from 60 days to 30 days (but subject to regulatory approval);
- Some provisions were moved from the Member Agreement to the Trading Policies – for example, the requirement that Members provide training; and
- Removal of IIROC release schedule (no longer required).

# **Appendix E**

## **Alpha Exchange Trading Policies**



**ALPHA EXCHANGE INC.  
TRADING POLICIES  
(the “TRADING POLICIES”)**



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## PART I. Definitions and Interpretations

### 1.1. Definitions

- (1) Unless otherwise defined or interpreted or the subject matter or context otherwise requires, every term used in Alpha Requirements that is defined or interpreted in
- (a) Ontario securities law,
  - (b) UMIR, or
  - (c) IIROC Rules,
- has the same meaning in these Trading Policies.
- (2) The following terms have the meanings set out when used in the Alpha Requirements and apply to the trading of both Alpha Listed Securities and Other Traded Securities unless otherwise specified:

<b>Alpha</b>	The recognized exchange which provides a marketplace for Alpha Listed Securities and Other Traded Securities on Alpha.
<b>Alpha Approval</b>	Any approval given by Alpha under the Alpha Requirements.
<b>Alpha Best Bid and Offer (ABBO)</b>	In respect of a particular security, the best bid, the highest price and its corresponding volume that a Member has published to buy, and the best offer, the lowest price and its corresponding volume that a Member has published to sell, in the Alpha CLOB.
<b>Alpha Closing Price or (ACP)</b>	The CCP for an Alpha Listed Security unless it exceeds parameters established by Alpha. The Alpha Closing Price for Other Traded Securities will be adjusted overnight to reflect the closing price on the principal market as established in UMIR.
<b>Alpha Last Sale Price (ALSP)</b>	The price at which the last trade of a Board Lot was executed on Alpha, other than a Special Terms trade.



**Alpha Listed Security**

Securities listed on Alpha Main or Alpha Venture Plus.

**Alpha Requirements**

Alpha Requirements include the following:

1. These Trading Policies;
2. The Alpha Main Listing Handbook and Alpha Venture Plus Listing Handbook (together, the "Listing Handbooks");
3. Obligations arising out of the Member Agreement, Lead Market Maker Agreement for Alpha Listed Securities, Market Maker Agreement for Alpha Listed Securities, Market Maker Agreement for Other Traded Securities or any Listing Forms;
4. Any forms issued pursuant to these Trading Policies or the Listing Handbooks and any obligations related to or created by such Forms;
5. UMIR; and
6. Ontario securities law, and any decision thereunder as it may be amended, supplemented and in effect from time to time.

**Alpha Systems**

The electronic systems operated by Alpha for providing all facilities and services related to the trading of Alpha Listed Securities and Other Traded Securities on Alpha.

**Approved Trader**

An employee of a Member, or an employee of a client of a Sponsoring Member, authorized through a direct market access arrangement to enter orders onto a marketplace as a trader, who has been provided with a trading identifier to be used when accessing a marketplace.

**Assigned Security**

The particular Alpha Listed Security or Other Traded Security for which a Member has been appointed either as the Lead Market Maker or Market Maker.

**Board**

The Board of Directors of Alpha and any committee of



	the Board of Directors to which powers have been delegated.
<b>Board Lot</b>	A standard trading unit.
<b>Bypass Cross</b>	A cross that has a bypass marker.
<b>Bypass Order</b>	An order that has a bypass marker to indicate that it is: (a) part of a designated trade; or (b) to satisfy an obligation to fill an order imposed on a Member or DMA Eligible Client by any provision of UMIR or a Policy; and that is entered on a protected marketplace to execute as against the disclosed volume on that marketplace prior to the execution or cancellation of the balance of the order.
<b>Calculated Opening Price (COP)</b>	A single price calculated for a security whereby the trading volume is maximized and the trading imbalance is minimized and is within parameters defined by Alpha in the opening call.
<b>Calculated Closing Price (CCP)</b>	A single price calculated for a security whereby the trading volume is maximized and the trading imbalance is minimized, and is within parameters defined by Alpha in the closing call.
<b>Central Limit Order Book (CLOB)</b>	The electronic book containing all Board Lot orders entered for execution in a continuous manner with price and priority rankings.
<b>Clearing Corporation</b>	CDS Clearing and Depository Services Inc. and any successor corporation or entity recognized as a clearing agency.
<b>Directed Action Order (DAO)</b>	A specific order type as defined in NI 23-101 that informs a marketplace that the order can be immediately carried out without delay or regard to any other better priced



orders displayed by another marketplace.

**Decision**

Any decision, direction, order, ruling, guideline or other determination of Alpha, or of the Market Regulator made in the administration of these Trading Policies.

**DMA Eligible Client**

A DMA Eligible Client is a client of a Sponsoring Member to which it provides sponsored access to Alpha Systems and that is :

1. A client that falls within the definition of “acceptable counterparties” or “acceptable institutions” or “regulated entities” as defined in the General Notes and Definitions section of the Joint Regulatory Financial Questionnaire and Report.
2. A client that is registered as a portfolio manager under the Securities Act of one or more of the Provinces of Canada.
3. A client that is a foreign broker or dealer (or the equivalent registration) registered with the appropriate regulatory body in the broker’s or dealer’s home jurisdiction and that is an affiliate of a Member acting for its own account, the accounts of other Eligible Clients or the accounts of its clients.
4. A client that in the aggregate owns and invests on a discretionary basis at least \$100 million in securities of issuers that are not affiliated with the customer and falls into one of the following categories:
  - (a) An insurance company as defined in section 2(13) of the U.S. Securities Act of 1933,
  - (b) An investment company registered under the U.S. Securities Act of 1933 or any business development company as defined in section 2(a)(48) of that Act,







<b>IIROC</b>	The Investment Industry Regulatory Organization of Canada.
<b>IIROC Rules</b>	UMIR and IIROC's dealer member rules.
<b>Intentional Cross</b>	A trade resulting from the entry by a Member or DMA Eligible Client of both the order to purchase and the order to sell a security, but does not include a trade in which the Member has entered one of the orders as a jitney order.
<b>Internal Cross</b>	An Intentional Cross between two accounts which are managed by a single firm acting as a portfolio manager with discretionary authority to manage the investment portfolio granted by each of the holders of the accounts and includes a trade in respect of which the Member or DMA Eligible Client is acting as a portfolio manager in authorizing the trade between the two accounts.
<b>IntraSpread™ Facility</b>	An optional facility which allows a Member to seek order matches with guaranteed price improvement for active orders, without pre-trade transparency.
<b>Lead Market Maker</b>	The Member appointed as a Lead Market Maker by Alpha for a particular Alpha Listed Security.
<b>Lead Market Maker Approved Trader</b>	The Approved Trader identified by the Lead Market Maker to fulfill a Lead Market Maker's responsibilities under these Trading Policies.
<b>Market Maker</b>	The Member or Members appointed as market maker for a particular Alpha Listed Security or Other Traded Security.  <b>Commentary:</b> The terms "Market Maker for an Alpha Listed Security" and "Market Maker for an Other Traded Security" will be used if the provision is only applicable to one and not the other. Otherwise the provision will be applicable to both.
<b>Market Maker</b>	The Approved Trader given responsibility to fulfill a



<b>Approved Trader</b>	Market Maker's responsibilities under these Trading Policies.
<b>Market Regulator</b>	IIROC or such other person recognized by the Ontario Securities Commission as a Regulation Services Provider for the purposes of Ontario securities law and which has been retained by Alpha as an acceptable Regulation Services Provider.
<b>Member</b>	A member approved by Alpha to access the Alpha Systems, provided such access has not been terminated.
<b>Member Agreement</b>	The agreement entered into between Alpha and a Member which sets out the terms and conditions of the Member's access to the Alpha Systems.
<b>Member Related Entity<sup>1</sup></b>	<p>A Person that is</p> <ol style="list-style-type: none"><li>1. an affiliated entity of a Member, or</li><li>2. a control person of a Member or of which the Member is a control person,</li></ol> <p>and that carries on as a substantial part of its business in Canada that of a broker, dealer or advisor in securities and that is not itself a Member.</p>
<b>Member Related Person<sup>2</sup></b>	<p>A Member Related Person is:</p> <ol style="list-style-type: none"><li>1. A Member Related Entity,</li><li>2. An employee, agent or contractor acting as an employee of a Member or a Member Related Entity,</li><li>3. Partners, directors and officers of a Member or Member Related Entity,</li><li>4. An Approved Trader; and</li><li>5. Any other Person designated by Alpha.</li></ol>

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<sup>1</sup> Note that this definition is being used for the purpose of these Trading Policies and may differ from definitions used by other parties.



<b>Mixed Lot</b>	An order containing at least one Board Lot and an Odd Lot.
<b>National Best Bid and Offer (NBBO)</b>	The best bid and best offer of at least a Board Lot on all visible marketplaces, but does not include special terms orders.
<b>National Cross</b>	A cross entered during the continuous trading session which at the time of entry was at or within the NBBO.
<b>National Last Sale Price (NLSP)</b>	The most recent trade of at least a Board Lot on any marketplace, other than a special terms trade.
<b>Notice</b>	A communication or document given, delivered, sent or served by Alpha.
<b>Odd Lot</b>	Any amount less than a Board Lot.
<b>Odd Lot Dealer</b>	A Member appointed by Alpha as an Odd Lot dealer for a particular security to perform the functions described in Part VI.
<b>Odd Lot Order Book (OLOB)</b>	The electronic book containing all Odd Lot orders.
<b>Order Protection Rule (OPR)</b>	NI 23-101, which sets out the requirements that ensure that all immediately accessible, visible, better-priced limit orders are executed before inferior-priced limit orders and are not traded through. OPR requires each marketplace to establish, maintain and ensure compliance with written policies and procedures that are reasonably designed to prevent trade-throughs on that marketplace.

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<sup>2</sup> Note that this definition is being used for the purpose of these Trading Policies and may differ from definitions used by other parties



<b>Other Marketplace</b>	An exchange, quotation and trade reporting system, or alternative trading system other than Alpha, which is subject to National Instrument 23-101 – Trading Rules, on which any of the same securities as are tradable on Alpha are tradable, which has been identified as a Protected Marketplace by an applicable regulatory authority, excluding marketplaces which Alpha specifically identifies as an excepted Other Marketplace.
<b>Other Traded Security (OTS)</b>	A security listed by an exchange other than Alpha and traded on Alpha.  <b>Commentary:</b> A security that is listed both on Alpha and on another exchange in Canada will be considered to be an Alpha Listed Security for purposes of Alpha Requirements unless otherwise specified.
<b>Person</b>	Includes without limitation an individual, corporation, incorporated syndicated or other incorporated organization, sole proprietorship, partnership or trust.
<b>Retail Customer</b>	Is defined in accordance with IIROC's dealer member rules.
<b>Settlement Day</b>	Any day on which trades may be settled through the facilities of the Clearing Corporation.
<b>Sponsoring Member</b>	A Member that provides a DMA Eligible Client with access to the Alpha Systems.
<b>Trading Contract</b>	Any agreement or contract: <ol style="list-style-type: none"><li>1. To buy or sell any Alpha Listed Security or OTS through Alpha's facilities; or</li><li>2. For delivery of, or payment for, any Alpha Listed Security or OTS (or security which was an Alpha Listed Security or OTS when the contract was made) arising from settlement through the Clearing Corporation.</li></ol>
<b>Trading Policies</b>	These Alpha Exchange trading policies, as they may be



amended or supplemented from time to time.

**TTM Service**

The service used by Alpha to route designated orders, in part or in whole, to Other Marketplaces with the objective of complying with the Order Protection Rule (NI 23-101) to not trade through displayed better priced orders on such marketplaces.

**UMIR**

The Universal Market Integrity Rules adopted by IIROC as amended, supplemented and in effect from time to time.

**1.2. Interpretation**

- (1) A company is an affiliate of another company if one of them is a subsidiary of the other or if both are subsidiaries of the same company or if each of them is controlled by the same Person.
- (2) The division of Alpha Requirements into separate policies, divisions, sections, subsections and clauses and the provision of a table of contents, headings and notes is for convenience of reference only and shall not affect the construction or interpretation of Alpha Requirements.
- (3) The words “hereof,” “herein,” “hereby,” “hereunder” and similar expressions mean the whole of these Trading Policies and not simply the particular section of the Trading Policies in which the term is mentioned, unless the context clearly indicates otherwise.
- (4) The word “or” is not exclusive.
- (5) The word “including,” when following any general statement or term, does not limit the meaning of the general statement or term to the specific matter immediately following the statement or term.
- (6) Unless otherwise specified, any reference to a statute includes that statute and the regulations made pursuant to that statute, with all amendments made and in force from time to time, and to any statute or regulation that supersedes that statute or regulation.
- (7) Unless otherwise specified, any reference to a rule, policy, blanket order or instrument includes all amendments made and in force from time to time, and to any rule, policy, blanket order or instrument that supersedes that rule, policy, blanket order or instrument.



- (8) Grammatical variations of any defined term have the same meaning.
- (9) Any word imputing gender includes the masculine, feminine and neuter genders.
- (10) Any word in the singular includes the plural and vice versa.
- (11) All references to time in Alpha Requirements are to Toronto time unless otherwise stated.
- (12) All references to currency in Alpha Requirements are to Canadian dollars unless otherwise stated.
- (13) All provisions of these Trading Policies apply to the trading of both Alpha Listed Securities and Other Traded Securities unless otherwise specified.



## **PART II. Application of Policies and Authority of Alpha**

### **2.1. Application of policies**

- (1) Members and Member Related Persons must comply with all applicable Alpha Requirements when trading on Alpha.
- (2) Alpha may take disciplinary action against any Member or Member Related Person who violates any Alpha Requirement.

### **2.2. Exercise of powers**

- (1) Unless otherwise expressly provided, whenever Alpha is given any power, right, exercise of discretion or entitlement to take action in respect of Alpha Requirements, the same may be exercised by the Board, any Committee of the Board, the appropriate officers of Alpha or any committee or person designated by the Board or the CEO of Alpha, including the Market Regulator.
- (2) Unless the subject matter or context otherwise requires, any action taken by a Person under subsection (1) is subject to the overall authority of the Board.

### **2.3. General Exemptive Relief**

- (1) Alpha may exempt any Member from the application of any Alpha Requirement, if in the opinion of Alpha, the provision of such exemption:
  - a. Would not be contrary to the provisions of the Securities Act (Ontario) and the rules and regulations thereunder or UMIR;
  - b. Would not be prejudicial to the public interest or to the maintenance of a fair and orderly market; and
  - c. Is warranted after due consideration of the circumstances.

### **2.4. No waiver of rights**

- (1) Failure by Alpha or the Market Regulator to exercise any of its rights, powers or remedies under Alpha Requirements or their delay to do so is not a waiver of those rights, powers or remedies.



- (2) The single or partial exercise of a right, power or remedy does not in any way limit the ability of Alpha or the Market Regulator to exercise that right, power or remedy.
- (3) Any waiver of a right, power or remedy must be in writing and may be general or particular in its application.

## **2.5. Anti-avoidance**

- (1) If, in the opinion of Alpha, a Member has organized its business and affairs for the purpose of avoiding the application of any Alpha Requirement, Alpha may apply such Alpha Requirement to the Member in the same manner as if such provision had directly applied to such Member.





## **PART III. Membership**

### **DIVISION 1 — APPROVAL**

#### **3.1. Qualification for becoming a Member**

- (1) An applicant must
  - (a) be a dealer member of IIROC (or any successor recognized as a self regulatory entity or comparable self-regulatory entity) in good standing;
  - (b) be a participant of the Clearing Corporation or have entered into an arrangement for the clearing and settlement of trade with a participant in the Clearing Corporation; and
  - (c) meet Alpha Requirements, including completion of a Member Agreement.
- (2) A Member is authorized to trade both Alpha Listed Securities and OTSs on Alpha.
- (3) Membership is not transferable or assignable.
- (4) Membership is solely an authorization to have access to Alpha Systems and to trade on Alpha and does not confer any ownership or shareholder rights.

#### **3.2. Application and approval**

- (1) An applicant for membership shall submit:
  - (a) a completed Member Agreement; and
  - (b) such information, books and records as may be reasonably required by Alpha to ascertain relevant facts bearing on the applicant's qualifications or activities on the Alpha Systems.
- (2) Alpha may:
  - (a) approve an applicant for membership without condition,
  - (b) defer approval pending receipt of further information concerning the applicant,



- (c) approve a Person as a Member subject to such terms and conditions as are appropriate or necessary to ensure compliance with Alpha Requirements, or
- (d) refuse the application for such factors it considers relevant, including
  - (i) past or present misconduct by the applicant or any Member Related Person,
  - (ii) the applicant or any Member Related Person refuses to comply with Alpha Requirements,
  - (iii) the applicant is not qualified by reason of integrity, solvency, training or experience, or
  - (iv) such approval is otherwise not in the public interest.
- (3) An applicant that is approved subject to conditions or is rejected may appeal the Decision using the procedures set out in Part 10.
- (4) Subject to the exercise of a right of appeal, a rejected applicant may not reapply for a period of six months following the date of refusal.

## **DIVISION 2 — CONTINUING REQUIREMENTS**

### **3.3. Authorized Representative**

- (1) Each Member must appoint a senior officer, director or partner as its representative who shall be named in the Member Agreement.
- (2) The representative shall:
  - (a) have authority to speak for the Member in dealings with Alpha; and
  - (b) serve as primary contact to Alpha on inquiries regarding the conduct and supervision of the Member's Approved Traders and DMA Eligible Clients.
- (3) A Member must give Alpha notice of a change of its representative at least 10 business days prior to the change unless circumstances make this impossible, in which case notice must be given as soon as possible.



### **3.4. Payment of fees, etc.**

- (1) Members must pay all fees and charges fixed by Alpha and the Market Regulator, which are due and payable as Alpha or the Market Regulator require from time to time.
- (2) Alpha may at any time, and from time to time, on not less than 30 days' Notice to Members, increase any or all fees or charges. Alpha may decrease fees by providing Members with Notice of such a change within 30 days prior to the effective date of the change.
- (3) Alpha may suspend without further notice a Member that has not paid any fees or charges within 30 days of becoming payable, and such suspension shall remain in place until all outstanding fees and charges have been paid by the Member. If the Member has not paid all outstanding fees and charges within 15 days of such suspension, Alpha may terminate such Member's membership.

### **3.5. Continuing SRO Membership**

- (1) A Member that ceases to comply with the requirements of Section 3.1(1) must notify Alpha immediately.
- (2) A Member must inform Alpha immediately if it ceases to be a member of, or becomes aware that it is being investigated by, or is subject to an enforcement action (a hearing has been scheduled) by a recognized self-regulatory organization.
- (3) If a Member ceases to be a member of IIROC (or any successor recognized as a self regulatory entity or comparable self-regulatory entity), it may be suspended pursuant to Section 3.10(1)(a) or terminated as a Member of Alpha pursuant to Section 3.13(1)(b), at the discretion of Alpha. In case of termination, the Member may reapply for membership with Alpha upon becoming reinstated as a member of IIROC, by following the procedures set forth in Section 3.2.
- (4) Alpha may from time to time review the continued eligibility of a Member for membership.

### **3.6. Notifications**

- (1) A Member must give Alpha written notice of:
  - (a) a change of its name or the name under which it does business; or



- (b) a change in the address of its head office.
- (2) The Member must give such notice at least 10 business days prior to the change.

### **3.7. Maintaining Records**

- (1) The Member shall be responsible for maintaining any required records relating to transactions sent and received by it on the Alpha Systems. For the purpose of this section records relating to transactions will include all information directly or indirectly relating to orders routed to the Alpha Systems or trades executed on the Alpha Systems.

### **3.8. Training**

- (1) The Member shall be responsible for developing and providing comprehensive training and materials for Approved Traders (and any other Person deemed appropriate by the Member) with respect to applicable regulatory requirements relating to, among other things, the entry and trading of orders through Alpha and other Canadian marketplaces required to allow the Member to meet its obligations under applicable regulatory requirements, these Trading Policies and the Member Agreement.

## **DIVISION 3 — TERMINATION OF MEMBERSHIP**

### **3.9. Voluntary Surrender**

- (1) A Member may resign its membership by giving not less than 30 days' prior written notice.
- (2) Alpha may postpone the effective date of termination if the Member
  - (i) is the subject of disciplinary proceedings or is under investigation for a failure to comply with Alpha Requirements, or
  - (ii) has any trades outstanding.

### **3.10. Suspension by Alpha without Prior Notice**

- (1) A Member may be suspended immediately and without prior notice if any of the following events occur:



- (a) the Member ceases to comply with the requirements of Section 3.1(1);
- (b) the Member is for any reason unable to meet its obligations as they generally become due;
- (c) the Member has ceased paying its current obligations in the ordinary course of business as they become due;
- (d) the aggregate of the property of the Member is not, at a fair valuation, sufficient, or if disposed of in a fairly-conducted sale under legal process, would not be sufficient to enable payment of all of its obligations due or becoming due;
- (e) the Member defaults in, or fails to meet or admits its inability to meet its liabilities to the Canadian Investor Protection Fund or the Clearing Corporation or another Member;
- (f) Section 3.13(1) applies and Alpha has elected not to exercise its right to terminate the Member's membership pursuant to such section;
- (g) Section 3.4(3) applies; or
- (h) continued access by the Member raises inappropriate risk to the operations of Alpha, financial risk to other Members, and/or market quality issues.

**Commentary:** A suspension without prior notice under Section 3.10(1) will only be considered where the continuing trading by the Member will put Alpha or any of its Members at risk of serious immediate harm.

- (2) The Member may, at Alpha's discretion, be reinstated with or without any restrictions upon the Member demonstrating to Alpha's satisfaction that:
- (a) it now complies with all provisions of Section 3.1,
  - (b) if the Member has been suspended due to the occurrence of one or more of the events listed in Section 3.10(1), such events have been remedied to Alpha's satisfaction; and
  - (c) it otherwise meets the criteria for membership with Alpha.



### 3.11. Discretionary Suspension

- (1) Alpha may, in its sole and absolute discretion, suspend the Member's access to the System for any period of time as Alpha believes is advisable. Alpha shall, where practical, provide prior written notification of such a suspension. Where the provision of prior written notice is impractical, Alpha shall promptly notify the Member that access has been suspended. In each case Alpha shall advise of the reasons for such suspension.

**Commentary:** Examples of situations where Alpha may exercise its discretion to suspend a Member's access to the System include:

1. runaway algorithmic trading by an employee or DMA Eligible Client;
  2. continuous breaches of price band parameters unrelated to a market event; or
  3. failure to provide information in response to a request due to concerns about order entry or other Alpha Requirements
- (2) The Member's access to the System may, at Alpha's discretion, be reinstated upon the Member demonstrating to Alpha's satisfaction that the reasons for the suspension have been remedied.

### 3.12. Termination by Alpha with Notice

- (1) Alpha may terminate a membership by giving not less than 5 days' prior written notice if Alpha has concluded after reasonable investigation that the Member has
- (a) failed to comply or is not in compliance with Alpha Requirements; or
  - (b) engaged in conduct, business or affairs that is unbecoming, inconsistent with just and equitable principles of trade or detrimental to the interests of Alpha.

### 3.13. Termination by Alpha without Notice

- (1) Alpha may terminate a membership without notice if:
- (a) the Member has committed an act of bankruptcy as provided in the *Bankruptcy and Insolvency Act (Canada)*; or
  - (b) Section 3.4(3) or Section 3.5(3) applies.

**Commentary:** A termination without notice under Section 3.13(1) will only be considered where the continuing trading by the Member will put Alpha or any of its Members at risk of serious immediate harm.



- (2) A Member must give Alpha immediate notice on the occurrence of an act listed in subsection (1)(a).

### **3.14. Effect of Suspension or Termination**

- (1) Upon suspension or termination, Alpha may at its discretion cancel all of the Member's or former Member's open orders or impose any other restrictions and/or conditions on the Member's rights until the Member has been reinstated in accordance with Section 3.14(3) or Section 3.14(4).
- (2) A Member that has been suspended or terminated or that has been deprived of some of the rights of membership under Alpha Requirements does not for that reason alone lose its rights in respect of any claims it may have against another Member unless such rights are expressly dealt with.
- (3) A Member that has been suspended may have its rights reinstated, at Alpha's discretion, upon providing evidence, satisfactory to Alpha in its sole discretion, that the reason for the suspension has been remedied.
- (4) A Member that has had its membership terminated may, no sooner than six months after the date of the termination of membership, reapply for membership with Alpha by following the procedures set out in Section 3.2.

**Commentary:** The requirements in this section 3.14(4) supersede any ability of a Member to re-apply for membership pursuant to the provisions of section 3.5(3).



## PART IV. Access to Trading

### DIVISION 1 — APPROVED TRADERS

#### 4.1. Approved Traders

- (1) A Member must provide Alpha with the names and identifiers of all Approved Traders.
- (2) A Member must maintain a list of all Approved Traders and their identifiers for the preceding 7-year period.
- (3) A Member must give Alpha written notice of additions or terminations of Approved Traders at least 10 business days prior to the change unless circumstances make such prior notice of a termination impossible, in which case notice must be given as soon as possible.
- (4) The Member shall be responsible for all instructions entered, transmitted or received under an Approved Trader identifier, and for the trading and other consequences thereof.

#### 4.2. Access

- (1) A Member must not allow an employee to enter orders or crosses on Alpha if the person is not properly qualified in accordance with the requirements of a Market Regulator or securities regulatory authority.
- (2) Alpha may suspend an Approved Trader's access to the Alpha Systems without notice if it concludes after reasonable investigation that the Approved Trader is misusing the Alpha Systems or is causing a disorderly market.

**Commentary:** This section includes a conclusion that the Approved Trader has engaged in conduct, business or affairs that is unbecoming, inconsistent with just and equitable principles of trade or detrimental to the interests of Alpha, for example where such conduct, business or affairs would cause technical problems for the Alpha System or a market integrity issue.

- (3) Subject to Section 4.2(2), Alpha may suspend an Approved Trader's access to the Alpha Systems by giving not less than 5 days' prior written notice if Alpha has





concluded after reasonable investigation that the Approved Trader has failed to comply or is not in compliance with Alpha Requirements.

- (4) A Member must terminate an Approved Trader's access to the Alpha Systems immediately upon receiving notice and must not reinstate access without Alpha's written approval. If the Member fails to comply with this provision, Alpha shall have the right to take such action as it considers necessary, in its sole discretion, to prevent access to the Alpha Systems by any person, including the termination of the Member's right to access the Alpha Systems in its entirety.
- (5) Upon termination of an Approved Trader, Alpha may in its sole discretion cancel all open orders entered by that trader.

**Commentary:** In making any decision regarding cancellation of orders under this provision, Alpha will take into consideration the interests of the clients of the Member.

- (6) A Member shall cease use of the Alpha Systems as soon as practicable after it is notified by Alpha of, or it otherwise becomes aware of or suspects, a technical failure or security breach of the Alpha Systems and shall immediately notify Alpha of such failure or breach of security in accordance with the notice provisions set out in these Trading Policies.

## **DIVISION 2 — DMA ELIGIBLE CLIENTS AND MEMBER-SPONSORED ACCESS**

### **4.3. Sponsoring Member Supervisory Responsibilities**

- (1) If a Sponsoring Member provides access to the Alpha Systems to its DMA Eligible Clients, then prior to granting such access, the Sponsoring Member shall enter into a binding legal agreement with such DMA Eligible Client which contains, at a minimum, the terms set out in Schedule 3 to the Member Agreement and shall provide to Alpha any DMA Eligible Client documentation as requested by Alpha from time to time;
- (2) A Sponsoring Member which enters into an agreement with a DMA Eligible Client to transmit orders received from the DMA Eligible Client in accordance with these Trading Policies shall exercise due diligence to ensure that each such DMA Eligible Client complies with all Alpha Requirements and shall put in place policies and procedures governing, and be responsible for, compliance with the



Alpha Requirements with respect to the entry and execution of orders transmitted by DMA Eligible Clients through the Member.

- (3) The Sponsoring Member shall have the ability to receive an immediate report of the entry and execution of orders entered by the DMA Eligible Client. The Sponsoring Member shall have the capability of rejecting orders that do not fall within the designated parameters of authorized orders for a particular DMA Eligible Client.
- (4) The Sponsoring Member shall have procedures in place to ensure that DMA Eligible Clients use system interconnects and can comply with the Alpha Requirements and other applicable regulatory requirements.
- (5) The eligibility of DMA Eligible Clients using system interconnects shall be reviewed at least annually by the Sponsoring Member.
- (6) In addition to all other account documentation, the Sponsoring Member shall ensure specifically that the Sponsoring Member or Alpha has the right, at any time and for any reason, including if compelled to do so by any regulatory authority or Alpha to discontinue receiving or processing orders which will be routed to the System from any DMA Eligible Client.

#### **4.4. Termination of Sponsored Access**

- (1) Alpha may suspend a DMA Eligible Client's access to Alpha Systems without notice if it concludes after reasonable investigation that the DMA Eligible Client has:
  - (a) misused the Alpha Systems or has caused a disorderly market;
  - (b) failed to comply or is not in compliance with Alpha Requirements; or
  - (c) engaged in conduct, business or affairs that is unbecoming, inconsistent with just and equitable principles of trade or detrimental to the interests of Alpha.
- (2) A Sponsoring Member must terminate a DMA Eligible Client's access to the Alpha Systems immediately upon receiving notice from Alpha or the Market Regulator and must not reinstate access to Alpha Systems without Alpha's written approval.



## **PART V. Governance of Trading Sessions**

### **DIVISION 1 — GENERAL**

#### **5.1. Market Integrity and General Compliance Requirement**

Each Member and each Approved Trader on Alpha shall comply with all Alpha Requirements.

#### **5.2. Times of Sessions**

- (1) On each business day Alpha will be open for trading sessions.
- (2) Alpha will determine from time to time the opening and closing times for each session and will publish the time of the sessions by Notice to Members.
- (3) The current trading sessions are:
  - (a) System open for queries
  - (b) Pre-opening until the opening call (Pre-Open)
  - (c) Opening Call
  - (d) Continuous trading from the opening call to the closing call (Continuous Trading)
  - (e) Closing Call
  - (f) Extended closing session from the closing call to the final closing call (Extended Closing)
  - (g) Final Closing Call
  - (h) Extended Trading session

#### **5.3. Changes to Trading Sessions**

- (1) The CEO or in his or her absence any person designated by the CEO may at any time in the event of an emergency
  - (a) suspend all trading at any session or sessions or trading in any security during any session or sessions, or



- (b) close, reduce, extend or otherwise alter the time of any session or sessions.

#### **5.4. Trades or Queries Outside of Trading Session Hours**

- (1) No Member or DMA Eligible Client may make a bid, offer or transaction on Alpha or issue a commitment to trade on Alpha outside trading session hours.
- (2) Members and DMA Eligible Clients have the ability to run queries on the Alpha Systems during and outside of trading session hours.

#### **5.5. Trading Halts**

- (1) Alpha can initiate a trading halt based on certain external events at any time.
- (2) The Market Regulator may initiate a trading halt due to market conditions, or to allow for the dissemination of material information by an issuer.
- (3) Trading may be halted by Alpha or any applicable securities regulatory authority.

**Commentary:** Examples of circumstances when a halt may occur include:

- (a) Halt trading of a security to permit the dissemination of material news; or
  - (b) Halt trading of a security during a trading halt imposed by another marketplace to permit the dissemination of material news; or
  - (c) Halt trading in a security when Alpha determines that extraordinary market activity in the security is occurring, such as the execution of a series of transactions for a significant dollar value at prices substantially unrelated to the current market for the security, as measured by the NBBO; or
  - (d) other unusual conditions or circumstances detrimental to the maintenance of a fair and orderly market are present.
- (4) Alpha can initiate two types of trading halts based on certain external events.
    - (a) During a “full” halt order entry, amendment and matching are not permitted, and orders can be cancelled.
    - (b) During a “no matching” halt, new orders can be entered and existing orders can be amended or cancelled, but no matching is permitted.
  - (5) After a trading halt is lifted, the security enters a Pre-open phase allowing for order entry, amendment and cancellation, followed by an auction.



- (6) For greater certainty, in the event that the decision as to whether to impose a halt has been outsourced to the Market Regulator, such decision will be made by such Market Regulator and not by Alpha. In all other cases, Alpha may make the decision to impose a trading halt, but Alpha will make all reasonable efforts to coordinate any such decision with the Market Regulator.

**Commentary:** Notification messages pertaining to trading halts are sent out on the Alpha public feed.

#### **5.6. Exceeding Price Band Parameters (Price Band Limits)**

- (1) Alpha may determine price band parameters which set limits based on a variance from the ALSP or any other reference price.
- (2) Alpha may change the price band parameters to adjust to changes in the markets or to events on a particular day.
- (3) Alpha will publish, through a Member Notice and by posting on its website, the establishment of a price band parameter and any changes (other than those made for a temporary period to adjust to a particular event) before implementation.
- (4) During the Continuous Trading session, if a tradable order would trade through the price band parameter or limit for a security, the order will trade up to the price band parameter and any remaining balance will be cancelled.
- (5) Price band parameters do not affect execution of crosses and Special Terms trades.

#### **5.7. General Capacity Thresholds to Achieve Performance**

- (1) Alpha may determine thresholds based on system capacity criteria.
- (2) If a Member or DMA Eligible Client, directly or indirectly, exceeds the threshold, Alpha may take action to mitigate the impact.

#### **5.8. Cancellation and Correction of Trades by Alpha**

- (1) Subject to Section 5.9, Alpha retains the discretion to cancel and correct executed trades on Alpha that have not yet been submitted by Alpha to the clearing agency clearance and settlement process for the purposes of mitigating errors made by Alpha in order execution. Cancellation or correction of trades



involving orders with regulatory markers (insider or significant shareholder) will be subject to the guidelines set out by Market Regulator or any other applicable regulator.

**Commentary:** Decisions may require consultation with and instructions by Market Regulator and/or other marketplaces and the counterparties of the trade.

### **5.9. Error Corrections Requested by Member**

(1) A Member, and persons authorized by the Member to do so, may seek to have a trade cancelled or changed. Alpha has implemented processes for handling these requests, and has implemented price bands to minimize erroneous trades from occurring. Information regarding the price bands will be published so that Members can efficiently manage risks due to erroneous trades.

(2) Trade Cancellations or Amendments at the Opening:

(a) *Requests for cancelling trades that occurred at the opening.* Any trade that occurs during the opening can only be cancelled upon consent of both parties to the trade or upon instructions of the Market Regulator. The trader can seek the consent of the party on the other side to cancel the trade, request Alpha to seek consent from the contra-party or can call the Market Regulator who can then instruct Alpha to cancel or correct the trade. .

(b) *Requests to amend or correct a trade at the opening.* Any request to change the price or increase the volume of a trade that occurs during the opening can only be amended upon consent of both parties to the trade and consent of a representative of the Market Regulator or upon instructions of a representative of the Market Regulator. Any request to decrease the volume of a trade that occurs during the opening can only be amended upon consent of both parties to the trade or upon instructions of the Market Regulator. The trader can seek the consent of the party on the other side to cancel the trade, request Alpha to seek consent from the contra-party or can call the Market Regulator who can then instruct Alpha to cancel or correct the trade.

(c) *Impact of hitting the price bands.* Alpha has established price bands for the opening auction. If the COP is outside the price band, then the security will



go into delayed opening. Such price bands can be amended from time to time by publication of a notice describing the amended price bands.

- (3) Trade Cancellations or Amendments during Continuous Session:
- (a) *Requests for cancelling trades that occurred during the continuous trading session.* Any trade that occurs can only be cancelled upon consent of both parties to the trade or upon instructions of the Market Regulator. The trader can seek the consent of the party on the other side to cancel or correct the trade, request Alpha to seek consent from the contra-party or can call the Market Regulator who can then instruct Alpha to cancel or correct the trade.
  - (b) *Requests to amend or correct a trade during the continuous trading session.* Any request to change the price or increase the volume of a trade that occurs during the continuous trading session can only be amended upon consent of both parties to the trade and consent of a representative of the Market Regulator or upon instructions of a representative of the Market Regulator. Any request to decrease the volume of a trade that occurs during the continuous trading session can only be amended upon consent of both parties to the trade or upon instructions of the Market Regulator. The trader can seek the consent of the party on the other side to cancel the trade, request Alpha to seek consent from the contra-party or can call the Market Regulator who can then instruct Alpha to cancel or correct the trade.
  - (c) *Impact of hitting the price bands.* Alpha has established price bands for the continuous trading session. If an order for a security hits a price band parameter, it will be rejected at the price that is outside the price band. Such price bands can be amended from time to time by publication of a notice describing the amended price bands.
- (4) Trade Cancellations or Amendments at the Closing Auction
- (a) *Requests for cancelling trades that occurred at the closing.* Any trade that occurs during the closing can only be cancelled upon consent of both parties to the trade or upon instructions of the Market Regulator. The trader can seek the consent of the party on the other side to cancel the trade, request Alpha to seek consent from the contra-party or can call the Market Regulator who can then instruct Alpha to cancel the trade.



- (b) *Requests to amend or correct a trade at the closing.* Any request to change the price or increase the volume of a trade that occurs during the closing can only be amended upon consent of both parties to the trade and consent of a representative of the Market Regulator or upon instructions of a representative of the Market Regulator. Any request to decrease the volume of a trade that occurs during the closing can only be amended upon consent of both parties to the trade or upon instructions of the Market Regulator. The trader can seek the consent of the party on the other side to cancel the trade, request Alpha to seek consent from the contra-party or can call the Market Regulator who can then instruct Alpha to cancel or correct the trade..
- (c) *Impact of hitting the price bands.* Alpha has established price bands for the closing auction. If the CCP is outside the price band, then the security will go into delayed closing. Such price bands can be amended from time to time by publication of a notice describing the amended price bands
- (5) *Requests for trade cancellations or amendments on T+1 and T+2.* Members must send requests for trade cancellations or amendments on T+1 or T+2, for trades executed on T, directly to the Clearing Corporation. Alpha cannot process these requests.

**Commentary:**

*Market Regulator time limit.* It is the Member’s obligation to promptly contact the Market Regulator if it wants to seek a decision from it regarding whether it will permit a cancellation or amendment. Generally the Market Regulator must be contacted within 30 minutes of the time of the trade.

**DIVISION 2 — ORDER ENTRY**

**5.10. Order Types**

<b>Dark</b>	A fully hidden order used to manage passive interest within the IntraSpread™ Facility.
<b>Fill or Kill (FOK)</b>	An order that is to be filled immediately in full or in part, with the unfilled quantity cancelled.
<b>Fill and Kill</b>	An order that is to be filled immediately in full, or cancelled.





<b>(FAK)</b>	
<b>Good for Day</b>	Order that is valid until it is fully filled or cancelled by the Member or DMA Eligible Client or until the end of the continuous trading session
<b>Good for Extended Day</b>	Order that is valid until it is fully filled or cancelled by the Member or DMA Eligible Client or until the end of the extended trading session
<b>Good till Cancel</b>	Order that remains valid until it is fully filled or is cancelled by the Member or DMA Eligible Client.
<b>Good till Date</b>	Order that is valid until it is fully filled or cancelled by the Member or DMA Eligible Client or until a specified expiry date
<b>Good till Time</b>	Order that is valid until it is fully filled or cancelled by the Member or DMA Eligible Client or until the specified expiry date and time
<b>Inside Match (IM)</b>	Order with a limit price within the NBBO specified by a percentage (between 10% and 90%, in increments of 10%) of the spread that trades with PII orders immediately on entry. Any unfilled balance of an IM order is cancelled. Trades may occur at smaller price increments than the minimum quotation increments contained in UMIR.
<b>Limit on Open (LOO)</b>	A Limit Order that is only available for execution at the opening call.
<b>Limit Order</b>	An order to buy or sell a security at a price equal to, or better than, the specified limit price. An unfilled Limit Order entered during the Pre-Open session will be available for trading in the Continuous Trading session
<b>Market on Close (MOC)</b>	A Market Order participating only in the closing and executing at the CCP. MOC orders do not participate in the continuous trading session. MOC orders can be entered, modified and cancelled any time between 7:00 a.m. and the closing call. Any unfilled part of the order is killed after the Closing Call. <b>Commentary:</b> MOC orders are currently being rejected.
<b>Market on</b>	A Market Order that is only available for execution at the



<b>Open (MOO)</b>	Opening Call. Any unfilled MOO orders will be killed when the Continuous Trading Session begins.
<b>Market Order</b>	An order to buy or sell a security at the best price available, up to a specified volume. An unfilled Market Order entered during the Pre-Open session, is booked as a Limit Order for trading in the Continuous Trading session at the COP.
<b>Mixed Lot</b>	An order for at least one Board Lot and an Odd Lot.
<b>Odd Lot</b>	An order for less than a Board Lot.
<b>On-Stop</b>	An order that becomes a Market Order or Limit Order if a specified price (the stop price) is reached, or passed.
<b>Passive Only (PO)</b>	The PO order is cancelled at the time of entry if any portion of the order is immediately tradable. PO orders are also cancelled if the order becomes active due to a price change (i.e., a price amendment or short sale price re-pegging). Passive Only is also available for TTM orders.
<b>Price Improvement Iceberg (PII)</b>	An SI with a non-disclosed, discretionary limit price expressed in a number of ticks beyond its limit price. The PII can match with IM orders at the price of the IM order, if the price of the IM order is equal to or better than the PII discretionary price.
<b>Seek Dark Liquidity™ (SDL™)</b>	A Fill or Kill order that trades only with eligible Dark order to the extent possible and any residual is cancelled.
<b>Short Sell</b>	An order to sell a security that the seller does not own (either directly, or through an agent or trustee) at the time of the order. Short Sell orders may only be executed at a price equal to, or above the NLSP.
<b>Short Sell “exempt”</b>	A Short Sell order that is exempt from the “last sale” pricing restrictions in UMIR. Members are responsible for identifying these orders.
<b>Special Terms</b>	Orders that are not for standard settlement or that have a minimum execution condition.
<b>Standard</b>	A Limit Order that specifies a total size and a disclosed size. Once the disclosed size is executed in full, the new quantity



<b>Iceberg (SI)</b>	of the disclosed size is released with time priority corresponding to the release time.
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**Commentary:**

*Price Related Orders*

A "price-related execution condition" means any restrictions that apply to the price at which an order can execute. Alpha supports the following price conditions:

(a) Market Order: Executed at multiple price levels until the volume of the order is satisfied. The unfilled part of the order is converted to a Limit Order at a price equal to the price of the last fill of the order or the ALSP.

Example:

XYZ Security

Bid		Ask	
500 shares	10.00	10.01	500 shares
300 shares	9.99	10.02	200 shares
200 shares	9.98		

A trader enters a Market Order to buy 3000 shares.

After the trades of 500 shares at \$10.01 and 200 shares at \$10.02, the remaining 2300 shares will be booked at \$10.02.

The book for XYZ would look as follows:

XYZ Security

Bid		Ask	
2300 shares	10.02		
500 shares	10.00		
300 shares	9.99		
200 shares	9.98		

(b) Limit Order: Executed at the price equal to or better than the specified limit price.



(c) IM Order: Upon receipt, it will trigger PII orders for an immediate match. Any unfilled part of the IM order is killed. If there are no matching PII orders, the entire IM order is killed.

Example:

XYZ Security

Bid	Ask
200 shares (1000 reserve) 3.00 (discretionary 3.20)	4.00 200 shares
500 shares 3.00	

NBBO is 3.00 – 4.00

A trader enters a sell Inside Match order for 100 shares with a specified percentage 80%

The engine assigns a limit of \$3.20 to the IM order

The IM is matched against the PII order and 100 shares will trade at 3.20

The book for XYZ would look as follows:

XYZ Security

Bid	Ask
100 shares (1000 reserve) 3.00 (discretionary 3.20)	4.00 200 shares
500 shares 3.00	

#### *Trade Session Related Orders*

Some orders are only valid during specific Trading Sessions: MOO, LOO, and MOC.

#### *Volume- Related Orders*

These are volume-related execution conditions: FAK orders and FOK orders.

**Commentary:** A Fill or Kill Order is known in other marketplaces as an Immediate or Cancel Order (IOC).



### *Time Related Orders*

These are orders with time-related conditions, which limit the time the unfilled part of the order remains in the order book. (Note that for Good till Cancel Orders, Alpha will automatically cancel the order if it is older than a set number of days determined by Alpha. Currently, Good till Cancel orders are cancelled after 90 days.)

### *On-Stop Orders*

An On-Stop order activates once the specified trigger price is equal to or better than the ALSP. A buy On-Stop order triggers a buy order when the ALSP is greater to or equal to the stop price. A sell On-Stop order triggers a sell order when the ALSP is less than or equal to the stop price.

On-Stop orders may execute immediately after triggering but before entry in the CLOB (see example below).

The trading system will reject an On-Stop order with a Limit price that is not equal to the trigger price.

### **Commentary:**

On-Stop orders processed via the Trade Through Management Service of the Alpha Router will support On-Stop Market Orders and On-Stop Limit Orders with a limit price not equal to the trigger price.

Example:

XYZ Security

Bid		Ask	
500 shares	10.00	10.04	400 shares
200 shares	9.99	10.05	500 shares
300 shares	9.98	10.06	500 shares

ALSP is 10.03.

Trader 1 enters a limit on-stop buy order for 600 shares, with trigger and limit price of 10.05.

A market buy order for 500 shares is entered and executed.



ALSP becomes 10.05 and triggers the on-stop order. The order is immediately executed 400 shares at 10.05 and the remaining 200 shares is booked into the CLOB with a limit price of 10.05

The book for XYZ would look as follows:

XYZ Security

Bid		Ask	
200 shares	10.05	10.06	500 shares
500 shares	10.00		
200 shares	9.99		
300 shares	9.98		

### *Short Sale Orders*

A Short Sell order is an order to sell a security that the seller does not own. To facilitate compliance with the short sale rule, the system generally pegs the price of short sell orders to the NLSP. However in the Pre-Open phase, short sale order prices are adjusted to the closing price of the principal market. Members are responsible for the identification of short sell orders.

A Short Sell “exempt” order is a Short Sell order that is exempt from the “last sale” pricing restrictions in UMIR. Members are responsible for identifying these orders.

### *Iceberg Orders*

An SI order is a Limit Order containing a total size and a disclosed size. The CLOB displays the disclosed size. Once the displayed size is completely executed, the CLOB will display another order equal to the originally disclosed size and the undisclosed size, or reserve, will be reduced accordingly.

A PII order is an SI order with a hidden, discretionary limit price expressed as a number of ticks beyond its limit price. The PII can match with IM orders at the price of the IM order, if the price of the IM order is equal to or better than the PII discretionary price.

### *Special Terms Orders*



Special Settlement Terms: Orders with settlement terms that differ from the standard settlement terms.

*Mixed and Odd Lot Orders*

A Mixed Lot order is a Market Order or Limit Order for a quantity that is larger than a Board Lot but is not a Board Lot.

An Odd Lot order is a Market Order or Limit Order for a quantity that is less than a Board Lot.

### 5.11. Account Types

- (1) The Alpha Systems support order entry for:
  - (a) Client accounts;
  - (b) House or principal accounts;
  - (c) Non-client accounts;
  - (d) Options Market Maker;
  - (e) Options Firm;
  - (f) Equity Specialist; and
  - (g) Orders entered for execution of a Normal Course Issuer Bid (i.e. NCIB).

### 5.12. Crosses

- (1) A Member or DMA Eligible Client may report crosses made outside the CLOB subject to any regulatory provisions applicable to the entry of crosses.
- (2) Subject to any regulatory provisions, crosses other than Specialty Price crosses during the Continuous Trading session must be entered at a price that is at or within the ABBO.
- (3) National Crosses entered during the continuous trading session must be made at a price that is at or within the NBBO.
- (4) Crosses can be entered at any price during the Extended Trading session provided the Member complies with the Alpha process.

**Commentary:** Crosses entered during the Extended Trading session at the Closing Price can be entered by the Approved Trader through the Alpha Systems. For crosses at any other price during the Extended Trading Session, Alpha must be in receipt of a completed "Extended Trading Cross Request"



Form prior to executing the cross in the Extended Session. This form must be received between 4:15 and 4:50 pm on the day the cross is to be entered. The Extended Session cross will be entered by a representative of Alpha in accordance with the submitted request and confirmed to the client by email. Alpha will confirm that the price of the cross is at or within the NBBO at the time Alpha receives the order. If the price is not at or within the NBBO, the cross will be rejected. Alpha staff will also confirm that the price of the cross would not trade outside a better priced order in the Alpha CLOB at 4 pm. If the cross would in fact trade outside a better priced order in the Alpha book, the cross will be rejected. Alpha will not be responsible for a Member's compliance with applicable securities regulation or rules of a Market Regulator. A Bypass Cross entered in the Extended Trading Session is allowed at any price. As a result, the submission of a completed "Extended Trading Cross Request" Form is not required for crosses marked bypass.

- (5) Bypass Crosses are only allowed on a regular Alpha cross (no BBO check), and are not allowed on SPC Contingent Cross, Internal Cross, National Cross and SST Cross. A bypass Cross is exempt from cross interference, is short sell and short exempt supported, is only allowed on round lots and mixed lots and does not update NLSP.
- (6) Jitney Crosses will reflect the Jitney order designation on both sides of the cross.

### **5.12.1. Alpha IntraSpread™ Facility**

#### **1. Scope**

- (1) Alpha IntraSpread™ facility allows Members to seek order matches without pre-trade transparency, with guaranteed price improvement for active orders.
- (2) The IntraSpread™ facility is available to all Members and for all symbols traded on Alpha ATS.
- (3) Order types in the Alpha IntraSpread™ facility include Dark orders and Seek Dark Liquidity™ (SDL™) orders.

#### **2. Dark Orders**

- (1) The Dark order is a fully hidden order, used to manage passive interest with no pre-trade transparency. It offers price improvement to tradable incoming orders. Dark orders trade only with incoming SDL™ orders that are tradable at the calculated price of the Dark order and do not trade with other Dark orders.





**Commentary:** Dark orders have no pre-trade transparency as information on Dark orders is not disseminated on any public feeds.

- (2) The price of a Dark order is calculated as an offset of the NBBO by adding the price offset to the national best bid for a buy order and subtracting it from the national best offer for a sell order. The price offset is calculated as a percentage of the NBBO spread with one of two values: 10 % (capped to one standard price increment), or 50% (with no tick cap). The price of the Dark order can be optionally capped.
- (3) If either side of the NBBO is not set, or the NBBO is locked or crossed, Dark orders will not trade.
- (4) Dark orders must be for a board lot quantity and are day only orders.
- (5) Dark orders cannot be Iceberg, On-Stop, Inside Match, FOK, FAK, MOO, LOO, MOC, Special Terms, Bypass, Passive Only, TTM or ROC.
- (6) Dark orders can be amended for quantity, price offset and price cap, in addition to other standard amendable order attributes.

### 3. Seek Dark Liquidity™ (SDL™) Orders

- (1) SDL™ orders trade only with Dark orders from any Alpha Member and do not interact with other transparent orders in the Alpha CLOB.
- (2) SDL Orders can only be entered on behalf of Retail Customers.

**Commentary:** It is expected that Members have policies and procedures in place in regards to identifying which accounts qualify and supervisory procedures to monitor ongoing compliance. If Alpha deems that a firm is entering SDL orders



from non-retail clients, it may take appropriate action against the firm in question (i.e. access to IntraSpread).

- (3) SDL™ orders can be market or limit orders but are treated as FOK – they trade with eligible Dark orders to the extent possible, and any residual is cancelled.
- (4) SDL™ orders must be for a board lot quantity.
- (5) SDL™ orders cannot be Iceberg, On-Stop, Inside Match, FAK, MOO, LOO, MOC, Special Terms, Bypass, Passive Only, TTM or ROC.

#### 4. Eligible Trading Sessions

- (1) Dark orders are accepted in Pre-Open and Continuous Trading sessions (from 7:00am to 4:00pm).
- (2) Dark orders trade in the Continuous Trading Session but do not participate in opening or closing auctions.
- (3) SDL™ orders are accepted only during the Continuous Trading Session (from 9:30am to 4:00pm)

#### 5. Post-trade Transparency

- (1) IntraSpread™ trades are disseminated on the public data feed in real-time. These trades set the Alpha last sale price (ALSP) and/or the NLSP.
- (2) Trade prices may have up to three decimal places for prices above \$0.50 and up to four decimal places for prices below \$0.50.

#### 6. IntraSpread Matching - IntraSpread orders are matched according to the following allocation priority:

- (1) Price priority: Dark orders with better price (higher price offset) have priority, then
- (2) Broker preferencing: Dark orders from the same Member have priority, then
- (3) Smart size priority: Dark orders with sufficient size to fully fill the incoming order have priority, then
- (4) Round-robin priority: Dark orders take turns interacting with the incoming order. Each time a Dark order is inserted, it is placed at the bottom of the queue. Each time a Dark order trades or its



quantity is increased, the order is placed at the bottom of the queue.

**Commentary:** Unlike the CLOB, Broker Preferencing is observed for matching SDL orders and Dark orders regardless of whether the order is marked anonymous. In addition, SDL Orders designated as Jitney are subject to broker preferencing.

Example of IntraSpread™ Matching

NBBO is 25.02 – 25.05

Alpha IntraSpread Book							
Order #	RR Priority	Time of Entry	Order Type	Bid Broker	Bid Size	NBBO Offset	Calculated Price
2	2	10:10am	Dark	A	200	50%	25.035
3	3	10:15am	Dark	A	800	50%	25.035
4	4	10:20am	Dark	B	600	50%	25.035
5	5	10:25am	Dark	A	1,000	50%	25.035
1	1	10:00am	Dark	A	500	10%	25.023

If dealer A enters SDL order #6 to sell 300 at 25.02, the following trade will occur:

- 300 @ 25.035 (order #6/order #3)

Priority:

- Orders #2, #3, #4, and #5 have priority over #1 based on price
- Orders #2,#3, and #5 have priority over #4 based on broker preferencing
- Orders #3 and #5 have priority over #2 based on smart size
- Order #3 has priority over #5 based on round robin

The state of the book is now as follows:



Alpha IntraSpread Book							
Order #	RR Priority	Time of Entry	Order Type	Bid Broker	Bid Size	NBBO Offset	Calculated Price
2	2	10:10am	Dark	A	200	50%	25.035
4	4	10:20am	Dark	B	600	50%	25.035
5	5	10:25am	Dark	A	1,000	50%	25.035
3	6	10:15am	Dark	A	500	50%	25.035
1	1	10:00am	Dark	A	500	10%	25.023

If dealer A then enters SDL order #7 to sell 300 at 25.02, the following trade will occur:

- 300 @ 25.035 (order #5/order #7)

Priority:

- Orders #2, #3, #4, and #5 have priority over #1 based on price
- Orders #2,3, and #5 have priority over #4 based on broker preferencing
- Orders #3 and #5 have priority over #2 based on smart size
- Order #5 has priority over #3 based on round robin

The state of the book is now as follows:

Alpha IntraSpread Book							
Order #	RR Priority	Time of Entry	Order Type	Bid Broker	Bid Size	NBBO Offset	Calculated Price
2	2	10:10am	Dark	A	200	50%	25.035
4	4	10:20am	Dark	B	600	50%	25.035
3	6	10:15am	Dark	A	500	50%	25.035
5	7	10:25am	Dark	A	700	50%	25.035
1	1	10:00am	Dark	A	500	10%	25.023

If dealer A then enters SDL order #8 to sell 900 at 25.02, the following trades will occur:

- 200 @ 25.035 (order #2/order #8)
- 500 @ 25.035 (order #3/order #8)
- 200 @ 25.035 (order #5/order #8)

Priority:



- Orders #2, #3, #4, and #5 have priority over #1 based on price
- Orders #2,#3, and #5 have priority over #4 based on broker preferencing
- No orders have priority based on smart size
- Order #2 has priority over #3, and #3 over #5 based on round robin

The state of the book is now as follows:

Alpha IntraSpread Book							
Order #	RR Priority	Time of Entry	Order Type	Bid Broker	Bid Size	NBBO Offset	Calculated Price
4	4	10:20am	Dark	B	600	50%	25.035
5	8	10:25am	Dark	A	500	50%	25.035
1	1	10:00am	Dark	A	500	10%	25.023

If dealer C then enters SDL order #9 to sell 1,800 at 25.02, the following trades will occur:

- 600 @ 25.035 (order #4/order #9)
- 500 @ 25.035 (order #5/order #9)
- 500 @ 25.023 (order #1/order #9)

Priority:

- Orders #4 and #5 have priority over #1 based on price
- No orders have priority based on broker preferencing
- No orders have priority based on smart size
- Order #4 has priority over #5 based on round robin

The book is now empty.

### 5.13. Specialty Price Crosses

(1) A Specialty Price cross is one of the following:

Basis Cross	A cross of at least 80% of the component share weighting of the basket of securities or index participation unit that is the subject of the basis trade. A Member shall report details of the transaction to Alpha and the Market Regulator in the format and at the time required by Alpha and the Market Regulator and such information shall include complete details relating to the calculation of the price
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	of the basis trade and all relevant supporting documentation
Volume-Weighted Average Price (VWAP) Cross	A VWAP trade price based on all trades during the Continuous Trading session. A VWAP trade price calculated on any other basis must be determined in such a manner that the time period for calculating the volume-weighted average price commences after the receipt of the order by the Member and the types of trades to be excluded from the calculation are determined prior to the commencement of the calculation. A Member shall report details of the transaction to Alpha and the Market Regulator in the format and at the time required by Alpha and the Market Regulator.

- (2) Specialty Price Crosses may be executed during the Continuous Trading session and the Extended Trading session.
- (3) Specialty Price Crosses will not be reflected in the ALSP and will not be used in the calculation of the ACP.
- (4) Specialty Price Crosses must contain the order identifier required by the Market Regulator.

**5.14. Bypass Order**

- (1) A Bypass Order must be entered as a Limit Order during the Continuous Trading or Extended Trading sessions.
- (2) The Bypass marker is only allowed on Board Lot orders.
- (3) A Bypass Order only executes against disclosed volume.

**Commentary:**

All Bypass Orders are FOK/ FAK; as a result all CFO or Cancel instructions with the bypass marker are rejected. It can be used through the Trade Through Service and updates the national last sale price (NLSP) which is the most recent trade of at least a Board Lot on any marketplace, other than a Special Terms trade.

Example 1:

The book for XYZ would look as follows:



XYZ Security

Buy Volume	Bid	Offer	Sell Volume	Non-disclosed/Reserved Volume
500 shares	\$2.00	\$2.50	200 shares	800 shares
		\$2.51	500 shares	
		\$2.53	200 shares	1000 shares

A user enters a Bypass Limit Order to buy 1000 @2.54

The order is validated and accepted by the system

The order is checked against the order book

Three trades occur:

*200 @2.50*

*500 @2.51*

*200 @2.53*

The remaining 100 of the Bypass Order is cancelled (Bypass Order is always FOK or FAK).

ALSP updates to 2.53

Post-Trade:

XYZ Order Book

Buy Volume	Bid	Offer	Sell Volume	Non-disclosed/Reserved Volume
500 shares	\$2.00	\$2.50	200 shares	600 shares
		\$2.53	200 shares	800 shares

**Commentary:** UMIR Rule 6.2 Designations and Identifiers, clarifies the responsibility of ensuring that each order in any marketplace has specific identifiers and designations upon entry.



Example 2: - Bypass Short Sell order pegged to NLSP

National Last Sale Price is \$1.90

XYZ Security

Non-disclosed/Reserve Volume	Buy Volume	Bid	Offer	Sell Volume
1000 shares	500 shares	\$2.00	\$2.50	500 shares
	400 shares	\$1.80		

Dealer A sent short sell Bypass Order for 900 at 1.80.

Order is booked as Short Sell with limit price 1.90. (Pegged to National Last Sale Price)

Alpha executes trade as 500 at 2.00

Outstanding volume of 400 is killed.

Alpha Last Sale Price updates to 2.00

Post-Trade Order Book

XYZ Security

Non-disclosed/ reserve Volume	Buy Volume	Bid	Offer	Sell Volume
500 shares	500 shares	\$2.00	\$2.50	500 shares
	400 shares	\$1.80		

Example 3: Bypass Short Sell Exempt Order

XYZ Security





Reserve Volume	Buy Volume	Bid	Offer	Sell Volume
1000 shares	500 shares	\$2.20	\$2.50	500 shares
	400 shares	\$2.00		

Dealer A sent Short Sell Exempt Bypass Order for 600 at \$2.00.

Order is booked as Short Sell Exempt at \$2.00 (Order is NOT Pegged to National Last Sale Price)

Alpha executes 2 trades; 500 at \$2.20, 100 at \$2.00

Alpha Last Sale Price updates to \$2.00

Post-Trade Order Book

XYZ Security

Non-disclosed/Reserve Volume	Buy Volume	Bid	Offer	Sell Volume
500 shares	500 shares	\$2.20	\$2.50	500 shares
	300 shares	\$2.00		

### 5.15. Cancel on Disconnect

- (1) Orders may be marked Cancel on Disconnect. The Alpha Systems will cancel all orders that are designated Cancel on Disconnect when the user is logged out from the trading system. When the session for the user in question is either disconnected or logged out, no matter whether it is planned or not, executed by the user or not, then any orders marked as cancel on disconnect managed through this session will be cancelled.



### **5.16. Self Trade Management**

- (1) Alpha Self Trade Management is a designation that suppresses trades from the public feed where orders on both sides of the trade are from the same Member and contain the same “self trade key” set by the Member.
- (2) Self Trade Management applies only to unintentional trading (e.g. does not apply to intentional crosses).
- (3) The designation is only applicable in Continuous Trading.
- (4) Self trades are not disseminated on the public trade messages and do not update the last sale price, daily volume and turnover, or other trading statistics.
- (5) The designation is applicable to board lot orders and board lot portion of mixed lot orders.

**Commentary:** The unique trading key provided by the Member for Self Trade Management is intended for use only on buy and sell orders for accounts that may result in trades where there is no change in beneficial or economic ownership.

### **5.17. Trades on a “When-Issued” Basis**

- (1) Alpha may post any security to trade on a when issued basis if such security is approved for listing as an Alpha Listed Security prior to the closing of the offering related to such security.
- (2) Alpha may trade any OTS on a when issued basis if it is trading on a when issued basis on the marketplace where it has been conditionally listed.
- (3) Unless otherwise specified, trades on a when issued basis are subject to all applicable Alpha Requirements relating to trading in an Alpha Listed Security or OTS, notwithstanding that the security has not yet been issued.
- (4) All trades on a when issued basis shall be cancelled if the securities subject to such trades will not be listed.

### **5.18. Advantage Goes with Securities Sold**

- (1) Except as provided in section 5.18(2), in all trades of Alpha Listed Securities or OTSs, all entitlements to receive dividends or any other distribution made or right given to holders of that security shall pass with the security and shall belong to the purchaser, unless otherwise provided by Alpha for Alpha Listed Securities or



the listing market of the OTS, as applicable, or the parties to the trade by mutual agreement.

- (2) In all sales of listed bonds and debentures, all accrued interest shall belong to the seller unless otherwise provided by Alpha for Alpha Listed Securities or the listing market of the bonds or debentures for OTSs, or parties to the trade by mutual agreement.
- (3) Claims for dividends, rights or any other benefits to be distributed to holders of record of listed securities on a certain date shall be made in accordance with the procedures established by the Clearing Corporation.
- (4) If subscription rights attaching to securities are not claimed by the persons entitled to those rights at least twenty-four hours before the expiration of the time within which trading in respect of such rights may take place on Alpha, a Member holding such rights may, in its discretion, sell or exercise all or any part of such rights, and shall account for such sale or exercise to the person or persons entitled to such rights, but in no case shall a Member be liable for any loss arising through failure to sell or exercise any unclaimed rights.

#### **5.19. Foreign Currency Trading**

- (1) A report of a cross trade agreed to in a foreign currency shall be converted to Canadian dollars using the mid-market spot rate or 7-day forward exchange rate in effect at the time of the trade, plus or minus 15 basis points.
- (2) If the converted price falls between two ticks, trades shall be done at each of the ticks immediately above and below the converted price for the number of shares, which yields the appropriate average price per share.
- (3) The Member making the cross shall keep a record of the exchange rate used.

**Commentary:** The cross must be at or within the NBBO when entered.

#### **5.20. Unattributed Orders**

- (1) Members and DMA Eligible Clients may enter orders on an attributed or unattributed basis.



**Commentary:** When an order is entered in an Alpha order book, the identity of the Member will be disclosed to the trading community for attributed orders and will not be disclosed for unattributed (anonymous) orders.

(2) Orders with Special Settlement terms must be attributed.

### **5.21. Protect Cancel**

(1) This order designation is specific to DAO orders sent to Alpha. These orders will execute to the extent possible at the NBBO before cancelling any residual volume that would trade at a worse price than available on another marketplace, or unintentionally lock/cross the market.

### **5.22. Protect Reprice**

(1) This order designation is specific to DAO order sent to Alpha. These orders will execute to the extent possible at the NBBO before adjusting the price of any residual volume that would trade at a worse price than available on another marketplace or unintentionally lock/cross the market. Orders will be re-priced to one tick from the opposite of the NBBO (NBO-1 for buy orders and NBB+1 for sell orders).

## **DIVISION 3 — TRADING AT THE OPENING**

### **5.23. Display of Orders**

(1) During the pre-opening session, Market Orders and better-priced Limit Orders will be displayed at the COP.

(2) Between the hours of 7:00 a.m. and the Opening Call, CLOB orders will be displayed and the COP and the imbalance are disseminated. During this time the following orders can be entered, modified or cancelled:

- Market Order
- Limit Order
- Order with time conditions
- Market on Open Order
- Limit on Open Order
- Market on Close Order
- On-Stop Order



Short Sell Order  
Standard and Price Improvement Iceberg Order  
Odd Lot Order  
Mixed Lot Order  
Dark Order

#### 5.24. Opening Call

- (1) The Opening Call for each security will occur at a random time between 9:30:00 a.m. and a time specified by Notice.
- (2) Each security will open at the COP.

**Commentary:** The COP is calculated to maximize the traded volume. If there are two prices at which the same volume will trade, the COP is the price that will leave the smallest imbalance. If the imbalances are equal, the price will be the one closest to the previous day's closing price. For the purposes of determining the COP, Market Orders are assigned the worst price on the opposite side of the book, or if that price is not available, the best price of its own side.

- (3) Orders will be matched at the COP in the following priority:
  - (a) Better-priced Limit and LOO orders trade with offsetting orders entered by the same Member, according to time priority, provided that neither order is an unattributed order; then
  - (b) Better-priced Limit and LOO orders trade with all other offsetting orders according to time priority; then
  - (c) Market and MOO Orders trade with offsetting orders entered by the same Member, according to time priority, provided that neither order is an unattributed order; then
  - (d) Market and MOO Orders trade with all other offsetting orders, according to time priority; then
  - (e) Limit and LOO Orders at the COP trade with offsetting orders entered by the same Member, according to time priority, provided that neither order is an unattributed order; then
  - (f) Remaining orders in the Opening Call trade with offsetting orders, according to time priority.



**Commentary:** Limit Orders and LOO Orders have the same priority. Market Orders and MOO Orders have the same priority.

- (4) Market Orders that are not completely filled in the Opening Call will be booked in the CLOB as Limit Orders at the COP.
- (5) Limit Orders that are not completely filled in the Opening Call will be booked in the CLOB at the original limit price.
- (6) The unfilled balance of any LOO and MOO Order will be cancelled immediately after the opening call.

### **5.25. Delayed Openings**

- (1) Alpha may delay the opening of a security for trading on Alpha if:
  - (a) The COP differs from the previous day's ACP (adjusted to the Closing price of the listing marketplace) by an amount greater than the price band parameters set by Alpha and provided to Members by way of a Member Notice, or
  - (b) Alpha determines that it is appropriate due to market conditions.

**Commentary:** If a security is listed on both Alpha and another Canadian exchange, the ACP will be based on the closing price of the initial listing marketplace.

## **DIVISION 4 — CONTINUOUS TRADING SESSION**

### **5.26. Establishing Price and Time Priority**

- (1) An order, other than a Special Terms order, entered in the CLOB at a particular price will be executed in priority to all orders at inferior prices.
- (2) Except as provided in section 5.21, an order at a particular price, other than a Special Terms order, will be executed prior to any orders at the same price entered subsequently in time, and after all orders at the same price entered previously ('time priority').
- (3) An undisclosed portion of an order does not have time priority until it is disclosed.
- (4) An order loses its time priority if its disclosed volume is increased
- (5) Special Terms orders have no priority in the CLOB.



### 5.27. Allocation of Trades

- (1) Internal Crosses, unattributed Intentional Crosses and Specialty Price crosses may be entered without interference from orders in the CLOB at that price.
- (2) Intentional attributed crosses will be subject to interference only from attributed orders in the CLOB from the same Member according to time priority.
- (3) A tradable order entered in the CLOB will be executed in the following sequence:
  - (a) against offsetting orders entered in the CLOB by the same Member, according to the time of entry of the offsetting order, provided neither order is an unattributed order; then
  - (b) against offsetting orders in the CLOB according to time priority.

## DIVISION 5 — CLOSING CALL

### 5.28. Closing Call

- (1) The Closing Call for each security will occur at a random time between 4:00:00 p.m. and a time specified by Notice. The Indicative Closing Imbalance is calculated and disseminated publicly through the Alpha broadcast feed starting at 3:40 p.m. and then every second until the Closing Call.
- (2) Orders participating in the closing call will be matched at the CCP.

**Commentary:** The CCP is the price at which the most securities will trade. If two prices have an equal volume, the CCP will be the price that minimizes the Closing Imbalance. If the imbalances are equal, the CCP is the price that minimizes the difference from a selected parameter.

If the Calculated Closing Price for a security does not exceed the price band parameters, it is the Alpha Closing Price for the day.
- (3) Orders will be executed in the Closing Call in the following sequence:
  - (a) Better-priced Limit Orders will trade with offsetting orders entered by the same Member, according to time priority, provided that neither order is an unattributed order; then
  - (b) Better-priced Limit Orders will trade with all other offsetting orders according to time priority; then



- (c) MOC orders will trade with offsetting orders entered by the same Member, according to time priority, provided that neither order is an unattributed order; then
  - (d) MOC orders will trade with all other offsetting orders, according to time priority; then
  - (e) Limit Orders will trade with offsetting orders entered by the same Member, according to time priority, provided that neither order is an unattributed order; then
  - (f) Remaining orders in the closing call will trade according to time priority.  
**Commentary:** Currently, All MOC orders are rejected. Under these circumstances the ACP is the LSP.
- (4) The unfilled balance of any Limit Orders, other than Good For Day Orders, will remain in the CLOB.
  - (5) Any unfilled balance of a MOC Order will be cancelled immediately following the Closing Call.

## **DIVISION 6 — EXTENDED CLOSING SESSION:**

### **5.29. Additional Closing Call**

- (1) If the CCP for a security exceeds the price band parameters set by Alpha, an Extended Closing session for the security will follow.
- (2) During the Extended Closing session, Market Orders, Limit Orders and MOC orders may be entered, modified and cancelled.
- (3) During the Extended Closing session a new CCP will be calculated.
- (4) At the end of the Extended Closing session, a Closing call will occur at a random time between 4:10:00 p.m. and 4:10:30 p.m.  
**Commentary:** If this new Calculated Closing Price does not exceed the price band parameters, it will become the ACP.
- (5) Orders will be executed in the new Closing Call in the priority listed in section 5.23.
- (6) If the new CCP exceeds the price band parameters, Alpha may set a Closing Price within the price band parameters.





### **5.30. Closing Price Adjustment**

- (1) The Alpha Closing Price for all OTSs will be adjusted overnight to reflect the closing on the listing marketplace, which will be the listing marketplace unless otherwise identified by Notice.

**Commentary:** If a security is listed on both Alpha and another Canadian exchange, the ACP will be based on the closing price of the initial listing marketplace.

## **DIVISION 7 — EXTENDED TRADING SESSION:**

### **5.31. Eligible Securities Trade at ACP**

- (1) All Alpha Listed Securities and OTSs shall be eligible for trading during the Extended Trading session at the Alpha Closing Price for each security.

**Commentary:** See Section 5.12 for facilitation of Intentional Crosses at any price.



## PART VI. Lead Market Makers, Market Makers and Odd Lot Dealers

### DIVISION 1 — LEAD MARKET MAKERS AND MARKET MAKERS

#### 6.1. Appointment of Lead Market Makers and Market Makers

- (1) Alpha shall appoint a Member as Lead Market Maker for an Alpha Listed Security, and may appoint a Member or Members as a Market Maker for an Alpha Listed Security, each for the term specified in the Lead Market Maker or Market Maker Application Form and Agreement, as applicable.

**Commentary:** It is expected that initially, there will be only one Lead Market Maker for a security and, where appropriate, an additional Market Maker for such security. Not every Alpha Listed Security will be assigned a Market Maker.

- (2) Alpha may appoint a Member as a Market Maker for an OTS for the term specified in the Market Maker Agreement for OTS.
- (3) A Member wishing to be appointed as a Lead Market Maker for a particular Alpha Listed Security or Market Maker for a particular Alpha Listed Security or OTS must apply and agree to the terms of the applicable Lead Market Maker or Market Maker Application Form and Agreement.
- (4) Alpha may
  - (a) approve an applicant;
  - (b) defer approval pending receipt of further information concerning the applicant's qualifications to be appointed a Lead Market maker or Market Maker; or
  - (c) refuse the application for such factors it considers relevant.
- (5) A Member whose application is refused may not make another application for a period of 90 days from the date of refusal.
- (6) A Member that is approved as a Lead Market Maker or Market Maker agrees to:
  - (i) maintain its status as a Member of Alpha; and
  - (ii) take all commercially



reasonable steps to ensure that it complies with all requirements to act as a Lead Market Maker or Market Maker set out in the Alpha Requirements, as amended from time to time. Where the Lead Market Maker or Market Maker does not comply with such requirements it will immediately advise Alpha of such failure in writing. Such notification will include specific information as to the nature of such failure to comply.

- (7) A Member that is approved as a Lead Market Maker or Market Maker agrees that it has and will continue to have necessary resources, including trained personnel and technology, to allow it to carry out all of its obligations pursuant to the Lead Market Maker or Market Maker Agreement and these Trading Policies.
- (8) Alpha may revoke the Lead Market Maker or Market Maker's appointment as a Lead Market Maker or Market Maker for any or all securities or attach such additional terms or conditions to the Lead Market Maker or Market Maker Agreement as Alpha deems to be necessary, where:
  - (a) the Lead Market Maker or Market Maker fails to comply with any term of the Lead Market Maker or Market Maker Agreement, these Trading Policies or if the Lead Market Maker or Market Maker fails to consistently perform at an adequate level to the satisfaction of Alpha (determined in Alpha's sole discretion);
  - (b) Alpha determines, in its sole discretion, that the Lead Market Maker or Market Maker or its officers, employees, directors or agents have violated any applicable Alpha Requirements;
  - (c) Alpha believes, in its sole discretion, that the Lead Market Maker or Market Maker cannot or may not in the future carry out its obligations as a Lead Market Maker or Market Maker under these Trading Policies or the Market Maker Agreement; or
  - (d) Alpha has determined, in its sole discretion, that the Lead Market Maker or Market Maker or its officers, employees, directors or agents have in any way acted in a manner that is detrimental to the interests of Alpha or the public.



## 6.2. Responsibilities of Lead Market Makers and Market Makers for their Assigned Alpha Listed Securities

- (1) A Lead Market Maker or Market Maker for Assigned Alpha Listed Securities must trade for its own account in a sufficient degree to ensure reasonable price continuity and liquidity for the Alpha Listed Securities assigned to it.
  
- (2) In particular, a Lead Market Maker or Market Maker for an Alpha Listed Security must meet the criteria and requirements established in the applicable Lead Market Maker or Market Maker Agreement, including:
  - (a) posting bids and offers on a continuous basis during the continuous trading session at no more than the specified spread agreed upon with Alpha for required time periods;
  - (b) maintaining a minimum quote size during the continuous trading session for required time periods;
  - (c) with respect to the Lead Market Maker, achieving a minimum percentage of volume traded at the opening auction;
  - (d) appointing a Lead Market Maker or Market Maker Approved Trader and back-up acceptable to Alpha;

**Commentary:** The benefits set out in the Lead Market Maker Agreement and Market Maker Agreement will only be applied to the transactions associated with one trader ID (either the Market Maker Approved Trader ID or the back-up trader ID).

- (e) assisting other Members in executing orders for their Assigned Securities;
- (f) notifying Alpha and the Market Regulator of any perceived violation of Alpha Requirements; and
- (g) providing Alpha with information concerning trading in their Assigned Securities.

**Commentary:** Alpha will establish and/or confirm minimum standard criteria on an annual basis. Alpha may also establish by agreement with



the Lead Market Maker more stringent criteria than the minimum standards. The applicable criteria and benefits will be set out in the executed Lead Market Maker Agreement.

- (3) A Lead Market Maker must act as the Odd Lot Dealer for its Assigned Alpha Listed Securities.
- (4) Assignments may be made for debt securities listed on Alpha, but not for OTS.
- (5) A Member wishing to be appointed as a Market Maker for Alpha Listed Securities must be willing to be assigned at least 20 securities, unless Alpha consents to a lower number. A Market Maker for an Alpha Listed Security must act as the Odd Lot Dealer for their Assigned Securities if there is no Lead Market Maker.

**Commentary:** The factors that Alpha may consider in determining whether to approve a Market Maker be assigned less than 20 securities include the size of the dealer, interests of other Market Makers and whether the Lead Market Makers are meeting their criteria.

- (6) A Lead Market Maker or a Market Maker for an Alpha Listed Security must appoint, in writing, a trading officer, director or partner of the Member as its Market Maker Contact.
- (7) The Lead Market Maker or Market Maker Contact:
  - (a) serves as the primary contact with Alpha, with authority to speak for the Member concerning its activities as a Market Maker; and
  - (b) manages the Member's market making responsibilities.
- (8) The Lead Market Maker and Market Maker for Alpha Listed Securities shall implement policies and procedures to monitor the conduct for compliance with these Trading Policies applicable to the Lead Market Maker and changes to such policies.
- (9) Lead Market Makers and Market Makers for Alpha Listed Securities shall not assign the performance and benefits of their market making and odd lot responsibilities to DMA Eligible Clients or Approved Traders of DMA Eligible Clients.



- (10) The Lead Market Maker for Alpha Listed Securities who has odd lot responsibilities must accept and honour automatic execution of Odd Lot Orders.

**Commentary:** Only the Lead Market Maker will have the benefit of UMIR exemptions applicable in the context of market making and be eligible for the market maker discount on regulatory fees.

### **6.3 Responsibilities of Market Makers for their Assigned Other Traded Securities**

- (1) A Market Maker for Other Traded Securities must trade for its own account in a sufficient degree to ensure reasonable price continuity and liquidity for the securities assigned to it.
- (2) In particular, a Market Maker for an Other Traded Security must meet the criteria and any other requirements established in the applicable Market Maker for Other Traded Securities Agreement in order to receive the applicable benefits set out in the Market Maker for Other Traded Securities Agreement, including:

- (a) trading passively a minimum percentage of trading volume established by Alpha for the continuous trading session;
- (b) achieving a daily minimum percentage of volume traded at the opening auction and a maximum opening price deviation from the listing marketplace opening price;
- (c) appointing a Market Maker Approved Trader and back-up acceptable to Alpha;

**Commentary:** The benefits set out in the Lead Market Maker Agreement and Market Maker Agreement will only be applied to the transactions associated with one trader ID (either the Market Maker Approved Trader ID or the back-up trader ID).

- (d) notifying Alpha and the Market Regulator of any perceived violation of Alpha Requirements;



- (e) providing Alpha with information concerning trading in their Assigned Securities.
- (3) A Market Maker for Other Traded Securities must act as the Odd Lot Dealer for their Assigned Securities.
- Commentary:** Not more than one Market Maker will be appointed as a Market Maker for OTS.
- (4) A Market Maker must appoint, in writing, a trading officer, director or partner of the Member as its Market Maker Contact.
- (5) A Member wishing to be appointed as a Market Maker for Other Traded Securities must be willing to be assigned at least 200 securities, unless Alpha consents to a lower number.
- (6) The Market Maker for Other Traded Securities Contact:
- (a) serves as the primary contact with Alpha, with authority to speak for the Member concerning its activities as a Market Maker; and
  - (b) manages the Member's market making responsibilities.
- (7) The Market Maker for Other Traded Securities shall implement policies and procedures to monitor the conduct for compliance with these Trading Policies applicable to the Market Maker and changes to such policies.
- (8) Market Makers for Other Traded Securities may assign the performance of their responsibilities for trading in their Assigned Other Traded Securities to DMA Eligible Clients or Approved Traders of DMA Eligible Clients.
- Commentary:** Market Makers on Other Traded Securities are not eligible for the market maker discount on regulatory fees relating to their trading in their Assigned OTS. In addition, the UMIR exemptions applicable to "market making obligations" only apply with respect to the OTS Market Maker's odd lot activities.
- (9) The Market Maker for OTS who has odd lot responsibilities must accept and honour automatic execution of Odd Lot Orders.



#### **6.4 Termination of Responsibilities due to Events**

- (1) A Lead Market Maker or Market Maker's obligations with respect to a right, warrant or similar security terminate 10 business days prior to the expiry date of the security.
- (2) A Lead Market Maker or Market Maker's obligations with respect to a preferred share that has been called for redemption or retraction terminate 10 business days prior to the redemption or retraction date of the security.
- (3) Alpha may suspend or terminate a Lead Market Maker or Market Maker's responsibilities where a corporate action or other unusual circumstance makes it impractical for the Lead Market Maker or Market Maker to carry out its responsibilities.

**Commentary:** Ordinary market volatility will not be considered to be an "unusual circumstance" for the purposes of this section.

- (4) Alpha may suspend or terminate a Lead Market Maker or Market Maker's obligation to post an offer where
  - (i) the Lead Market Maker or Market Maker is not long the security; and
  - (ii) the Lead Market Maker or Market Maker cannot borrow securities to cover short sales at a reasonable cost.

#### **6.5. Notification**

- (1) A Lead Market Maker or Market Maker must give Alpha at least 10 days' prior notice of any change in the Lead Market Maker or Market Maker Contact, the Lead Market Maker or Market Maker Approved Trader or backup, unless circumstances make such prior notice impossible, in which case notice must be given as soon as possible.
- (2) A Lead Market Maker or Market Maker must inform Alpha and the Market Regulator immediately if market conditions in any of its Assigned Securities have changed such that it is not possible for the Market Maker to carry out its responsibilities.
- (3) A Lead Market Maker or Market Maker must give Alpha at least 60 days' prior written notice that it intends to relinquish its responsibilities in an Assigned Security, unless Alpha has consented to a shorter notice period.





## **6.6. Transition**

- (1) Alpha will provide Notice to all Members at least 30 days prior to the end of a Lead Market Maker or Market Maker's term when a Lead Market Maker or Market Maker has given notice under Section 6.5.
- (2) If the Lead Market Maker or Market Maker has not given notice of its intention to terminate its status as a Lead Market Maker (which shall have an initial 3 year term) or Market Maker (which shall have an initial 1 year term), the Assigned Securities will remain with the current Lead Market Maker or Market Maker for successive one year terms after the respective initial term.
- (3) The transfer of an assignment occurs on the date of the assignment to a new Lead Market Maker or Market Maker. Unless otherwise provided by Alpha and as set out in a Notice, the transfer of the assignment will occur 5 business days after Notice of the new appointment.

## **DIVISION 2 — ASSIGNMENT OF SECURITIES AND OTHER MATTERS**

### **6.7. Assignment of Securities**

- (1) Alpha will assign securities to Lead Market Makers and Market Makers at least five business days prior to the effective date of the assignment.
- (2) Alpha may reassign a security if
  - (a) the number of Market Makers increases;
  - (b) the Market Maker for that security requests a reassignment due to specific circumstances;
  - (c) the Market Maker for that security has chosen not to renew its appointment; or
  - (d) Alpha withdraws its approval of the Lead Market Maker or Market Maker for that security.
- (3) Any reassignment will be made on a random basis in accordance with Alpha procedures.



- (4) If a reassignment request has been made pursuant to Rule 6.4 and the security cannot be reassigned, the Market Maker will continue to have responsibility for the rest of its one year term, subject to Rule 6(4).

### **DIVISION 3 — TRADING IN THE ODD LOT BOOK**

#### **6.8. Sessions, Dates and Times for Odd Lot Orders**

- (1) Odd Lot Orders may be entered for trading during the Pre-Open Phase, Continuous Trading Session, and Extended Trading Session.
- (2) Odd Lot Orders may be executed during the Continuous Trading Session and the Extended Trading Session.

#### **6.9. Continuous Trading Session.**

- (1) Incoming Odd Lot Market Orders will auto-execute at the time of order entry, at the National Best Bid and Offer price (sell orders at the best bid and buy orders at the best offer).
  - (a) If the relevant price is not available in the National Best Bid and Offer, the Odd Lot Market Order will be booked in the Odd Lot Order Book (OLOB) at the National Last Sale Price.
- (2) Incoming Odd Lot Limit Orders
  - (a) with price equal to or better than the National Best Bid and Offer will auto-execute at the time of order entry, at the National Best Bid and Offer price, and
  - (b) all other Odd Lot Limit Orders will be booked in the OLOB.
- (3) Odd Lot Limit Orders booked in the OLOB will be executed at the NBBO. Odd Lot limit sell orders will be executed at the National Best Bid price if the limit price is equal to or better than the National Best Bid and Odd Lot limit buy orders will be executed at the National Best offer price if the limit price is equal to or better than the National Best Offer.
  - (a) at each National Last Sale Price-setting trade Odd Lot limit orders booked in the OLOB will be validated against the NBBO.



- (b) when there is an update (i.e. new order or order amend) in the Alpha CLOB Odd Lot limit orders booked in the OLOB will be validated against the NBBO.
  - (c) when the Odd Lot limit price is worse than the National Best Bid for sell orders and worse than the National Best Offer for buy orders, than the Odd Lot order will remain in the Odd Lot order book.
- (4) For Mixed Lot Orders,
- (a) the round lot portion will trade in the CLOB using regular CLOB matching mechanism, and
  - (b) the Odd Lot portion will auto-execute when the last Board Lot of the round lot portion is executed, at the price of the last Board Lot.

**Commentary:**

Example:

XYZ Security NBBO

Bid		Ask	
200 shares	10.00	10.05	100 shares

NLSP is 10.04

Example 1:

- Incoming order to buy 50 @ market will auto-execute at 10.05 (section 6.9(1)(a))

Example 2:

- Incoming order to buy 50 @ 10.06 will auto-execute at 10.05 (section 6.9(2)(a))

Example 3:

- Incoming order to buy 50 @ 10.03 will be registered in the OLOB – no auto-execution (section 6.9 (2)(b))



Example 4:

- A new order to buy 100 @ market is entered and 100 shares execute in the CLOB at 10.05. As a result there is now no current National Best Offer price.
- An order is entered to buy 50 @10.03 and is registered in the OLOB.
- A new sell order is entered for 500 shares at \$10.03, 200 shares subsequently execute at \$10.03. As a result the NBBO: \$10.00 - \$10.03 and NLSP: \$10.03).
- The odd lot order will auto-execute at 10.03, which is at the National Best Offer (section 6.9 (3)(a)).

Example 5:

- An order is entered to buy 50 @10.03 and is registered in the OLOB.
- A new order to sell 200 @ 10.02 is registered in the Alpha CLOB.
- The odd lot order will auto-execute at \$10.02, since there was an update to the Alpha CLOB (section 6.9(3)(b))

Example 6:

- An order is entered to buy 250 @ 10.05.
- 1 trade will execute: 100 shares at 10.05. 100 shares are registered in the CLOB and available for trading and 50 shares hidden. ABBO is now 10.05-10.06
- An order to sell 100 @ market is entered and 100 shares execute at 10.05.
- The 50 hidden shares will now execute at 10.05, since 10.05 is the price at which the last board lot of the original mixed lot order was executed (section d.)

Example 7:

- An order is entered to buy 50 @10.04 and is registered in the OLOB.
- The NLSP is updated to \$10.04
- No Trade is executed (Section 6.9(3)(c)). Limit Price is outside the National Best Offer.

## 6.10. Opening Session

(1) Odd Lot Orders do not participate in the opening auction.

(2) If trades are executed in the Opening,



- (a) Odd Lot Market Orders entered in the pre-open will auto-execute at the COP, immediately following the Opening.
  - (b) Odd Lot Limit Orders with price equal to or better than the will auto-execute at the COP, in accordance with rule 6.9(3), immediately following the Opening.
- (3) If no trades are executed in the Opening
- (c) Odd lot market orders entered in the Pre-Open will be booked as the odd lot limit orders at the price equal to the adjusted closing price that is used in the pre-open.
- (4) If the last board lot size of a mixed lot order is executed in the Opening, the odd lot part of the mixed lot order will be executed at the COP.

### **6.11. Closing Session**

- (1) Odd Lot orders do not participate in the Closing auction.
- (2) If trades are executed in the Closing, odd lot limit orders with price equal to or better than the Alpha Closing Price will auto-execute at the closing price, immediately following the Closing.
- (3) If the last board lot size of a mixed lot order is executed in the Closing, the odd lot part of the mixed lot order will be executed at the Alpha Closing Price.

### **6.12. Mixed Lot Short Sale Orders**

- (1) Mixed lot Short Sale orders will be pegged to the NLSP up to the order's limit price and then executed according to 6.9, 6.10 and 6.11.

### **6.13. Orders Booked in OLOB**

- (1) Orders booked in the OLOB are not disseminated on the public data feed.

Odd-Lot Dealer will receive an auto-execution message for each Odd-Lot trade that it participated in.

**Accepted Odd Lot  
Orders**

**Non-Accepted  
Odd Lot Orders**



Market Orders	Standard Iceberg Orders
Limit Orders	Price Improvement Iceberg Order
FOK Orders	Inside Match Order
FAK Orders	Specialty Price Cross
On-Stop Orders	MOO
Short Sales (pass-through marker only, no price adjustment)	LOO
Special Terms Orders	MOC
Cross (Regular)	
GTx Orders	

## **DIVISION 4 — ASSESSMENT OF PERFORMANCE OF LEAD MARKET MAKERS AND MARKET MAKERS**

### **6.14. Assessment of Performance**

- (1) As set out in the applicable Lead Market Maker or Market Maker Agreement, from time to time and at least quarterly, Alpha will assess the performance of Lead Market Makers or Market Makers.
- (2) On completion of the quarterly assessment of performance, Alpha may, for such factors as it sees fit
  - (a) continue the appointment of the Member as a Lead Market Makers or Market Maker in any or all of its Assigned Securities;
  - (b) continue the appointment of the Member as a Lead Market Makers or Market Maker in any or all of its Assigned Securities and impose additional terms and condition; or
  - (c) withdraw approval of the Member as a Lead Market Makers or Market Maker in any or all of its Assigned Securities.
- (3) Alpha may withdraw approval of or impose additional terms and conditions on a Lead Market Maker or Market Maker, its Lead Market Maker or Market Maker



Contact, any Lead Market Maker or Market Maker Approved Traders or backups, if Alpha determines that any of these parties has contravened or is contravening any Alpha Requirement or Market Regulator rule.

## **DIVISION 5 — UNFAIR TRADING**

### **6.15. Unfair Trading in Odd Lots**

- (1) Lead Market Makers or Market Makers and Members are responsible to ensure that Odd Lot activity is in compliance with all requirements.

**Commentary:**

The following types of activity may be reviewed as an indication of unfair trading:

Unbundling Round Lots for the purpose of entering Odd Lot orders.

Entering of both buy and sell Odd Lot Limit orders in the same security before one of the orders is executed, for the purpose of capturing the spread in the stock.

Other types of trading activity that is not consistent with traditional Odd Lot investment activity.

Effecting pre-arranged wash sales in Odd Lots, which are trades in which an offer to buy is coupled with an offer to sell back at the same or advanced price (or vice versa).

Entering orders into the CLOB for the purpose of affecting the execution price of the Odd Lot trades.

- (2) If Alpha deems a Member is engaging in Odd Lot trading activity that is unfair, Alpha may restrict the Member or suspend the Approved Trader from Odd Lot activity.



## **PART VII. Clearing and Settlement**

### **7.1. Clearing and Settlement**

- (1) All trades on the Alpha Systems will be reported, confirmed and settled through the Clearing Corporation pursuant to the Clearing Corporation's rules and procedures, unless otherwise authorized or directed by Alpha.
- (2) A Member must clear and settle all of their Alpha trades by:
  - (a) self-clearing as a participant of the Clearing Corporation; or
  - (b) maintaining a clearing and settlement arrangement with a carrying broker, custodian or other institution that is a participant of the Clearing Corporation.
- (3) Except in circumstances where the transaction is settled outside Canada or where the Member and the settlement agent are not participants in the same securities depository, the client or settlement agent shall use the facilities or services of a securities depository for the affirmation and settlement of all depository eligible transactions, including both book entry settlements and certificate based settlements.
- (4) A Member shall provide a client, by electronic, facsimile or physical means, a confirmation as soon as possible on the next business day following execution, with respect to the execution of any order, in whole or in part, for the purchase or delivery of securities where payment for or delivery of the securities is to be made to or by a settlement agent of the client, and shall indicate that the trade occurred on Alpha.
- (5) Members shall obtain agreement from their clients that the client will provide instructions with respect to the receipt or delivery of the securities to the settlement agent promptly upon receipt by the client of the confirmation referred to in Section 7.1(4) and that the client will ensure that its settlement agent affirms the transaction in accordance with National Instrument 24-101.





## **7.2. Settlement of Alpha Trades**

- (1) Unless otherwise provided by the parties to the trade by mutual agreement, trades of OTSs on Alpha must settle on the date fixed for settlement by the exchange on which the security is listed.

## **7.3 Settlement of Alpha Trades of Alpha Listed Securities**

- (1) Unless otherwise provided by Alpha or the parties to the trade by mutual agreement, trades of Alpha Listed Securities on Alpha must settle on the third settlement day following the trade.

- (2) Notwithstanding Section 8.3(1), unless otherwise provided by Alpha or the parties to the trade by mutual agreement:

(a) trades on a when issued basis made on Alpha Listed Securities:

- (i) prior to the second trading day before the anticipated date of issue of the security must settle on the anticipated date of issue of such security, and
- (ii) on or after the second trading day before the anticipated date of issue of the security must settle on the third settlement day after the trade date,

provided if the security has not been issued on the date for settlement such trades shall settle on the date that the security is actually issued and provided that if the security will not be issued all trades made on a when issued basis will be cancelled;

(b) trades for rights, warrants and instalment receipts made on Alpha Listed Securities:

- (i) on the third trading day before the expiry or payment date must settle on the settlement day before the expiry or payment date;
- (ii) on the second and first trading day before the expiry or payment date, must be made as cash trades for next day settlement, and
- (iii) on expiry or payment date must be made as cash trades for immediate settlement and trading will cease at 12:00 noon (unless the expiry or payment time is set prior to the close of business, in which case trading will cease at the close of business on the trading day preceding the expiry or payment), and



- (iv) selling Members must have the securities that are being sold in their possession or credited to the selling account's position prior to such sale;
  - (c) cash trades on Alpha Listed Securities for next day delivery must be settled through the facilities of the Clearing Corporation on the first settlement cycle following the date of the trade or, if applicable, over-the-counter, by noon of the first settlement day following the trade; and
  - (d) cash trades on Alpha Listed Securities for same day settlement must be settled by over-the-counter delivery no later than 2:00 p.m. on the trade day.
- (3) Notwithstanding Section 7.3(1), a trade on Alpha may specify delayed delivery, which gives the seller the option to deliver at any time within the period specified in the contract, and, if no time is specified, delivery will be at the option of the seller within thirty days from the date of the trade.

#### **7.4. When Security Disqualified, Suspended or No Fair Market**

- (1) Alpha may postpone the time for delivery on Alpha trades if:
  - (a) the security is delisted;
  - (b) trading is suspended in the security; or
  - (c) Alpha is of the opinion that there is not a fair market in the security.
- (2) If Alpha is of the opinion that a fair market in the security is not likely to exist, Alpha may provide that trades on Alpha be settled by payment of a fair settlement price and if the parties to an Trading Contract cannot agree on the amount, Alpha may at its discretion fix the fair settlement price after providing each party with an opportunity to be heard.

#### **7.5. Failed Trades in Rights, Warrants and Instalment Receipts**

- (1) Should fail positions in rights, warrants or instalment receipts exist on the expiry or payment date, purchasing Members have the option of demanding delivery of the securities into which the rights, warrants or instalment receipts are exercisable, any additional subscription privilege, and any subscription fee payable to a Member, that may be available, such demand shall be made before 4:00 p.m. on the expiry date.



- (2) Where a demand has been made in accordance with Section 8.6(1), payment by purchasing Members for:
  - (a) the rights, warrants or instalment receipts shall be in accordance with normal settlement procedures, but delivery of the rights, warrants or instalment receipts, as the case may be, is not required; and
  - (b) the securities into which the rights, warrants or instalment receipts are exercisable and payment for any additional subscription privilege shall be made upon delivery of the securities.
- (3) Where a demand has not been made in accordance with Section 8.6(1), settlement shall be in accordance with normal settlement procedures, but delivery of the rights, warrants or instalment receipts, as the case may be, is not required.

#### **7.6. Defaulters**

- (1) If a Member against which an Alpha trade is closed out under the Clearing Corporation's rules and procedures fails to make payment of the money difference between the contract price and the buy-in price within the time specified, the Member concerned shall become a defaulter, and Notice of such default shall be provided by Alpha to each Member.
- (2) A Member failing to make delivery to the Clearing Corporation of securities and/or a certified cheque within the time limited by the rules governing the Clearing Corporation may be adjudged a defaulter.

#### **7.7. Delivering Member Responsible for Good Delivery Form**

- (1) The delivering Member is responsible for the genuineness and complete regularity of the Alpha Listed Security, and a certificate that is not in proper negotiable form shall be replaced forthwith by one which is valid and in proper negotiable form, or by a certified cheque in lieu thereof, if a replacement certificate is not available.
- (2) A Member that has received delivery of a certificate that is not acceptable as good transfer by the transfer agent shall return it to the delivering Member, which shall make delivery of a certificate that is good delivery or of a certified cheque in lieu thereof.



**7.9 Delisted Securities**

- (1) Any open orders on an Alpha Listed Security or an OTS that will no longer be listed on its applicable exchange will be cancelled after the end of the Extended Trading Session on the day preceding the delisting.



## Part VIII. Order Protection

### 8.1 Implementation of the Order Protection Rule (OPR)

Alpha will use the Alpha Order Router's Trade Through Management Service to comply with the Order Protection Rule.

### 8.2 The Trade Through Management (TTM) Service

The TTM Service routes designated orders, in part or in whole, to all Other Marketplaces to meet Alpha marketplace obligations under the Order Protection Rule (NI 23-101) to not trade through visible, immediately accessible better-priced limit orders on any Canadian marketplace.

### 8.3 Directed Action Order (DAO)

An order sent to Alpha that is not designated as TTM will be treated as a DAO.

### 8.4 Participation and Connectivity in Other Marketplaces

#### (1) Access to Marketplaces

- (a) In addition to being a Member of Alpha, the Member have either access or arrangements with other protected marketplaces .
- (b) If the Member has direct access to the Other Marketplace, orders routed away to Other Marketplaces will include the Member's firm ID and trader ID. If the Member does not have direct access to the Other Marketplace, it must have an acceptable arrangement with another Member or participant of the Other Marketplace through which they can place orders. *Automated Jitney Service*: The Alpha TTM jitney service will be available to TTM members who do not have direct relationship with all marketplaces. Member must sign agreement with a dealer who must be an Alpha Member that has access to all Canadian visible protected marketplaces.
- (c) If the Member/trader ID in Alpha is different from the Other Marketplace, the Member/trader ID on the Other Marketplace must be provided to Alpha. It is assumed that the Member will provide Alpha with any updates to keep this



information correct and up-to-date. Similarly, if the Member is using a Sponsored DMA or other acceptable arrangement, then up-to-date details of the arrangement and IDs of both parties shall be made available to Alpha upon request.

**(2) Order Routing When a Service is Not Available**

When the TTM Service has been shut down for any reason during continuous trading, the incoming TTM orders will be rejected back to the Client as Alpha will not be able to route to Other Marketplaces. A notice will be sent to all Members, regulation service providers, Other Marketplaces and any information processor indicating that Alpha will not be routing to Other Marketplaces.

**(3) Trading Halts**

Alpha may disallow the use of its routing services for the routing of an order if a trading halt has been initiated by a regulator (“Regulatory Halt”) or a Marketplace (“Non-Regulatory Halt”).

In circumstances in which Alpha deems it necessary or in other unusual conditions or circumstances impacting the Alpha Order Router Services, Alpha may suspend all routing.

When the routing is not suspended, the TTM Service will facilitate order entry during Regulatory Halts and Non-Regulatory Halts on Alpha and/or one or more Other Marketplaces, and will continue to route orders in accordance with its standard functionality outlined in this document; however the following matters should be considered:

- (a) The routed order will be processed in accordance with the rules or policies of the Other Marketplace to which it has been routed. This may result in:
  - (i) The generation of a “rejection” notice where trading is halted on the Other Marketplace to which the order is routed where such Marketplace will not accept orders;
  - (ii) The generation of a “time out” event where the order is routed to an Other Marketplace which accepts and queues orders received and does not acknowledge the order within the “time out” duration. Such queued orders cannot be cancelled or amended utilizing the Order Router.



- (b) The entry of cancellations is permitted during both Regulatory Halts and Non-Regulatory Halts and will be routed to the Marketplace where the order is booked, for action in accordance with that Marketplace's standard operational processes.

**(4) Exclusion of a Marketplace and Self Help**

**(a) Automatic Exclusion of a Marketplace**

Alpha will cease routing to an Other Marketplace where (i) the Other Marketplace's continuous trading session is not operating (ii) and/or no data on orders in its CLOB are available.

**(b) Manual Exclusion of a Marketplace and Self Help**

A specific Other Marketplace may be excluded based on the following criteria:

- (i) The Other Marketplace is not disseminating order information, is not distributing data in relation to its CLOB in a timely manner or Alpha considers, in its discretion, that such data is not reliable. This covers the case when a system failure or degradation of service occurs at an Other Marketplace during continuous trading at that Other Marketplace.
- (ii) The connectivity to the Other Marketplace is lost.
- (iii) An Other Marketplace is not responding to orders sent by the Order Router (system failures, slowdowns, etc.). This may include circumstances where the response time to orders routed by Alpha from the Other Marketplaces is too long for it to be practically considered reliable.

Alpha may declare self help in the above instances. Alpha will notify the affected Other Marketplace, Members, any information processors and regulators (i.e. Market Regulator and the OSC) that it has done so and has excluded such Other Marketplace from the TTM Service. After the issue is resolved, Alpha will send out another notification stating self help has been revoked.



(c) Impact of Exclusions

- (i) Once an Other Marketplace is excluded manually or automatically from the Order Router Services, no further orders will be routed to that Marketplace. Any remaining “in-flight” orders (where an order sent by the Order Router has not received an acknowledgment from the Other Marketplace) will be processed in the same manner as they would have been if the exclusion had not occurred.
- (ii) Once the event precipitating the Other Marketplace exclusion has ended, Alpha may commence routing to the previously excluded Other Marketplace at its discretion.

## 8.5 TTM Service

(1) Member’s Choice

- (a) A Member relying on Alpha to comply with the OPR will designate each order as a TTM order. Any order that is designated as a TTM order will be eligible for trade-through protection through the TTM Service. For TTM orders, Alpha will be responsible for complying with the requirements applicable to marketplaces under NI 23-101.
- (b) Any order that is not designated as a TTM order will be treated by Alpha as a Directed Action order (DAO) to immediately execute or book on Alpha without checking for better-priced orders on Other Marketplaces. For DAO orders, any requirements regarding order protection under NI 23-101 will be the responsibility of the Member.

(2) TTM Routing Strategy

The TTM Service simultaneously routes portions of the order to all Other Marketplaces with better priced orders (up to 10 price levels), up to the original order’s limit price. Any residual is sent to Alpha.

The TTM Service will:

- (a) Receive the depth of book (to 10 price levels) made available by each marketplace, then
- (b) Create a Consolidated Market Feed of the aggregate bid or ask order volume for each price level, then





- (c) Identify the marketplace which has the best priced order(s) for a particular security and will route the order based on the following criteria: (1) price and (2) volume of shares available. If the same price is available on Alpha and another marketplace, priority is given to Alpha, then
- (d) Send orders to Other Marketplaces as Fill or Kill (FOK) Bypass Limit orders and will be treated as DAO:
  - (i) If the order is tradable upon receipt by the Other Marketplace, it is immediately executed and any unfilled portion will be killed at the Other Marketplace and sent to Alpha. If there is no unfilled portion of the order resting on Alpha, the TTM will re initiate the routing strategy (i.e. the TTM will commence routing as of step (a) above).
  - (ii) If the order is not tradable upon receipt by the Other Marketplace, the whole order will be killed at the Other Marketplace and sent to Alpha. If there is no unfilled portion of the order resting on Alpha, the TTM will re initiate the routing strategy (i.e. the TTM will commence routing as of step (a) above).

## 8.6 Executions

- (1) If an order is routed to an Other Marketplace, Alpha may receive an execution response from the Other Marketplace. In the case of an execution (full or partial), an execution message will be sent back by Alpha to the originator of the order.
- (2) An incoming order may result in two different types of executions; those at Alpha and those at Other Marketplaces:
  - (a) The executions at Alpha will be sent to the appropriate clearing agency from Alpha and they will reflect the clearing identifier of the Member for the applicable order.
  - (b) The executions at the Other Marketplaces will be sent to the clearing agency from the Other Marketplace on which the execution occurred and they will reflect the clearing identifier of the originator of the order or its designated clearing agent.
- (3) In both cases, it is assumed that the Member originating the order is able to clear its trades (either directly or through an agent) and the reconciliation is done directly between the Member and the appropriate clearing agency.



## **PART IX. Application of UMIR**

### **9.1 Application**

- (1) The provisions of UMIR as amended from time to time apply to trading on the Alpha Systems and form part of Alpha Requirements.
- (2) Any investigations and enforcement actions concerning a violation of a provision of UMIR will be conducted by the Market Regulator following the procedures set out in UMIR.



## PART X. Appeals

### 10.1 Appeals of Decision

- (1) A Member or any other person adversely affected by a Decision, other than a Decision of the Market Regulator, may appeal such Decision to Alpha's Board of Directors (or a designated committee thereof).

**Commentary:** Appeals shall be conducted according to the procedures established by the Alpha Board.

- (2) A Member or other person who has appealed a decision pursuant to Subsection (1) may appeal the decision of the Alpha Board by following the arbitration procedures set out in the Member Agreement and/or by appeal to the securities regulatory authority.
- (3) A Member or any other person adversely affected by a Decision of the Market Regulator may appeal such Decision pursuant to the provisions of UMIR.



## **PART XI. Administration**

### **11.1 Method of Notifications**

- (1) Unless otherwise specifically provided in any Alpha Requirement, Notice shall be sufficiently given and be reasonably expected to come to the attention of such person if:
  - (a) delivered to the person to whom it is to be given;
  - (b) delivered to the last address of such Person as recorded by Alpha or any recognized self-regulatory organization; or
  - (c) mailed or sent electronically, including e-mail, to such person.
- (2) Alpha may change the address of any person on the records of Alpha in accordance with any information believed by Alpha to be reliable.
- (3) A Notice delivered in accordance with this policy shall be deemed to have been given when it is sent.
- (4) Alpha will provide Notice of updates to this Trading Policies within 30 days prior to the change and provide the link to the updated or newly added section.

### **11.2 Computation of Time**

- (1) In computing the time when a Notice must be given for the doing of anything or taking any proceeding under any provision of an Alpha Requirement, the date of giving of the Notice or of such event shall be excluded and the date of the meeting, hearing, doing of the act or taking of the proceedings shall be included.
- (2) Where the time limited for a proceeding or the doing of anything under any provision of an Alpha policy or requirement expires, the time so limited extends to and the thing may be done on the next day following.

### **11.3 Waiver of Notice**

- (1) Any Person referred to in Section 11.1 may waive any Notice required to be given to such person and such waiver, whether given before or after the meeting, hearing or other event of which Notice is required to be given, shall cure any default in giving such Notice.



#### **11.4 Omission or Errors in Giving Notice**

- (1) The accidental omission to give any Notice to any person or the non-receipt of any Notice by any person or any error in any Notice not affecting the substance thereof shall not invalidate any action or proceeding founded thereon or taken at any hearing held pursuant thereto.

#### **11.5 Withdrawal of Approval and Changes in Alpha Requirements**

- (1) Any Alpha Approval and any Alpha Requirement may at any time be changed, suspended, withdrawn or revoked by Alpha, with 30 days' Notice unless otherwise provided in these Trading Policies, agreements or as required by circumstance subject to the rule approval process of the securities regulatory authorities.
- (2) Each Member and each Approved Trader will comply with such change, suspension, withdrawal or revocation and any Decisions made by Alpha.

#### **11.6 Contact Information**

For information on Member and Market Services please contact:

Manager, Alpha Client Services and Business Operations

Alpha Exchange Inc.

70 York Street, Suite 1501

Toronto ON, M5J 1S9

[clientservices@alpha-group.ca](mailto:clientservices@alpha-group.ca)

**Appendix F**  
**Alpha Exchange Member Agreement**



## MEMBER AGREEMENT

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This Agreement is made as of the \_\_\_ day of \_\_\_\_\_, 20\_\_\_ by and between:

Alpha Exchange Inc.  
70 York Street, Suite 1501  
Toronto, Ontario M5J 1S9  
(Called the "**Exchange**")

– AND –

Full Corporate Name

Head Office Address

(Called the "**Member**")



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## MEMBER INFORMATION FORM

MEMBER DETAILS			
Full Corporate Name			
Principal Business		Sponsored DMA Clients <input type="checkbox"/> YES <input type="checkbox"/> NO	
Head Office Address:		Business Continuity Address	
Telephone	Fax	Website	
Broker Number	CUID(clearing broker)	Sub ID	
Will Member apply to be a Market Maker? <input type="checkbox"/> YES <input type="checkbox"/> NO  If Yes, then please complete "Market Maker Assignments" on page 11.		Algorithmic Trading <input type="checkbox"/> YES <input type="checkbox"/> NO	Program Trading <input type="checkbox"/> YES <input type="checkbox"/> NO
Independent Software Vendor (if more than 1, please provide list)			
Data Vendor (if more than 1, please provide list)		Connectivity Provider(s)	
<b>ALPHA MEMBER REPRESENTATIVE</b> (appointed Senior Officer, Director or Partner)		<b>HEAD OF TRADING</b> (if more than one please attach list)	
Name and Title		Name and Title	
E-mail	Phone	E-mail	Phone
<b>CHIEF COMPLIANCE OFFICER</b>		<b>TECHNICAL CONTACT</b>	
Name and Title		Name and Title	
E-mail	Phone	E-mail	Phone
Back Up Contact	Phone	Back Up Contact	Phone
<b>BACK OFFICE CONTACT</b>		<b>BILLING CONTACT</b>	
Name and Title		Name and Title	



E-mail	Phone	E-mail	Phone
Back Up Contact	Phone	Back Up Contact	Phone

**INCIDENT NOTIFICATION CONTACTS**

Name and Title		Name and Title	
E-mail	Phone	E-mail	Phone
Back Up Contact	Phone	Back Up Contact	Phone

**SUBSCRIBER NOTICE SUBSCRIPTIONS**

Notification	Notification No.	Opt-in
Alpha Newsletter	STK1	
Alpha Press Releases	STK2	
Alpha Opening Data	STK3	
Alpha Daily Statistics	STK4	
Alpha Weekly Statistics	STK5	
Alpha Market Operations	SUB1	
Corporate Actions	SUB2	
Alpha Corporate Actions and Bulletins	SUB#	
Alpha Product Updates	SUB3	

**AUTHORIZED MEMBER TRADER IDS**

(please list as indicated or provide a list)

NOTE: If the address of any of these Authorized Persons is different from the Head Office address provided, please include the addresses as an attachment. Also if you are connecting through more than one ISV, please provide the Trader IDs for each ISV separately.

Trader ID	Name	Trader ID	Name
Phone	E-mail Address	Phone	E-mail Address
Trading Division	Fax	Trading Division	Fax
Trader ID	Name	Trader ID	Name
Phone	E-mail Address	Phone	E-mail Address
Trading Division	Fax	Trading Division	Fax
Trader ID	Name	Trader ID	Name



Phone	E-mail Address	Phone	E-mail Address
Trading Division	Fax	Trading Division	Fax
Trader ID	Name	Trader ID	Name
Phone	E-mail Address	Phone	E-mail Address
Trading Division	Fax	Trading Division	Fax

**AUTHORIZED MEMBER DMA TRADER IDS**

(please list as indicated or provide a list)

NOTE: If the address of any of these Authorized Persons is different from the Head Office address provided, please include the addresses as an attachment. Also if you are connecting through more than one ISV, please provide the Trader IDs for each ISV separately.

Trader ID	Name	Trader ID	Name
Phone	E-mail Address	Phone	E-mail Address
Trading Division	Fax	Trading Division	Fax
Trader ID	Name	Trader ID	Name
Phone	E-mail Address	Phone	E-mail Address
Trading Division	Fax	Trading Division	Fax
Trader ID	Name	Trader ID	Name
Phone	E-mail Address	Phone	E-mail Address
Trading Division	Fax	Trading Division	Fax
Trader ID	Name	Trader ID	Name
Phone	E-mail Address	Phone	E-mail Address
Trading Division	Fax	Trading Division	Fax



## ALPHA INTRASPREAD™ CONFIRMATION OF RETAIL TRADER IDS

Alpha IntraSpread™ facility allows Members to seek order matches without pre-trade transparency, with guaranteed price improvement for active orders. The IntraSpread™ facility is available to all Members and for all symbols traded on Alpha. Order types in the Alpha IntraSpread™ facility include Dark orders used to manage passive interest, and Seek Dark Liquidity™ (SDL™) orders used to seek matches with Dark orders.

In accordance with the Alpha Trading Policies, SDL™ orders can only be entered on behalf of Retail Customers (as defined in IIROC's Dealer Member Rules) and Members must have appropriate policies and procedures in place to identify which accounts qualify.

A set-up prerequisite for accessing Alpha IntraSpread™ requires Members to identify which Trader IDs will be used for sending SDL™ orders for Retail only accounts. If you intend to access the Alpha IntraSpread™ service, you must provide the information set out below for each qualified Trader ID including any future additions and return this form to the Alpha Head of Legal at [legal@alpha-group.ca](mailto:legal@alpha-group.ca) prior to access being enabled. Information regarding any deletions must also be sent to the Alpha Head of Legal.

**Name of Member:**

**Dealer Number:**

The Member confirms that the following Trader IDs are used for Retail order flow and requests Alpha to enable these Trader IDs for entry of SDL™ orders to Alpha IntraSpread™:

<b>AUTHORIZED MEMBER IDS</b>			
(please list as indicated or provide a list)			
NOTE: If the address of any of these Authorized Persons is different from the Head Office address provided, please include the addresses as an attachment. Also if you are connecting through more than one ISV, please provide the Trader ID's for each ISV separately.			
Trader ID	Name	Trader ID	Name
Phone	E-mail Address	Phone	E-mail Address
Trading Division	Fax	Trading Division	Fax
Trader ID	Name	Trader ID	Name



Phone	E-mail Address	Phone	E-mail Address
Trading Division	Fax	Trading Division	Fax
Trader ID	Name	Trader ID	Name
Phone	E-mail Address	Phone	E-mail Address
Trading Division	Fax	Trading Division	Fax
Trader ID	Name	Trader ID	Name
Phone	E-mail Address	Phone	E-mail Address
Trading Division	Fax	Trading Division	Fax



<b>MEMBER AUTHORIZATION AND DECLARATION</b>	
The Member hereby certifies that the information that is provided for the purpose of accessing the Alpha IntraSpread™ facility is true and correct. The undersigned is a signing officer with authority to sign this form.	
Member	
Name of Signing Officer	Title
Signature	Date

### ORDER PROTECTION

The Member confirms by filling out this Form and choosing Option 1 or Option 2 that either: (1) it has access to each of the “protected Marketplaces”, as defined in NI 23-101, and the information set out below is correct; or alternatively (2) it shall send all of its orders as DAO orders to the Exchange.

#### 1. [ ] Marketplace Access Confirmation

<b>MARKETPLACE ACCESS CONFIRMATION</b>	
(please confirm your access to the Marketplaces listed below - please note that to use Trade Through Service functionality, a Client must be connected to all listed Marketplaces)	
TSX <input type="checkbox"/> Direct access as a PO.  Firm ID _____  <input type="checkbox"/> Access through another Dealer  Accessing Dealer’s Name: _____	CHI-X <input type="checkbox"/> Direct access as a Subscriber.  Firm ID _____  <input type="checkbox"/> Access through another Dealer  Accessing Dealer’s Name: _____



<p>Accessing Dealer's ID: _____</p> <p>[Type of Arrangement]: _____</p> <p>TSXV <input type="checkbox"/> Direct access as a PO.</p> <p>Firm ID _____</p> <p><input type="checkbox"/> Access through another Dealer</p> <p>Accessing Dealer's Name: _____</p> <p>Accessing Dealer's ID: _____</p> <p>[Type of Arrangement]: _____</p> <p>PURE TRADING X <input type="checkbox"/> Direct access as a Subscriber.</p> <p>Firm ID _____</p> <p><input type="checkbox"/> Access through another Dealer</p> <p>Dealer</p> <p>Accessing Dealer's Name: _____</p> <p>Accessing Dealer's ID: _____</p> <p>[Type of Arrangement]: _____</p>	<p>Accessing Dealer's ID: _____</p> <p>[Type of Arrangement]: _____</p> <p>OMEGA <input type="checkbox"/> Direct access as a Subscriber.</p> <p>Firm ID _____</p> <p><input type="checkbox"/> Access through another Dealer</p> <p>Accessing Dealer's Name: _____</p> <p>Accessing Dealer's ID: _____</p> <p>[Type of Arrangement]: _____</p> <p>TMX Select <input type="checkbox"/> Direct access as a PO.</p> <p>Firm ID _____</p> <p><input type="checkbox"/> Access through another Dealer</p> <p>Accessing Dealer's Name: _____</p> <p>Accessing Dealer's ID: _____</p> <p>[Type of Arrangement]: _____</p>
---	--



AUTHORIZED IDs					
(please provide IDs used in each marketplace in the following format)					
ISV/Direct	Trader	TSX/ TSXV/TMX Select ID	OMEGA ID	CHI-X ID	Pure ID
	Name:				
	Phone:				
	E-mail:				
	Name:				
	Phone:				
	E-mail:				
	Name:				
	Phone:				
	E-mail:				
	Name:				
	Phone:				
	E-mail:				

**2. [ ] DAO only**

The Member confirms that it will send all orders as DAO orders only and does not want Exchange to route to any other marketplaces for purposes of the Order Protection Rule.





## MARKET MAKER ASSIGNMENTS

INDICATE WHICH OPTION YOU ARE INTERESTED IN:	
<input type="checkbox"/>	Assignments as Lead Market Maker for Alpha Listed Securities
<input type="checkbox"/>	Assignments as Market Maker for Alpha Listed Securities
<input type="checkbox"/>	Assignments as Market Maker for Other Traded Securities

## FEE PAYMENT OPTIONS

OPTIONS for PAYMENT of TRADING FEES	
(please select one method)	
Payment through CDS direct payment (CDS member)	<input type="checkbox"/> (please complete Schedule 2 Part A)
Payment through CDS Carrying Broker (CDS member)	<input type="checkbox"/> (please complete Schedule 2 Part B)
Payment directly to Exchange	<input type="checkbox"/>

NOTE: All billing will be sent to the Billing Contact information provided on the Member Information Form.

## ADDITIONAL SERVICES

Please indicate below which additional services the Member would be interested in receiving information on:

ADDITIONAL SERVICES		
Purchasing of Market Data	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Order Router	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Managed Network Services	<input type="checkbox"/> Yes	<input type="checkbox"/> No

Exchange will provide additional information and applicable documentation on the services that have been indicated above to the Member Representative.



## MEMBER AGREEMENT TERMS

### 1. EXCHANGE MEMBER ACCESS

(a) Trading System Access. We, Alpha Exchange Inc. (“Exchange” or “we,” “us” and like terms), operate an electronic marketplace and facilitate trading in specified financial instruments. We agree to provide you (the “Member”, or “you” and like terms) with access to the Exchange trading system (“System”) for the purpose of facilitating trades in specified financial instruments, in accordance with the terms of this Agreement (including all Exchange documents: Member Information Form, Schedules 1, 2 and 3 incorporated by reference herein, the “Agreement”). For greater certainty, this Agreement does not grant the Member a license or comparable right to utilize the System software. Access to the System is subject to compliance with the Trading Policies (as defined in Section 5(a)) and the Exchange’s rights pursuant to those Trading Policies.

(b) Application for Access. The Member has supplied Exchange with all the information requested in the ‘Member Information Form’ and such information is complete and accurate. The Member agrees to provide such further documents and information as may be requested by Exchange from time to time concerning the Member and its use

of the System in connection with its regulatory status or obligations as reasonably deemed necessary by

Exchange. All information provided by the Member shall be considered to be Confidential Information pursuant to Section 8 of this Agreement.

(c) System Availability. Exchange may, in its sole and absolute discretion, suspend or terminate the operation of the System in the event of (i) any failures, malfunctions, faults or errors within the System, (ii) any external events or circumstances affecting the use of the System which are material to the System’s integrity, capacity or security or (iii) a request or requirement by any government, regulatory authority or applicable securities regulatory authority with authority over Exchange or trading related activity conducted on the System (“Regulatory Authority”). Exchange shall give advance notice to the Member of any such suspension or termination where reasonably practicable, and in each case, shall provide prompt notice to the Member after such termination or suspension is imposed.

(d) Maintenance of System Connectivity. If the Member uses a



proprietary connection or is connected to Alpha through a third party vendor, the Member, not Alpha is responsible for providing and maintaining all necessary electronic communications with Alpha and connectivity to the System, including wiring, computer hardware, software, communication line access, and networking devices external to the System. Regardless of whether the Member uses a proprietary execution management system or that of a third-party vendor, the Member is solely responsible for all orders submitted to Exchange by the Member or under any authorized trader number assigned to the Member or any of the Member's officers, employees or agents, and agrees to accept and honor all orders submitted by such means, whether or not the orders are in error.

## 2. MEMBER REPRESENTATIONS

- (a) Investment Industry Regulatory Organization of Canada (IIROC) Dealer Membership. The Member represents that it: (i) is a dealer member in good standing of IIROC or any successor recognized as a self regulatory entity or comparable self-regulatory entity, (ii) has the authority, pursuant to all applicable Alpha Requirements (as defined in the Trading Policies), to engage in the activities contemplated herein, and (iii) will promptly notify Exchange in writing if it ceases to be so qualified.
- (b) Regulated by IIROC. The Member will be regulated by IIROC or any

successor entity recognized as a regulation service provider.

- (c) Alpha Requirements. All rights granted to and all obligations assumed by the Member pursuant to this Agreement, whether on its own behalf or on behalf of its clients to which it provides sponsored access ("DMA Eligible Clients"), are subject to all Alpha Requirements and nothing in this Agreement shall diminish or reduce in any way the obligations of the Member that are established by the Alpha Requirements. The Member and its DMA Eligible Clients' use of the System may be monitored by any securities or other regulatory authority having jurisdiction over the Exchange and any such authority may enforce the Member's compliance with Alpha Requirements.
- (d) Appropriate Resources and Settlement Capacity. The Member has appropriate resources, policies and procedures in place to ensure compliance with all applicable Alpha Requirements and the requirements of any clearing agency utilized by the Exchange when undertaking any activity on the System in furtherance of a trade and has the capacity to settle all trades executed on or through the use of the System.
- (e) National Instrument 24-101. The Member confirms that it has established, maintains and enforces policies and procedures designed to achieve trade matching in accordance with National Instrument



24-101-Trade Matching and Settlement.

(f) Capacity. The Member has the power and capacity to enter into this Agreement and perform its obligations under this Agreement. The execution and delivery of this Agreement and the performance of the obligations hereunder have been duly authorized by all necessary corporate or other legal action on the part of the Member.

(g) Valid Agreement. This Agreement constitutes a valid and binding obligation of the Member, enforceable against it in accordance with its terms, subject however to limitations with respect to enforcement imposed by laws in connection with bankruptcy or similar proceedings and to the extent that equitable remedies such as specific performance and injunction are in the discretion of the court from which they are sought.

### 3. EXCHANGE REPRESENTATIONS AND DISCLOSURE

(a) Regulation of Exchange. Exchange is a marketplace that will be regulated in accordance with all applicable regulatory requirements.

(b) Capacity. Exchange has the power and capacity to enter into this Agreement and perform its obligations under this Agreement. The execution and delivery of this Agreement and the performance of the obligations hereunder have been duly authorized by all necessary legal action on the part of Exchange.

(c) Valid Agreement. This Agreement constitutes a valid and binding obligation of Exchange, enforceable against it in accordance with its terms, subject however to limitations with respect to enforcement imposed by laws in connection with bankruptcy or similar proceedings and to the extent that equitable remedies such as specific performance and injunction are in the discretion of the court from which they are sought.

(d) Related Registrants. Individuals who are members of the Board of Directors of the Exchange may be employees, officers, partners, or directors of other registered entities. Exchange has developed policies and procedures to address potential conflicts of interest arising as a result of any conflicts of interest or potential conflicts of interest that may arise as a result of such relationships.

### 4. FEES AND ACCESS

(a) Fees and Access. Exchange shall provide the Member with access to the System and shall facilitate trades in specified financial instruments against payment by the Member of the fees and charges as set out by Exchange in Schedule 1, as amended from time to time. Exchange may at any time, and from time to time, on not less than 30 days' written notice (subject to any required regulatory approvals), increase any or all such fees or charges. All fees are net of all taxes and duties. A Member may choose to change its selected services with



30 days written notice. For greater certainty, Exchange will be entitled to decrease fees and charges by providing the Member with written notification of such a change within 30 days prior to the effective date of the change.

- (b) Suspension and Termination of Access for Failure to Pay Fees. All fees and charges shall become due and payable to Exchange at such time or times and in such a manner as Exchange shall require in writing. If the Member has not paid any fees or charges within 30 days of becoming due and payable, Exchange may, without notice and without incurring liability to the Member, suspend the Member's access to the System until all outstanding fees have been paid by the Member. Exchange may, without incurring liability to the Member, terminate the Member's membership if the Member has failed to pay all outstanding fees within 15 days of the suspension.
- (c) Third-party Payments. In all cases, the Member shall pay all fees and charges to Exchange in full, without any right of set-off or deduction. The Member shall pay when due all amounts payable to third parties arising from the Member's use of the System, if any, including fees or charges payable to any government, regulatory authority or self regulatory organization in connection with use of the System.
- (d) Collection of Fees. The Member will be entitled to elect a method of payment of fees pursuant to the Fee

Payment Options section of the Member Application document attached hereto as Schedule 2. Where the Member does not complete Schedule 2, Exchange shall collect such fees from the Member directly.

- (e) Sponsored Access of DMA Eligible Clients. If the Member provides access to the System to its DMA Eligible Clients in accordance with Exchange's policies relating to such access, then prior to granting such Sponsored Access, the Member shall execute with each DMA Eligible Client a binding legal agreement containing, among other things, the terms specified in Schedule 3 to this Agreement and provide Exchange with any other required DMA Eligible Client documentation as requested by Exchange from time to time. Member shall comply with the provisions of the Trading Policies regarding DMA Eligible Clients.

## **5. COMPLIANCE WITH EXCHANGE TRADING POLICIES**

- (a) Trading Policies. Exchange has adopted specific rules and policies defining how the Exchange marketplace operates to facilitate trades in specified financial instruments, as made available by Exchange and as amended from time to time ("Trading Policies"), which Trading Policies are incorporated by reference into and form a part of this Agreement as if such Trading Policies were set out in their entirety herein. The Member shall comply with such Trading Policies as they may be amended



from time to time. By signing this Agreement, the Member acknowledges that it has reviewed all such Trading Policies and warrants that it shall take all reasonable efforts to ensure that it has procedures to monitor subsequent changes to such Trading Policies. Failure by the Exchange to exercise any of its rights, powers or remedies under the Trading Policies or its delay to do so will not constitute a waiver of those rights, powers or remedies. The single or partial exercise of a right, power, or remedy will not prevent its subsequent exercise or the exercise of any other right, power or remedy. Exchange will not be deemed to have waived the exercise of any right, power or remedy unless such waiver is made in writing and delivered to the person to whom such waiver applies, if such waiver applies generally. Any waiver may be general or particular in its application, as determined by Exchange.

- (b) Responsibility for Transactions. Exchange shall not be, directly or indirectly, a party to any transaction posted to, or consummated on, the System, and Exchange shall not be responsible for or otherwise guarantee, any transaction effected by the Member through the System with any other party. The Member is solely responsible for confirming the accuracy, completeness and integrity of information used by it and any resulting transaction. The Member shall proceed solely against the counterparty to collect or recover

any amounts owing to it or enforce any of its rights in connection with or as a result of transactions entered into with such third party through the System. All Exchange trades are executed directly between Members. Exchange does not act as counterparty to any Exchange trades and does not guarantee settlement.

- (c) Maintaining Records. The Member shall be responsible for maintaining any records required relating to transactions sent and received by it on the System. For the purpose of this section, records relating to transactions will include all information directly or indirectly relating to orders routed to the System or trades executed on the System.

## **6. COMPLIANCE WITH ALPHA REQUIREMENTS AND AUTHORIZED ACCESS**

- (a) Member Obligations. Notwithstanding any other provision of this Agreement, as between Exchange and the Member, it is the sole responsibility of the Member to ensure compliance with all Alpha Requirements pertaining to trading related activity of the Member, its officers, employees, directors and agents and all clients or other persons for whom the Member provides access to the System. The liability of the Member under this Agreement shall not, in any circumstance, be limited or mitigated by any failure of Exchange to provide training, training material or updates, or notice of change to the applicable Alpha Requirements



relating to the entry and trading of orders. As set out in Part IX of the Trading Policies, any investigations and enforcement actions concerning a violation of a provision of UMIR will be conducted by IIROC following the procedures set out in UMIR.

- (b) Authorized Use. The Member shall implement security systems and policies to prevent unauthorized use or misuse of the System and data available by use of the System by persons accessing the System. The Member shall take reasonable steps to ensure each authorized employee is fully aware of the Member's obligations under this Agreement and ensure that all employees comply with such obligations and all Alpha Requirements. The Member shall be responsible for all instructions entered, transmitted or received under an authorized trader identification, and for the trading and other consequences thereof. A Member must not allow an unauthorized person to have access to the System. Exchange may suspend access by a Member or its authorized employees, or any other party to which the Member provides access to the System, without notice if it concludes after reasonable investigation that the Member or employee or such other party to which the Member provides access to the System is misusing the System or is causing a disorderly market. Exchange may suspend an authorized employee's access or approval, or the access or approval of any other party to which to Member provides access to the

System, by giving not less than 5 days' prior written notice if Alpha has concluded after reasonable investigation that the employee or such other person has failed to comply or is not in compliance with Alpha Requirements; or has engaged in conduct, business or affairs that is unbecoming, inconsistent with just and equitable principles of trade or detrimental to the interests of Exchange (for example, where such conduct, business or affairs would cause technical problems for the Alpha Systems, or a market integrity issue). A Member must terminate an authorized employee's or such other person's access to the System immediately upon receiving notice and must not reinstate access without Exchange's written approval. If the Member fails to comply with this provision, Exchange shall have the right to take such action as it considers necessary, in its sole discretion, to prevent access to the System by any person, including the termination of the Member's right to access the System in its entirety. Upon termination of an authorized employee of a Member, Exchange may in its sole discretion cancel all open orders entered by that trader.

- (c) Technical Failure or Security Breach. The Member shall cease use of the System as soon as practicable after it is notified by Exchange, or it otherwise becomes aware of or suspects, a technical failure or security breach of the System and immediately notify Exchange of such failure or breach



of security in accordance with the notice provisions set out in the Trading Policies or other Exchange documentation.

(d) Monitoring and Surveillance. The Member acknowledges that it is not the intention of the parties, as a result of the execution of this Agreement, to delegate to Exchange any responsibilities for compliance with any Alpha Requirements, including but not limited to applicable privacy legislation and applicable anti-money laundering legislation. For greater certainty, Exchange will have no verification requirements pursuant to applicable anti-money laundering legislation.

(e) Information Privacy. By executing this Agreement, the Member confirms that it has obtained the necessary consent to disclose the information provided to Alpha in the Member Application. The Exchange will maintain and use such information in accordance with its Privacy Policy which will be posted on the Exchange website or otherwise communicated to the Member, as amended from time to time.

## 7. USE OF TRADING DATA

(a) Access to Data. Pre-trade order data and post-trade transaction data pertaining to the Member's trading related activity on Exchange ("Private Data") may be obtained through Exchange either directly or through the services of information vendors, including any information processor, with connectivity to the

Exchange. The Member agrees that receipt of pre-trade order data and post-trade transaction data pertaining to all other trading related activity on Exchange ("Public Data" and, together with Private Data, "Exchange Trading Data") shall be governed by, and the receipt and use thereof shall be subject to the terms and conditions of, other agreements between the Member and Exchange, including without limitation a data use agreement and/or a data distribution agreement.

(b) Use of Exchange Trading Data. The Member shall be permitted to use the Public Data for internal trading activity purposes only. The Member shall not retransmit, disseminate, sell, lease, license, distribute, publish, broadcast, circulate or commercially exploit Public Data or assign their rights in relation to such Public Data without Exchange's express prior written consent, and the Member shall comply with any limitations imposed on the use of Public Data (whether such limitations are imposed directly by Alpha or communicated by a third party information processor or information vendor). For greater certainty the Member shall be entitled to provide Public Data to its clients to confirm execution of trades, facilitate clearing and settlement, and comply with applicable Alpha Requirements. All Public Data is protected by copyright and we reserve all intellectual property rights therein.

(c) No Warranties. Neither the Exchange nor any partner,





associate, related party or affiliate makes any warranty, representation or guarantee as to the sequence, accuracy, completeness or timeliness of Exchange Trading Data. Without limiting the foregoing, all express or implied, direct or indirect, representations, warranties and conditions in respect of Exchange Trading Data arising or implied by statute, common law, custom, usage of trade, course of performance, course of dealing or otherwise, including but not limited to any representations or warranties or conditions of merchantable quality and/or fitness for a particular purpose, are expressly excluded.

(d) Rights to Resell. Exchange and its affiliates may, in Exchange's sole discretion, resell, distribute, market or license any or all Exchange Trading Data to any other person, or otherwise use any or all such data as Exchange or its affiliates see fit and is entitled to keep all compensation provided, however, that neither Exchange nor its affiliates shall identify the Member in connection with any Exchange Trading Data, except:

- (i) if the Member uses Exchange functionality that provides order and/or trade attribution;
- (ii) for reporting to CDS or any clearing and settlement agent for clearing and settlement purposes;
- (iii) as required pursuant to applicable Alpha Requirements;

(iv) for dispute resolution purposes with the Member;

(v) to legal or accounting advisers on a confidential basis; or

(vi) as otherwise expressly set forth in this Agreement.

(e) The provisions of this Part 7 shall survive the termination of this Agreement.

## 8. PERSONAL AND CONFIDENTIAL INFORMATION

(a) Personal information regarding the Member's directors, officers and employees. Exchange will not release personal information relating to the Member's directors, officers, employees, contractors or clients unless:

(i) the individual in question has consented in writing to the release of the information;

(ii) the release of the information is required by an Alpha Requirement or pursuant to a regulatory purpose; or

(iii) the information has been publicly disclosed by another person or company and the disclosure was lawful.

The Member represents that they have obtained or shall obtain, as applicable, all necessary consents to allow the Member to disclose the information relating to its directors, officers, employees, contractors and clients referenced above as required under this Agreement.



(b) Definition of Confidential Information.

“Confidential Information” shall mean information about the disclosing party’s (or any of its clients’) business activities that is proprietary and confidential, which will include all business, financial and technical and other information including:

- (i) information expressly marked or disclosed or implicitly disclosed as confidential or proprietary, including, without limitation, all forms and types of financial, business, scientific, technical, economic, competitively sensitive or engineering information including, but not limited to, patterns, plans, compilations, program devices, discoveries, ideas, concept, know-how, techniques, formulas, blueprints, designs, prototypes, methods, processes, procedures, codes, unpatented inventions, marketing plans, financial plans, business plans, or names of customers or suppliers, whether tangible or intangible, and whether or how stored, compiled, or memorialized physically, electronically, graphically, photographically, or in writing;
- (ii) all proprietary software programs, and proprietary computer software designs and architecture, in whatever form, regardless of whether marked or designated as confidential or proprietary;

(iii) information commonly recognized as proprietary trade secrets; and

(iv) all copies of any of the foregoing or any analyses, studies or reports that contain, are based on, or reflect any of the foregoing.

Confidential Information shall not include any information that the receiving party can show:

- (i) was in receiving party’s possession free of any obligation of confidence prior to receipt from the disclosing party;
- (ii) is independently developed by the receiving party without access to or unauthorized use or disclosure of Confidential Information;
- (iii) is in the public domain or becomes available to the public through no breach of this Agreement by the receiving party;
- (iv) was communicated by the disclosing party to a third party free of obligation of confidence; or
- (v) is received by the receiving party independently from a third party free to disclose such information to the receiving party.

(c) Treatment of Confidential Information. The receiving party shall treat the Confidential Information with at least the same degree of care that it uses to protect



its own confidential and proprietary information of a similar nature, but no less than a reasonable degree of care under the circumstances and shall not disclose, duplicate, copy, transmit or otherwise disseminate in any manner whatsoever, Confidential Information provided to the receiving party by reason of the relationship established by this Agreement, or learned by the receiving party by reason of this Agreement, except to the receiving party's regular employees, including the employees of the receiving party's corporate parent (if any) and those of its direct subsidiaries and of the subsidiaries of its corporate parent, and, subject to the provisions below, to the agents, partners, limited partners, contractors, advisers, and Consultants of the receiving party.

(d) Need to Know. All such persons receiving Confidential Information shall:

(i) have a need to know such Confidential Information for performance of duties or obligations related to the purpose of this Agreement;

(ii) have been informed of the confidential nature of the Confidential Information; and

(iii) be bound, by terms of their employment, to maintain the confidentiality of confidential information in their possession.

(e) Notice of Request by a Third Party. In the event that the receiving party is requested or required (by the

order of a court of competent jurisdiction or other governmental or regulatory body exercising legitimate authority, civil investigative demand or similar process) to disclose any Confidential Information of the disclosing party, the receiving party will, to the extent permitted by law, provide the disclosing party with prompt notice of such request or requirement so that the disclosing party may seek an appropriate protective order or waive compliance by the receiving party with the provisions of this Agreement. If, in the absence of a protective order or the receipt of a waiver hereunder, the receiving party is nonetheless, in the opinion of the receiving party's counsel, legally required to disclose such Confidential Information forwarded by the disclosing party or else stand liable for contempt or suffer other censure or penalty, the receiving party may disclose such information without liability hereunder, provided, however, that the receiving party shall disclose only that portion of such Confidential Information which it is legally required to disclose.

(f) The provisions of this Part 8 shall survive the termination of this Agreement.

## 9. SETTLEMENT OF DISPUTES AND ARBITRATION

(a) Disputes Between the Member and Exchange. In the event of any dispute arising between the Member and Exchange which has not been resolved, the Member may appeal to the Board of Directors of the

Exchange (the “Board”) in accordance with the procedures set forth in the Trading Policies. If the Member wishes to appeal any decision of the Board, the Member may appeal the decision by following the arbitration procedures set out below and/or by appeal to the securities regulatory authority. If the Member chooses arbitration, the issue shall be submitted to the decision of a single arbitrator, who shall be qualified and independent of the parties to the dispute, selected as hereinafter provided, and the decision of such an arbitrator shall be final and binding on all parties. In addition, the electronic records of the Exchange will govern in the event that facts relating to any of the Member’s orders or transactions executed through the Exchange are disputed, unless there is clear proof of an error in such electronic records of orders or transactions. The nomination of the arbitrator shall be as follows:

- (i) The independent arbitrator shall be agreed upon by the Member and Exchange, or if they cannot agree on an arbitrator, either party may apply to the Ontario courts to have an independent arbitrator appointed (the “Arbitrator”). The Arbitrator shall act as the sole arbitrator in respect of all matters, including procedural matters including scheduling, production of documents and giving directions.
- (ii) Within ten days following the appointment of the Arbitrator, the Member shall deliver to

Exchange and the Arbitrator a statement of dispute concisely setting for the facts and law upon which it relies. Ten days following delivery of this statement of dispute, Exchange shall deliver to the Member and the Arbitrator a statement of response responding to the statement of dispute and concisely setting for the facts and law upon which it relies. Where the Arbitrator has not been appointed during such time periods, the statement of dispute and response to the statement of dispute shall be delivered to the Arbitrator promptly following the date of the Arbitrator’s appointment.

- (b) Notice. The Arbitrator shall forthwith give written notice to the parties of the time and place of its first sitting, which shall be held promptly and if at all possible within ten Business Days after the appointment of the Arbitrator, and shall require them to be present and to produce any records, books, documents or paper respecting the matter at issue, and at such time and place, or at any other time and place to which they shall give written notice to the Member and Exchange, the Arbitrator shall hear each of the parties, shall make such inquiries and receive such evidence as they may deem necessary, and shall decide the subject matter in dispute and fix the costs of arbitration and shall make its award and forward the same in writing to all parties concerned. The Arbitrator shall be

instructed that time is of the essence and requested to make its judgment as soon as possible and if at all within ten Business Days of the completion of the hearing.

(c) The Arbitration Act. The *Arbitration Act, 1991* (Ontario) shall apply to the arbitration. The arbitration shall take place in Toronto, Ontario (telephone or teleconference facilities will be made available for Members that cannot attend a hearing in Toronto, Ontario), shall be governed in all respects by the substantive law of Ontario (and the federal laws of Canada applicable therein), and shall be kept confidential (both to its existence and all proceedings and documents related thereto) except as required by applicable law (including disclosure and reporting obligations attendant on public companies) or self-regulatory organization requirements or for enforcement purposes.

(d) Disputes Between Members. Any dispute arising between Members relating to trading related activity conducted utilizing the System where the Exchange is also a party to the dispute will be carried out in the same manner as a contractual dispute pursuant to Section 9(a). Any dispute arising between Members where the Exchange is not a party to the dispute may be carried out in any way as agreed to as between the Members; however, even where the Exchange is not a party to any dispute, it shall be entitled, but not required, to be present and state its position. The Exchange shall provide such

electronic records as the parties to the dispute may request relating to the dispute, however where such information is Confidential Information the provisions of Part 8 shall take precedence.

(e) Interest on Awards. The award shall bear interest from the date of award at 12% per annum payable and calculated monthly, and shall bear pre-award interest as determined by the arbitrators.

(f) Award Enforceable. The award may be enforced in court.

(g) Award Final. The award of such arbitration shall be final and not subject to review or appeal, and shall be binding upon all parties concerned. Section 9 of the Agreement shall survive any termination of the Agreement.

(h) Exclusive Remedy. Part 9 shall be the exclusive remedy under the Agreement, but without prejudice to any other rights or remedies expressly provided for in the Agreement.

## 10. GENERAL PROVISIONS

(a) Notices. All notices hereunder shall be given in writing and shall be deemed to have been duly given upon receipt, by delivery in person, by confirmed facsimile, by registered or certified mail, by overnight delivery (postage prepaid) to the respective party, or by electronic mail sent to the Member at its address, electronic mail address or facsimile number indicated on the



Member Information Form hereof, and to Exchange at:

Alpha Exchange Inc.  
70 York Street, Suite 1501  
Toronto, Ontario, M5J 1S9  
Attention: Head of Legal  
Fax: 416-642-2120  
E-mail: legal@alpha-group.ca

or, in each case, to such other address or facsimile number subsequently provided in writing by such party to the other. Any such notice shall be effective upon the receipt thereof by the party to whom sent.

- (b) Termination. Subject to other specific provisions herein, either party shall be entitled to terminate this Agreement by providing the other party with not less than twenty (20) business days notice, in writing.
- (c) Effective Date. This Agreement will take effect immediately upon execution by both the Member and Exchange, and will remain in force until terminated in accordance with the terms hereof. If either party terminates this Agreement, immediately following the effective date of such termination the Member shall permit Exchange to immediately remove the Member's access to the System and shall return or destroy all materials provided by Exchange pursuant to this Agreement relating to the System except where the retention of such materials is required by statute or pursuant to Alpha Requirement. Termination of this Agreement shall not affect any

liability, including trading fees, that has accrued as of the date of termination.

- (d) Laws Governing. This Agreement shall be governed by the laws of the Province of Ontario and both parties unconditionally attorn to the exclusive jurisdiction of the courts of the Province of Ontario.
- (e) Amendments. Exchange may make amendments to this Agreement and the Trading Policies, subject to the rule approval process of the securities regulatory authorities, by providing thirty (30) days' written notice to Members.
- (f) Assignment of Rights. Neither party may transfer or assign its rights and obligations under this Agreement without the prior written consent of the other party. This Agreement shall enure to the benefit of and be binding upon the parties hereto and their respective successors and permitted assigns. Notwithstanding the above, Exchange shall be entitled to assign its rights and obligations hereunder to any party (i) controlling Exchange; (ii) controlled by Exchange; or (iii) that shares a common controlling entity as Exchange, by providing the Member with notification of such assignment.
- (g) Execution in Counterparts. This Agreement may be executed in counterparts. Each executed counterpart may be delivered to the other party by facsimile and/or electronic file, and copies bearing the signature of a party will constitute a valid and binding

execution and delivery of this Agreement.

(h) Whole or Partial Invalidity. The whole or partial invalidity of any provision of this Agreement shall not affect the validity of any other provision of this Agreement. If any provisions or conditions of this Agreement shall be held to be unenforceable by a court, or regulatory or Self-Regulatory Organization, such invalidity or unenforceability shall attach only to such provision or condition. The validity of the remaining provisions and conditions shall not be affected thereby and this Agreement shall be carried out as if any such invalid or unenforceable provision or condition were not contained herein. To the extent permitted by law, the parties waive any provision of law that renders any provision of this Agreement invalid or unenforceable in any respect.

(i) Natural Disasters. Notwithstanding any other term or condition of this Agreement, neither Exchange nor the Member shall be obligated to perform or observe its obligations undertaken in the Agreement (except for obligations to make payments hereunder and regulatory obligations) if prevented or hindered from doing so by any circumstance found to be beyond its control, including industrial disputes of any nature, acts of nature, acts of a public enemy, acts of government, failure of telecommunications, software or hardware, sabotage, terrorism, lightning or electromagnetic disturbances,

earthquake, flood, fire or other casualty and the other party will likewise be excused from performance of its obligations (other than timely payment of fees) to the extent such party's obligations relate to the performance so interfered with; provided that the party so affected uses its reasonable efforts to avoid or remove such causes of non-performance and shall resume performance hereunder with dispatch whenever such causes are removed.

(j) Language. The parties confirm their express wish that this Agreement, as well as any other documents relating to this Agreement, including notices, schedules and authorizations, have been and shall be drawn up in the English language only. Les parties aux présentes confirment leur volonté que cette convention, de même que tous les documents, y compris tous avis, annexes et autorisations s'y rattachant, soient rédigés en la langue anglaise seulement.

(k) Effect of Termination. Termination of the Agreement shall not terminate or negate any obligations of the Member to complete or implement any transaction entered into prior to such termination or arising from or accruing from authorized activities of Member up to the effective time of termination.

(l) System Provided "As Is". THE SYSTEM IS PROVIDED "AS IS". NONE OF EXCHANGE, ITS RELATED PARTIES, SUBSIDIARIES, AFFILIATES,



AGENTS, PARTNERS OR ANY THIRD PARTY PROVIDER MAKES ANY WARRANTY, EXPRESS OR IMPLIED, AS TO THE ACCURACY OR COMPLETENESS OF ANY INFORMATION OR AS TO RESULTS TO BE ATTAINED BY MEMBER OR ANYONE ELSE FROM THE USE OF THE SYSTEM. EXCEPT AS OTHERWISE STATED IN THIS AGREEMENT, EXCHANGE, ITS RELATED PARTIES, SUBSIDIARIES, AFFILIATES, AGENTS, PARTNERS OR ANY THIRD PARTY PROVIDER DISCLAIM ALL WARRANTIES, CONDITIONS, GUARANTIES OR REPRESENTATIONS, WHETHER EXPRESS OR IMPLIED, IN LAW OR IN FACT, ORAL OR IN WRITING, OR THAT ARISE FROM STATUTE OR FROM A COURSE OF DEALING, USAGE OR TRADE INCLUDING WITHOUT LIMITATION ANY WARRANTIES, CONDITIONS, GUARANTIES OR REPRESENTATIONS OF FITNESS FOR PURPOSE, MERCHANTABILITY OR MERCHANTABLE OR SATISFACTORY QUALITY, OR NON-INFRINGEMENT. NONE OF EXCHANGE, ITS RELATED PARTIES, SUBSIDIARIES, AFFILIATES, AGENTS, PARTNERS OR ANY THIRD PARTY PROVIDER SHALL HAVE ANY RESPONSIBILITY TO MAINTAIN THE SYSTEM OR TO SUPPLY ANY CORRECTIONS, UPDATES OR RELEASES IN CONNECTION THEREWITH. NONE OF EXCHANGE, RELATED PARTIES, SUBSIDIARIES, AFFILIATES,

AGENTS, PARTNERS OR ANY THIRD PARTY PROVIDER IS SOLICITING ANY ACTIVITY BASED UPON THE USE OF THE SYSTEM. NONE OF EXCHANGE, RELATED PARTIES, SUBSIDIARIES, AFFILIATES, AGENTS, PARTNERS OR ANY THIRD PARTY PROVIDER WILL BE LIABLE FOR ANY INDIRECT, SPECIAL, INCIDENTAL, CONSEQUENTIAL OR PUNITIVE DAMAGES, HOWEVER CAUSED, INCLUDING ANY TRADING LOSSES OR FAILURE TO SUCCESSFULLY IMPLEMENT ANY INVESTMENT STRATEGY REGARDLESS OF WHETHER EXCHANGE, ANY OF ITS RELATED PARTIES, SUBSIDIARIES, AFFILIATES, AGENTS, PARTNERS OR ANY THIRD PARTY PROVIDER HAS BEEN ADVISED OR IS OTHERWISE AWARE OF THE POSSIBILITY OF SUCH LOSSES. THIS SECTION SHALL SURVIVE THE TERMINATION OF THIS AGREEMENT.

(m) Liability.

- (i) Except for Exchange's indemnity obligations hereunder or breaches of its obligations pursuant to Section 8(a) of this Agreement, Exchange's entire aggregate liability arising from or related to this Agreement shall not exceed the fees charged by Exchange to the Member in the six (6) months preceding the date that the first cause of action arose, even if such cause of action is continuing.



- (ii) In no event shall any of Exchange's related parties, affiliates, partners or any third party providers of any of Exchange's or such other entities officers, directors, employees or agents have any liability to the Member under or related to this Agreement.
- (iii) This Section shall not exclude or restrict Exchange's liability for death or personal injury arising from either the negligence of Exchange or its officers, employees, agents, or partners, including where they are acting in the ordinary course of their duties. Such liability shall in no event exceed the sum of one million dollars (\$1,000,000).
- (iv) Money damages may both be incalculable and an insufficient remedy for any breach of the Agreement by a party or its employees, agents or representatives and any such breach would cause the other party irreparable harm. In the event of any such breach or threatened breach of the Agreement, the other party shall be entitled to seek equitable relief, including by way of injunction and specific performance.
- (v) Neither Exchange nor the Member shall be liable under any circumstances for any indirect, incidental, reliance, special, punitive or consequential damages including, but not limited to lost profits and/or lost opportunities, even if the applicable party has been advised of the possibility of such damages.
- (n) Disclaimers. All disclaimers and limitations herein shall apply regardless of the nature of any cause of action or demand (including, but not limited to breach of contract, breach of warranty, negligence, strict liability, tort or any other cause of action) and shall survive a fundamental breach or breaches and/or failure of the essential purpose of this Agreement or any remedy contained herein.
- (o) Ownership. The components of the System include but are not limited to: operating systems software, database software, applications software, hardware and firmware. Exchange retains ownership of the System and all rights, title and interest therein including all patents, copyrights, trade secrets and other intellectual property rights in and to the System. This Agreement does not grant or give the Member any right, title or interest of any type in the System or in any patents, copyrights, trade secrets or other intellectual property rights associated with the System. For greater certainty, this Agreement does not convey to the Member, or any other person, a license or right, either express or implied to use any software incorporated into the System. Except as specifically set out herein, the Member shall not use any of the trademarks or trade names of or used by Exchange in connection with the System or any



other intellectual property associated with the System without the prior written consent of Exchange.

(p) Indemnifications.

(i) Exchange agrees to indemnify and hold harmless, either on its own behalf, or on behalf of a third party provider, subject to the limitations herein set forth, any losses, damages or expenses incurred by the Member arising from any claim, suit or proceeding commenced by a third party alleging that there has been an infringement of any such third party's intellectual property rights resulting from the execution of this Agreement or use of the System ("Infringement Claim"). The Member agrees that Exchange shall be relieved of the foregoing obligations unless the Member notifies Exchange promptly in writing of such claim, suit or proceeding and gives Exchange authority to defend and settle such proceeding as contemplated herein, and, at Exchange and/or third party's expense, as applicable, gives Exchange and/or third party provider proper and full information and assistance to settle and/or defend any such claim, suit or proceeding but such relief will only apply to the extent that such delay or failure to provide such notification compromises Exchange's ability to defend such claim, suit or proceeding or cause Exchange to incur additional costs. Neither

Exchange nor third party providers shall be liable for any costs or expenses incurred without their prior written authorization. Claims resulting from the modification of the System by the Member or any third party or the use or combination of the System with any hardware, software, data or products of any other person (including any entity) other than Exchange are not Infringement Claims and therefore are excluded from this indemnity. In the event of any Infringement Claim, Exchange may at its sole option and discretion (i) obtain a license to enable Exchange to continue to use the System as contemplated hereunder, (ii) replace or modify the subject matter of the Infringement Claim to make it non-infringing, or (iii) immediately terminate this Agreement by notice to the Member. Exchange's obligation to indemnify the Member under this Section shall be limited, in the aggregate, to the total amount actually paid by the Member to Alpha under this Agreement.

(ii) The Member will indemnify, defend, and hold Exchange, its related parties, subsidiaries, affiliates, partners, officers, directors and employees harmless of and from any demands, losses, claims, judgment, liabilities, actions, proceedings, penalties, damages, costs or suits (other

than for Infringement Claims) that arise out of or relate to the use, or inability to use, or defects or deficiencies with the System including any claims related to the Member's or DMA Eligible Client's use or misuse, or inability to use, the System or defects or deficiencies arising from or related to such use or inability to use the System. The Member shall pay on demand all amounts due under this section. Exchange agrees that the Member shall be relieved of the foregoing obligations unless the Member notifies Exchange promptly in writing of such claim, suit or proceeding and gives Exchange authority to defend and settle such proceeding as contemplated herein, and, at Exchange and/or third party's expense, as applicable, gives Exchange and/or third party provider proper and full information and assistance to settle and/or defend any such claim, suit or proceeding but such relief will only apply to the extent that such delay or failure to provide such notification compromises Exchange's ability to defend such claim, suit or proceeding or cause Exchange to incur additional costs.

(iii) The indemnities set out in this Section 10(p) shall survive the termination of this Agreement.

(q) Further Documents. Each of Exchange and the Member shall from time to time execute and deliver all such further documents

and instruments and do all acts and things as the other party may reasonably require to effectively carry out or better evidence or perfect the full intent and meaning of the Agreement.

- (r) Currency. Unless otherwise expressly specified, all amounts referred to herein shall be denominated in Canadian dollars.
- (s) Time of the Essence. Time shall be the essence of the Agreement.
- (t) Complete Agreement. This Agreement, and the schedules as amended from time to time in accordance with the Agreement and any other agreements executed by the parties for additional services, contains the entire Agreement between the parties with respect to trading on the System. This Agreement may be modified only by a writing signed by all parties to this Agreement and any such modification shall not be deemed to be a cancellation of this Agreement.



<b>MEMBER AUTHORIZATION AND DECLARATION</b>	
<p>The Member hereby certifies that the information is provided by the Member for the purpose of accessing the Exchange is correct. The undersigned is a signing officer with authority to bind the Member to the terms of the Agreement.</p>	
Member	
Name of Signing Officer	Title
Signature	Date

<b>ALPHA EXCHANGE INC.</b>	
Name of Signing Officer	Title
Signature	Date



## SCHEDULE 1

### ALPHA EXCHANGE TRADING FEES - EFFECTIVE FEBRUARY 1, 2012

#### Access Fees

Trading Service	Fee
Initial Application	\$3,000 (Plus applicable GST/HST)
Month Access	\$1,250 (Plus applicable GST/HST)

#### Transactional Fees

Equity Trades	Alpha Listed Securities Fee/Share	Other Traded Securities Fee/Share
Auction (Open, Close or Halt)		
<b>All Securities</b>		
Trade Price/Share < \$1	\$0.0003	\$0.0003
Trade Price/Share >=\$1 &<\$5	\$0.0003	\$0.0003
Trade Price/Share >= \$5	\$0.0005	\$0.0005
Continuous Trading		
<b>Exchange Traded Funds</b>		
<b>Active</b>		
Trade Price/Share < \$1	\$0.0003	\$0.0003
Trade Price/Share >=\$1	\$0.0025	\$0.0025
<b>Passive</b>		
Trade Price/Share < \$1	-\$0.0002	-\$0.0002
Trade Price/Share >=\$1	-\$0.0021	-\$0.0021
<b>Odd Lot Trades</b>		
Trade Price/Share < \$1	\$0.0003	\$0.0003
Trade Price/Share >=\$1	\$0.0025	\$0.0025
<b>SPIs - Other</b>		
<b>Active</b>		
Trade Price/Share <\$1	TBD	n/a
Trade Price/Share >=\$1 &<\$5	TBD	n/a
Trade Price/Share >=\$5	TBD	n/a
<b>Passive</b>		
Trade Price/Share <\$1	TBD	n/a
Trade Price/Share >=\$1 &<\$5	TBD	n/a
Trade Price/Share >=\$5	TBD	n/a
<b>All Other Securities</b>		
<b>Active</b>		
Trade Price/Share < \$1	\$0.0003	\$0.0003
Trade Price/Share >=\$1 &<\$5	\$0.0025	\$0.0025
Trade Price/Share >= \$5	\$0.0028	\$0.0028
<b>Passive</b>		
Trade Price/Share < \$1	-\$0.0002	-\$0.0002
Trade Price/Share >=\$1 &<\$5	-\$0.0021	-\$0.0021
Trade Price/Share >= \$5	-\$0.0025	-\$0.0025
<b>Odd Lot Trades</b>		
Trade Price/Share < \$1	\$0.0003	\$0.0003
Trade Price/Share >=\$1 &<\$5	\$0.0025	\$0.0025
Trade Price/Share >= \$5	\$0.0028	\$0.0028
<b>Unintentional Crosses</b>		
Trade Price/Share <\$1	\$0.0001 (net)	\$0.0001 (net)
Trade Price/Share >=\$1 &<\$5	\$0.0004 (net)	\$0.0004 (net)
Trade Price/Share >=\$5	\$0.0003 (net)	\$0.0003 (net)
<b>Intentional Crosses – Printing Facility</b>		
	\$0.0000	\$0.0000

November 14, 2011



<b>IntraSpread™</b>		
<b>Active</b>		
Trade Price/Share <\$1	\$0.0001	\$0.0001
Trade Price/Share >=\$1 &<\$5	\$0.0004	\$0.0004
Trade Price/Share >=\$5	\$0.0004	\$0.0004
<b>Passive</b>		
Trade Price/Share <\$1	\$0.0000	\$0.0000
Trade Price/Share >=\$1 &<\$5	\$0.0000	\$0.0000
Trade Price/Share >=\$5	\$0.0000	\$0.0000

<b>Notes / Debentures Trades</b>	<b>Fee/\$1,000 par value</b>	<b>Fee/\$1,000 par value</b>
<b>Auction (Open, Close or Halt)</b>		
Trade Price/Share – All Securities	\$0.0200	\$0.0200
<b>Continuous Trading</b>		
Active – All Securities	\$0.0900	\$0.0900
Passive – All Securities	-\$0.0800	-\$0.0800
Odd Lot Trades	\$0.0900	n/a
Unintentional Crosses	\$0.0100 (net)	\$0.0100 (net)
Intentional Crosses – Printing Facility	\$0.0000	\$0.0000
<b>IntraSpread™</b>		
Active	\$0.0100	\$0.0100
Passive	\$0.0000	\$0.0000

#### Notes

- 1) Alpha Listed Securities are securities listed on Alpha Main and Alpha Venture Plus.
- 2) Other Traded Securities are securities listed on the TSX and the TSX Venture.
- 3) SPIs – Other are Special Purpose Issuers other than Exchange Traded Funds and Investment Funds.
- 4) All fees quoted are in Canadian dollars.
- 5) Transactional Fees are GST/HST exempt.
- 6) Fees relating to “Odd Lot Trades” do not pertain to trades executed by the Lead Market Makers for Alpha Listed Securities and Market Makers for Other Traded Securities relating to their obligations as an “Odd Lot Dealer”. Such fees are set out in the Lead Market Maker Agreement and the Market Maker Agreements respectively.
- 7) Continuous unintentional crosses will be charged on a net basis. For invoicing purposes, unless using the Alpha Billing Facility, the active side and the passive side of the trade will be charged the amount equal to the corresponding Continuous Trading Active and Passive fees. Members using the Alpha Billing Facility can select different fees for the active side and passive side of the trade while respecting the net fee.
- 8) “Iceberg Orders” will be treated as passive orders and will be credited the corresponding Passive rebate for executed transactions.



## SCHEDULE 2 - CDS FEE COLLECTION AUTHORIZATION AND INFORMATION FORM

In order for fees to be collected by Exchange through CDS Clearing and Depository Services Inc., a Member must: (a) be a CDS participant with a valid CUID; or (b) have established a introducing carrying broker relationship with a CDS participant with a valid CUID.

**Part A:**

Exchange shall provide CDS with instructions to detailing the total amount to be collected from \_\_\_\_\_ (the “Member”) for each monthly collection cycle. Instructions will be provided to CDS on or before the fourth business day of each month. Fees shall be remitted to Exchange from CDS on behalf of the Member on the 10<sup>th</sup> business day of every month.

<b>MEMBER AUTHORIZATION TO COLLECT FEES THROUGH CDS</b>	
The Member hereby certifies that the information is provided by the Member for the purpose of fee collection through CDS is correct. The undersigned is a signing officer with authority to bind the Member to the terms of the Agreement.	
Member and CUID	
Name of Signing Officer	Title
Signature	Date

**Part B:**

Exchange shall provide CDS with instructions to detailing the total amount to be collected from \_\_\_\_\_ (the Member’s carrying broker) for each monthly collection cycle. Instructions will be provided to CDS on or before the fourth business day of each month. Fees shall be remitted to Exchange from CDS on behalf of \_\_\_\_\_ (the Member) on the 10<sup>th</sup> business day of every month.

<b>MEMBER AUTHORIZATION TO COLLECT FEES THROUGH CDS VIA CARRYING BROKER</b>	
The Member hereby certifies that the information is provided by the Member for the purpose of fee collection through CDS via their carrying broker is correct. The undersigned is a signing officer with authority to bind the Member to the terms of the Agreement.	



Member and CUID	
Name of Signing Officer	Title
Signature	Date
<b>CARRYING BROKER AUTHORIZATION TO COLLECT FEES THROUGH CDS ON BEHALF OF A MEMBER</b>	
The Carrying Broker hereby certifies that the information is provided by for the purpose of fee collection through CDS is correct. The undersigned is a signing officer with authority to bind the Member to the terms of the Agreement.	
Carrying Broker and CUID	
Name of Signing Officer	Title
Signature	Date





## **SCHEDULE 3 - DMA ELIGIBLE CLIENT AGREEMENT TERMS**

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The Member shall execute with each DMA Eligible Client (the "Client") a binding legal agreement containing, at a minimum, the following terms and conditions:

- (a) the DMA Eligible Client will only enter orders in compliance with Alpha Requirements and other applicable regulatory requirements respecting the entry and trading of orders;
- (b) specific parameters defining the orders that may be entered by the DMA Eligible Client are stated, including restriction to specific securities or size of orders;
- (c) the Sponsoring Member has the right to reject an order for any reason;
- (d) the Sponsoring Member has the right to change or remove an order in the Alpha Systems and has the right to cancel any trade made by the DMA Eligible Client for any reason;
- (e) the Sponsoring Member has the right to discontinue accepting orders from the DMA Eligible Client at any time without notice;
- (f) the Sponsoring Member agrees to train the DMA Eligible Client in the Alpha Requirements dealing with the entry and trading of orders and other applicable Alpha Requirements, so that individuals with adequate training and knowledge of applicable regulatory requirements will be provided with access to the Alpha Systems;
- (g) the Sponsoring Member accepts the responsibility to ensure that revisions and updates to Alpha Requirements relating to the entry and trading of orders are promptly communicated to the DMA Eligible Client;
- (h) The Alpha Systems are being provided on an "as is" basis and none of Alpha, its related parties, subsidiaries, affiliates, partners, officers, directors and employees or Member makes any warranty (whether express or implied) as to the operation of the Alpha Systems or its fitness for purpose. In no event shall Alpha, its related parties, subsidiaries, affiliates, partners, officers, directors and employees have any liability to DMA Eligible Clients under, or related to, the agreement.
- i) All disclaimers or other limitations shall apply irrespective of the nature of the loss or of the cause of action (including but not limited to breach of contract, breach of warranty, negligence, strict liability, tort) and shall survive a fundamental breach or breaches of the agreement.

**Appendix G**  
**Alpha Exchange Lead Market Maker**  
**Agreement for Alpha Listed**  
**Securities**



## LEAD MARKET MAKER APPLICATION FORM AND AGREEMENT FOR ALPHA LISTED SECURITIES

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This Agreement is made as of the \_\_\_ day of \_\_\_\_\_, 20\_\_\_ by and between:

Alpha Exchange Inc.  
70 York Street, Suite 1501  
Toronto, Ontario M5J 1S9  
(Called the “**Exchange**”)

– AND –

Full Corporate Name

Head Office Address

(Called the “**Lead Market Maker**”)

## **Lead Market Maker Terms and Conditions:**

### **1. LEAD MARKET MAKER RESPONSIBILITIES**

- (a) Appointment of Lead Market Makers for Alpha Listed Securities. Upon execution of this Agreement, the Lead Market Maker agrees to act as a Lead Market Maker in accordance with the Trading Policies of Alpha Exchange Inc. ("Alpha") provided to the Lead Market Maker ("Policies"), as amended from time to time. Alpha shall be entitled to approve the Lead Market Maker for a specific security in accordance with the terms of the Policies or in such other manner as Alpha may deem appropriate, in its sole discretion.
- (b) Status as a Member. The Lead Market Maker agrees to: (i) maintain its status as a Member of Alpha; and (ii) take all commercially reasonable steps to ensure that it complies with all requirements to act as a Lead Market Maker set out in this Agreement and the Policies, as amended from time to time. Where the Lead Market Maker does not comply with such requirements it will immediately advise Alpha of such failure in writing. Such notification will include specific information as to the nature of such failure to comply. For greater certainty, the Lead Market Maker agrees and acknowledges that the member agreement entered into between the Lead Market Maker and Alpha Exchange Inc., as it may be amended from time to time (the "Member Agreement"), is hereby incorporated into and forms a part of this Agreement and that the provisions of the Member Agreement, to the extent that they are not inconsistent with the provisions hereof, apply equally to this Agreement. In the case of any inconsistency between the terms of this Agreement and the terms of the Member Agreement, the terms of the Member Agreement shall govern.
- (c) Obligations of Market Makers. The Lead Market Maker will carry out all obligations of a Lead Market Maker as set out in this Agreement, including but not limited to those obligations set out in Appendix "A", which may be amended by Alpha, and the Policies or as otherwise directed by Alpha and will at all times carry out all obligations in compliance with the Alpha Requirements, as defined in the Policies.
- (d) Resources. The Lead Market Maker represents and warrants that it has and will continue to have necessary resources, including trained personnel

and technology, to allow it to carry out all if its obligations pursuant to this Agreement and the Policies.

- (e) Lead Market Maker Policies. The Lead Market Maker shall implement policies and procedures to monitor the conduct for compliance with the Policies applicable to the Lead Market Maker and changes to such policies.
- (f) Odd Lot Responsibilities. The Lead Market Maker will carry out all obligations of an odd-lot dealer as set out in Trading Policies or as otherwise directed by Alpha and will at all times carry out all obligations in compliance with the Alpha Requirements, as defined in the Policies (which have been incorporated by reference into and form a part of the Member Agreement).
- (g) Term. The Lead Market Maker agrees to act as a Lead Market Maker for all securities assigned by Alpha for a period of three (3) years, with an automatic renewal for additional one year terms, subject to each party's right to terminate in accordance with the specific provisions of this Agreement (the "Term"). All terms shall expire on the anniversary of such term.

### **2. ALPHA RESPONSIBILITIES**

- (a) Access to Information. Alpha shall take reasonable steps to provide the Lead Market Maker with access to data and information to allow the Lead Market Maker to evaluate the performance of its obligations hereunder. Alpha will provide monthly (or more frequently at Alpha's discretion) reports regarding the Lead Market Maker's performance of its obligations.
- (b) Changes to Policies. Where practical to do so, Alpha shall take reasonable steps to notify the Lead Market Maker of proposed changes to the Policies not less than 30 days prior to the implementation of such a change. Notwithstanding this obligation, Alpha may implement any change in Policies without such notification where Alpha deems the immediate implementation of such change is necessary or desirable, in its absolute discretion, subject to the rule approval process of the securities regulatory authorities. Nothing in this section shall be construed to affect the Lead Market Maker's responsibility to comply with Section 1(e) herein.

### 3. TERMINATION OF RESPONSIBILITIES

- (a) Breach of Obligations. Alpha shall be entitled to revoke the Lead Market Maker's appointment as a Lead Market Maker for any or all securities or attach such additional terms or conditions to this Agreement as Alpha deems to be necessary, where:
- (i) the Lead Market Maker fails to comply with any term of this Agreement or the Policies, or if the Lead Market Maker fails to consistently perform at an adequate level to the satisfaction of Alpha (determined in Alpha's sole discretion);
  - (ii) Alpha determines, in its sole discretion, that the Lead Market Maker or its officers, employees, directors or agents have violated any Alpha Requirement;
  - (iii) Alpha believes, in its sole discretion, that the Lead Market Maker cannot or may not in the future carry out its obligations as a Lead Market Maker under the Policies or this Agreement; or
  - (iv) Alpha has determined, in its sole discretion, that the Lead Market Maker or its officers, employees, directors or agents have in any way acted in a manner that is detrimental to the interests of Alpha or the public.
- (b) Termination for Convenience. The Lead Market Maker shall be entitled, during the Term, to terminate its responsibilities hereunder, in relation to all securities for which it acts as a Lead Market Maker by providing not less than sixty (60) days' written notice of its intention to do so.
- (c) Transition. The Lead Market Maker agrees to comply with all provisions of the Policies relating to the transition responsibilities as a Market Maker wherever its responsibilities have been terminated or suspended hereunder. The Lead Market Maker has appropriate resources, policies and procedures in place to ensure compliance with all applicable Alpha Requirements when undertaking any activity on the System in furtherance of a trade, and has the capacity to settle all trades executed on or through the use of the System.

### 4. FEES AND CREDITS

- (a) Fees. In addition to any other requirements in the Member Agreement regarding other services, the Lead Market Maker shall be obliged to pay fees and entitled to receive credits in accordance with Attachment B of this Lead Market Maker

Agreement in relation to the security to which it is acting as the Lead Market Maker.

- (b) Invoicing. Alpha shall, as an element of the invoice provided pursuant to the Member Agreement, invoice the Lead Market Maker for all fees payable, or where applicable credits payable by Alpha, under this Lead Market Maker Agreement. All fees payable, or credits earned hereunder will be aggregated with fees payable under the Member Agreement in a single invoice payable monthly.

### 5. GENERAL

- (a) All capitalized terms not otherwise defined herein shall have the definition assigned for that term in the Member Agreement.
- (b) Notices. All notices hereunder shall be provided herein in the same manner as described in the Member Agreement.
- (c) Laws governing. This Agreement shall be governed by the laws of the Province of Ontario and both parties unconditionally attorn to the exclusive jurisdiction of the courts of the Province of Ontario.
- (d) Amendments in writing. No amendment to this Agreement shall be valid unless made in writing and signed by Alpha and the Lead Market Maker.
- (e) Assignment of rights. The Lead Market Maker may not transfer or assign its rights and obligations hereunder, including the performance and benefits of its market making and odd lot responsibilities to any DMA Eligible Client or Approved Trader of the DMA Eligible Client (as such terms are defined in the Policies).
- (f) Execution in counterparts. This Agreement may be executed in counterparts. Each executed counterpart may be delivered to the other party by facsimile and/or electronic file, and copies bearing the signature of a party will constitute a valid and binding execution and delivery of this Agreement.
- (g) Whole or partial invalidity. The whole or partial invalidity of any provision of this Agreement shall not affect the validity of any other provision of this Agreement. If any provisions or conditions of this Agreement shall be held to be unenforceable by a court, or regulatory or self-regulatory authority, such invalidity or unenforceability shall attach only to such provision or condition. The validity of the remaining provisions and conditions shall not be affected thereby and this Agreement shall be carried out as if any such invalid or unenforceable

provision or condition were not contained herein. To the extent permitted by law, the parties waive any provision of law that renders any provision of this Agreement invalid or unenforceable in any respect.

(h) Natural Disasters. Notwithstanding any other term or condition of this Agreement, neither Alpha nor the Lead Market Maker Dealer shall be obligated to perform or observe its obligations undertaken in this Agreement (except for obligations to make payments hereunder and regulatory obligations) if prevented or hindered from doing so by any circumstance found to be beyond its control, including industrial disputes of any nature, acts of nature, acts of a public enemy, acts of government, failure of telecommunications, software or hardware, sabotage, terrorism, lightning or electromagnetic disturbances, earthquake, flood, fire or other casualty and the other party will likewise be excused from performance of its obligations (other than timely payment of fees) to the extent such party's obligations relate to the performance so interfered with; provided that the party so affected uses its reasonable efforts to avoid or remove such causes of non-performance and shall resume performance hereunder with dispatch whenever such causes are removed.

(i) Language. The parties confirm their express wish that this Agreement, as well as any other documents relating to this Agreement, including notices, schedules and authorizations, have been and shall be drawn up in the English language only. Les parties aux présentes confirment leur volonté que cette convention, de même que tous les documents, y compris tous avis, annexes et autorisations s'y rattachant, soient rédigés en la langue anglaise seulement.

(j) Effect of Termination. Termination of the agreement or the appointment of any Member as a Market Maker shall not terminate or negate any obligations of the Lead Market Maker to complete or implement any transaction entered into prior to such termination or arising from or accruing from authorized activities of the Lead Market Maker up to the effective time of termination.

(k) Liability.

(i) Except for Alpha's indemnity obligations hereunder, Alpha's entire aggregate liability arising from or related to this Agreement shall not exceed the sum of ten thousand dollars (\$10,000), even if such cause of action is continuing.

(ii) In no event shall any of Alpha's related parties, affiliates, partners or any third party providers of any of Alpha's or such other entities officers, directors, employees or agents have any liability to the Lead Market Maker under or related to this Agreement.

(iii) This Section shall not exclude or restrict Alpha's liability for death or personal injury arising from either the negligence of Alpha or its officers, employees, agents, or partners, including where they are acting in the ordinary course of their duties. Such liability shall in no event exceed the sum of one million dollars (\$1,000,000).

(iv) Money damages may both be incalculable and an insufficient remedy for any breach of the agreement by a party or its employees, agents or representatives and any such breach would cause the other party irreparable harm. In the event of any such breach or threatened breach of the agreement, the other party shall be entitled to seek equitable relief, including by way of injunction and specific performance.

(v) Neither Alpha nor the Lead Market Maker shall be liable, under any circumstances, for any indirect, incidental, reliance, special, punitive or consequential damages including, but not limited to, lost profits, lost opportunities, even if the applicable party has been advised of the possibility of such damages.

(l) Disclaimers. All disclaimers and limitations herein shall apply regardless of the nature of any cause of action or demand (including, but not limited to breach of contract, breach of warranty, negligence, strict liability, tort or any other cause of action) and shall survive a fundamental breach or breaches and/or failure of the essential purpose of this Agreement or any remedy contained herein.

(m) Indemnifications.

(i) Alpha agrees to pay, either on its own behalf, or on behalf of a third party provider, subject to the limitations herein set forth, any losses, damages or expenses incurred by the Lead Market Maker arising from any claim, suit or proceeding commenced by a third party alleging that there has been an infringement of any such third party's intellectual property rights resulting from the execution of this Agreement ("Infringement Claim"). The Lead Market Maker agrees that Alpha shall be

relieved of the foregoing obligations unless the Lead Market Maker notifies Alpha promptly in writing of such claim, suit or proceeding and gives Alpha authority to defend and settle such proceeding as contemplated herein, and, at Alpha and/or third party's expense, as applicable, gives Alpha and/or third party provider proper and full information and assistance to settle and/or defend any such claim, suit or proceeding. Neither Alpha nor third party providers shall be liable for any costs or expenses incurred without their prior written authorization.

- (ii) The Market Maker will indemnify, defend, and hold Alpha, its related parties, subsidiaries, affiliates, partners, officers, directors and employees harmless of and from any demands, losses, claims, judgment, liabilities, actions, proceedings, penalties, damages, costs or suits (other than for Infringement Claims) that arise out of or relate to the violation of the terms of this Agreement by the Lead Market Maker or its officers, employees, directors or agents. The Lead Market Maker shall pay on demand all amounts due under this section.
  
- (n) Currency. Unless otherwise expressly specified, all amounts referred to herein shall be denominated in Canadian dollars.
  
- (o) Time of the Essence. Time shall be the essence of the agreement.

<b>LEAD MARKET MAKER AUTHORIZATION AND DECLARATION</b>	
Lead Market Maker	
Name of Signing Officer	Title
Signature	Date

<b>ALPHA EXCHANGE INC.</b>	
Name of Signing Officer	Title
Signature	Date



**Attachment “A” to the Lead Market Maker Agreement for Alpha Listed Securities – Trading Standards**

STANDARD CRITERIA FOR CONTINUOUS TRADING SESSION

LIQUIDITY LEVEL	Level 1 – Less than 50,000 Securities	Level 2 – Between 50,000 and 500,000 Securities	Level 3 – Over 500,000 Securities
MINIMUM QUOTE SIZE	10 Board Lots	5 Board Lots	3 Board Lots
MAXIMUM SPREAD	1.5%	1%	0.5%
PRESENCE	99%	99%	99%

STANDARD CRITERIA FOR OPENING AUCTION TRADING SESSION

LIQUIDITY LEVEL	Level 1 – Less than 50,000 Securities	Level 2 – Between 50,000 and 500,000 Securities	Level 3 – Over 500,000 Securities
DAILY MINIMUM PARTICIPATION	30%	20%	10%

CRITERIA FOR CONTINUOUS TRADING SESSION FOR SECURITY REQUESTED

Security Assigned: \_\_\_\_\_

LIQUIDITY LEVEL	Level 1 – Less than 50,000 Securities	Level 2 – Between 50,000 and 500,000 Securities	Level 3 – Over 500,000 Securities
MINIMUM QUOTE SIZE			
MAXIMUM SPREAD			
PRESENCE	99%	99%	99%

Member: \_\_\_\_\_  
 Lead Market Maker Approved  
 Trader: \_\_\_\_\_  
 Back-up Trader: \_\_\_\_\_

Is the Member, the Lead Market Maker Approved Trader or the Back-up Trader an insider (as defined in section 1.1 of the Securities Act (Ontario)) of the issuer of the security that is the subject of this application? If yes, provide details:

\_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

**Acknowledgement**

Lead Market Maker: \_\_\_\_\_  
 Authorized Signing Officer

**CRITERIA FOR CONTINUOUS TRADING SESSION FOR SECURITY REQUESTED**

Security Assigned: \_\_\_\_\_

LIQUIDITY LEVEL	Level 1	Level 2	Level 3
MINIMUM QUOTE SIZE			
MAXIMUM SPREAD			
PRESENCE	99%	99%	99%

Member: \_\_\_\_\_  
 Lead Market Maker Approved  
 Trader: \_\_\_\_\_  
 Back-up Trader: \_\_\_\_\_

Is the Member, the Lead Market Maker Approved Trader or the Back-up Trader an insider (as defined in section 1.1 of the Securities Act (Ontario)) of the issuer of the security that is the subject of this application? If yes, provide details:

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**Acknowledgement**

Lead Market Maker: \_\_\_\_\_  
 Authorized Signing Officer

**CRITERIA FOR CONTINUOUS TRADING SESSION FOR SECURITY REQUESTED**

Security Assigned: \_\_\_\_\_

LIQUIDITY LEVEL	Level 1	Level 2	Level 3
MINIMUM QUOTE SIZE			
MAXIMUM SPREAD			
PRESENCE	99%	99%	99%

Member: \_\_\_\_\_  
 Lead Market Maker Approved  
 Trader: \_\_\_\_\_

Back-up Trader: \_\_\_\_\_

Is the Member, the Lead Market Maker Approved Trader or the Back-up Trader an insider (as defined in section 1.1 of the Securities Act (Ontario)) of the issuer of the security that is the subject of this application? If yes, provide details:

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**Acknowledgement**

Alpha Listed Issuer for the  
Security Requested:

\_\_\_\_\_  
Authorized Signing Officer

**Attachment "B" to the Lead Market Maker Agreement for Alpha Listed Securities**

**Fee Schedule - Effective February 1, 2012**

**Transactional Fees**

<b>Equity Trades</b>		<b>Alpha Listed Securities Fee/Share</b>
<b>Auction (Open, Close or Halt)</b>		
<b>All Securities</b>		
Trade Price/Share < \$1		-\$0.0003
Trade Price/Share >=\$1 &<\$5		-\$0.0003
Trade Price/Share >= \$5		-\$0.0005
<b>Continuous Trading</b>		
<b>Exchange Traded Funds</b>		
<b>Active</b>		
Trade Price/Share < \$1		\$0.0003
Trade Price/Share >=\$1		\$0.0025
<b>Passive</b>		
Trade Price/Share < \$1		-\$0.0003
Trade Price/Share >=\$1		-\$0.0025
<b>Odd Lot Trades – Auto Execution</b>		
Trade Price/Share < \$1		-\$0.0003
Trade Price/Share >=\$1		-\$0.0025
<b>SPIs - Other</b>		
<b>Active</b>		
Trade Price/Share <\$1		TBD
Trade Price/Share >=\$1 &<\$5		TBD
Trade Price/Share >=\$5		TBD
<b>Passive</b>		
Trade Price/Share <\$1		TBD
Trade Price/Share >=\$1 &<\$5		TBD
Trade Price/Share >=\$5		TBD
<b>All Other Securities</b>		
<b>Active</b>		
Trade Price/Share < \$1		\$0.0003
Trade Price/Share >=\$1 &<\$5		\$0.0025
Trade Price/Share >= \$5		\$0.0028
<b>Passive</b>		
Trade Price/Share < \$1		-\$0.0003
Trade Price/Share >=\$1 &<\$5		-\$0.0025
Trade Price/Share >= \$5		-\$0.0028
<b>Odd Lot Trades – Auto Execution</b>		
Trade Price/Share < \$1		-\$0.0003
Trade Price/Share >=\$1 &<\$5		-\$0.0025
Trade Price/Share >= \$5		-\$0.0028
<b>Notes / Debentures Trades</b>		<b>Fee/\$1,000 par value</b>
<b>Auction (Open, Close or Halt)</b>		
Trade Price/Share – All Securities		-\$0.0200
<b>Continuous Trading</b>		

Active – All Securities	\$0.0900
Passive – All Securities	-\$0.0900
Odd Lot Trades – Auto Execution	-\$0.0900
<b>Eligible Securities</b>	
<b>Active</b>	
Trade Price/Share <\$1	\$0.0002
Trade Price/Share >=\$1 &<\$5	\$0.0021
Trade Price/Share >=\$5	\$0.0025
<b>Passive</b>	
Trade Price/Share <\$1	-\$0.0002
Trade Price/Share >=\$1 &<\$5	-\$0.0021
Trade Price/Share >=\$5	-\$0.0025

### Additional Compensation for Lead Market Maker of Alpha Listed Assigned Securities

Term	Net Trading Revenue %
Year 1	50%
Year 2	25%
Year 3	10%

**Notes:**

- 1) Alpha Listed Securities are securities listed on Alpha Main and Alpha Venture Plus.
- 2) SPIs – Other are Special Purpose Issuers other than Exchange Traded Funds and Investment Funds.
- 3) All fees quoted are in Canadian dollars.
- 4) Transactional Fees are GST/HST exempt.
- 5) The Lead Market Maker will receive on a monthly basis a certain percent of the Exchange’s net trading revenue for the Assigned Security for the first 3 years following the listing of such security.
- 6) The LMM must be in compliance with its continuous LMM obligations as set out in Attachment “A” to the LMM Agreement in order to qualify for the transactional fees and the additional compensation specified above. Otherwise, the trading fees set out in the Trading Fee Schedule of the Member Agreement will apply.
- 7) These fees are only payable in relation to the trading activity conducted utilizing the specific trader identification (Trader ID) or the dedicated back up Trader ID utilized for performing the LMM function.
- 8) The fees payable or credits receivable shall be paid in accordance with the terms of the LMM Agreement and/or Member Agreement.
- 9) The LMM, which will perform its obligations through one Trader ID, is entitled to receive the preferential pricing indicated under “Eligible Securities” for the following during the Continuous Trading Session:
  - a. If its acting as an LMM on less than 10 ETFs / SPI – Other, it will receive the preferential pricing on the 20 most actively traded securities by that Trader ID.
  - b. If its acting as an LMM between 10 and 100 ETFs / SPI – Other it will receive the preferential pricing on the 50 most actively traded securities by that Trader ID.
  - c. If its acting as an LMM acting on more than 100 ETFs / SPI – Other it will receive the preferential pricing on the 100 most actively traded securities by that Trader ID.
- 10) If the LMM meets its obligations in the current month, then the transactional fees in this schedule will apply to the trades that are executed in the following month (i.e. If the LMM meets its

obligations in January, the transactional fees in this schedule will apply to the trades executed in February). The additional compensation will be paid on the revenue earned in the following month. If the LMM meets the opening auction criteria, it will receive the opening auction transactional fees in the month it was earned.

**Appendix H**  
**Alpha Exchange Market Maker**  
**Agreement for Alpha Listed**  
**Securities**





## MARKET MAKER APPLICATION FORM AND AGREEMENT FOR ALPHA LISTED SECURITIES

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This Agreement is made as of the \_\_\_ day of \_\_\_\_\_, 20\_\_\_ by and between:

Alpha Exchange Inc.  
70 York Street, Suite 1501  
Toronto, Ontario M5J 1S9  
(Called the “**Exchange**”)

– AND –

Full Corporate Name

Head Office Address

(Called the “**Market Maker**”)

## **Market Maker Terms and Conditions:**

### **1. MARKET MAKER RESPONSIBILITIES**

- (a) Appointment of Market Makers for Alpha Listed Securities. Upon execution of this Agreement, ("the Market Maker") agrees to act as a Market Maker in accordance with the Trading Policies of Alpha Exchange Inc. ("Alpha") provided to the Market Maker ("Policies"), as amended from time to time. Alpha shall be entitled to approve the Market Maker for an Alpha Listed Issuer for a specific security in accordance with the terms of the Policies or in such other manner as Alpha may deem appropriate, in its sole discretion.
- (b) Status as a Member. The Market Maker agrees to:
  - (i) maintain its status as a Member of Alpha; and
  - (ii) take all commercially reasonable steps to ensure that it complies with all requirements to act as a Market Maker set out in this Agreement and the Policies, as amended from time to time. Where the Market Maker does not comply with such requirements it will immediately advise Alpha of such failure in writing. Such notification will include specific information as to the nature of such failure to comply. For greater certainty, the Market Maker agrees and acknowledges that the member agreement entered into between the Market Maker and Alpha Exchange Inc., as it may be amended from time to time (the "Member Agreement"), is hereby incorporated into and forms a part of this Agreement and that the provisions of the Member Agreement, to the extent that they are not inconsistent with the provisions hereof, apply equally to this Agreement. In the case of any inconsistency between the terms of this Agreement and the terms of the Member Agreement, the terms of the Member Agreement shall govern.
- (c) Obligations of Market Makers. The Market Maker will carry out all obligations of a Market Maker as set out in this Agreement, including but not limited to those obligations set out in Appendix "A", which may be amended by Alpha, and the Policies or as otherwise directed by Alpha and will at all times carry out all obligations in compliance with the Alpha Requirements, as defined in the Policies.
- (d) Resources. The Market Maker represents and warrants that it has and will continue to have necessary resources, including trained personnel and technology, to allow it to carry out all if its

obligations pursuant to this Agreement and the Policies.

- (e) Market Maker Policies. The Market Maker shall implement policies and procedures to monitor the conduct for compliance with the Policies applicable to the Market Maker and changes to such policies.
- (f) Term. The Market Maker agrees to act as a Market Maker for all securities assigned by Alpha for a period of one (1) year, with an automatic renewal for additional one year terms, subject to each party's right to terminate in accordance with the specific provisions of this Agreement (the "Term"). All terms shall expire on the anniversary of each year.

### **2. ALPHA RESPONSIBILITIES**

- (a) Access to Information. Alpha shall take reasonable steps to provide the Market Maker with access to data and information to allow the Market Maker to evaluate the performance of its obligations hereunder. Alpha will provide monthly (or more frequently at Alpha's discretion) reports to the Market Maker regarding the performance of its obligations.
- (b) Changes to Policies. Where practical to do so, Alpha shall take reasonable steps to notify the Market Maker of proposed changes to the Policies not less than 30 days prior to the implementation of such a change. Notwithstanding this obligation, Alpha may implement any change in Policies without such notification where Alpha deems the immediate implementation of such change is necessary or desirable, in its absolute discretion, subject to the rule approval process of the securities regulatory authorities. Nothing in this section shall be construed to affect the Market Maker's responsibility to comply with Section 1(e) herein.

### 3. TERMINATION OF RESPONSIBILITIES

- (a) Breach of Obligations. Alpha shall be entitled to revoke the Market Maker's appointment as a Market Maker for any or all securities or attach such additional terms or conditions to this Agreement as Alpha deems to be necessary, where:
- (i) the Market Maker fails to comply with any term of this Agreement or the Policies or if the Market Maker fails to consistently perform at an adequate level to the satisfaction of Alpha (determined in Alpha's sole discretion);
  - (ii) the Market Maker becomes the Lead Market Maker for an Alpha Listed Security;
  - (iii) Alpha determines, in its sole discretion, that the Market Maker or its officers, employees, directors or agents have violated any Alpha Requirement;
  - (iv) Alpha believes, in its sole discretion, that the Market Maker cannot or may not in the future carry out its obligations as a Market Maker under the Policies or this Agreement; or
  - (v) Alpha has determined, in its sole discretion that the Market Maker or its officers, employees, directors or agents have in any way acted in a manner that is detrimental to the interests of Alpha or the public.
- (b) Termination for Convenience. The Market Maker shall be entitled, during the Term, to terminate its responsibilities hereunder, in relation to all securities for which it acts as a Market Maker by providing not less than sixty (60) days' written notice of its intention to do so.
- (c) Transition. The Market Maker agrees to comply with all provisions of the Policies relating to the transition responsibilities as a Market Maker wherever its responsibilities have been terminated or suspended hereunder. The Market Maker has appropriate resources, policies and procedures in place to ensure compliance with all applicable Alpha Requirements when undertaking any activity on the System in furtherance of a trade, and has the capacity to settle all trades executed on or through the use of the System.

### 4. FEES AND CREDITS

- (a) Fees. The Market Maker shall be obliged to pay fees and entitled to receive credits in accordance with Attachment B of this Market Maker

Agreement in relation to the security to which it is acting as the Market Maker.

- (b) Invoicing. Alpha shall, as an element of the invoice provided pursuant to the Member Agreement, invoice the Market Maker for all fees payable, or where applicable credits payable by Alpha, under this Market Maker Agreement. All fees payable, or credits earned hereunder will be aggregated with fees payable under the Member Agreement in a single invoice payable monthly.

### 5. GENERAL

- (a) All capitalized terms not otherwise defined herein shall have the definition assigned for that term in the Member Agreement.
- (b) Notices. All notices hereunder shall be provided herein in the same manner as described in the Member Agreement.
- (c) Laws governing. This agreement shall be governed by the laws of the Province of Ontario and both parties unconditionally attorn to the exclusive jurisdiction of the courts of the Province of Ontario.
- (d) Amendments in writing. No amendment to this Agreement shall be valid unless made in writing and signed by Alpha and the Market Maker.
- (e) Assignment of rights. The Market Maker may not transfer or assign its rights and obligations hereunder, including the performance and benefits of its market making and odd lot responsibilities to any DMA Eligible Client or Approved Trader of the DMA Eligible Client (as such terms are defined in the Policies).
- (f) Execution in counterparts. This Agreement may be executed in counterparts. Each executed counterpart may be delivered to the other party by facsimile and/or electronic file, and copies bearing the signature of a party will constitute a valid and binding execution and delivery of this Agreement.
- (g) Whole or partial invalidity. The whole or partial invalidity of any provision of this Agreement shall not affect the validity of any other provision of this Agreement. If any provisions or conditions of this Agreement shall be held to be unenforceable by a court, or regulatory or self-regulatory authority, such invalidity or unenforceability shall attach only to such provision or condition. The validity of the remaining provisions and conditions shall not be affected thereby and this Agreement shall be carried out as if any such invalid or unenforceable provision or condition were not contained herein.

To the extent permitted by law, the parties waive any provision of law that renders any provision of this Agreement invalid or unenforceable in any respect.

(h) Natural Disasters. Notwithstanding any other term or condition of this Agreement, neither Alpha nor the Market Maker Dealer shall be obligated to perform or observe its obligations undertaken in the agreement (except for obligations to make payments hereunder and regulatory obligations) if prevented or hindered from doing so by any circumstance found to be beyond its control, including industrial disputes of any nature, acts of nature, acts of a public enemy, acts of government, failure of telecommunications, software or hardware, sabotage, terrorism, lightning or electromagnetic disturbances, earthquake, flood, fire or other casualty and the other party will likewise be excused from performance of its obligations (other than timely payment of fees) to the extent such party's obligations relate to the performance so interfered with; provided that the party so affected uses its reasonable efforts to avoid or remove such causes of non-performance and shall resume performance hereunder with dispatch whenever such causes are removed.

(i) Language. The parties confirm their express wish that this Agreement, as well as any other documents relating to this Agreement, including notices, schedules and authorizations, have been and shall be drawn up in the English language only. Les parties aux présentes confirment leur volonté que cette convention, de même que tous les documents, y compris tous avis, annexes et autorisations s'y rattachant, soient rédigés en la langue anglaise seulement.

(j) Effect of Termination. Termination of the agreement or the appointment of any Member as a Market Maker shall not terminate or negate any obligations of the Market Maker to complete or implement any transaction entered into prior to such termination or arising from or accruing from authorized activities of the Market Maker up to the effective time of termination.

(k) Liability.

(i) Except for Alpha's indemnity obligations hereunder, Alpha's entire aggregate liability arising from or related to this Agreement shall not exceed the sum of ten thousand dollars (\$10,000), even if such cause of action is continuing.

(ii) In no event shall any of Alpha's related parties, affiliates, partners or any third party providers of any of Alpha's or such other entities officers, directors, employees or agents have any liability to the Market Maker under or related to this Agreement.

(iii) This Section shall not exclude or restrict Alpha's liability for death or personal injury arising from either the negligence of Alpha or its officers, employees, agents, or partners, including where they are acting in the ordinary course of their duties. Such liability shall in no event exceed the sum of one million dollars (\$1,000,000).

(iv) Money damages may both be incalculable and an insufficient remedy for any breach of the agreement by a party or its employees, agents or representatives and any such breach would cause the other party irreparable harm. In the event of any such breach or threatened breach of the agreement, the other party shall be entitled to seek equitable relief, including by way of injunction and specific performance.

(v) Neither Alpha or the Market Maker shall be liable, under any circumstances, for any indirect, incidental, reliance, special, punitive or consequential damages including, but not limited to, lost profits, lost opportunities, even if the applicable party has been advised of the possibility of such damages.

(l) Disclaimers. All disclaimers and limitation herein shall apply regardless of the nature of any cause of action or demand (including, but not limited to breach of contract, breach of warranty, negligence, strict liability, tort or any other cause of action) and shall survive a fundamental breach or breaches and/or failure of the essential purpose of this Agreement or any remedy contained herein.

(m) Indemnifications.

(i) Alpha agrees to pay, either on its own behalf, or on behalf of a third party provider, subject to the limitations herein set forth, any losses, damages or expenses incurred by the Market Maker arising from any claim, suit or proceeding commenced by a third party alleging that there has been an infringement of any such third party's intellectual property rights resulting from the execution of this Agreement ("Infringement Claim"). The Market Maker agrees that Alpha shall be relieved of the foregoing obligations unless

the Market Maker notifies Alpha promptly in writing of such claim, suit or proceeding and gives Alpha authority to defend and settle such proceeding as contemplated herein, and, at Alpha and/or third party's expense, as applicable, gives Alpha and/or third party provider proper and full information and assistance to settle and/or defend any such claim, suit or proceeding. Neither Alpha nor third party providers shall be liable for any costs or expenses incurred without their prior written authorization.

- (ii) The Market Maker will indemnify, defend, and hold Alpha, its related parties, subsidiaries, affiliates, partners, officers, directors and employees harmless of and from any demands, losses, claims, judgment, liabilities, actions, proceedings, penalties, damages, costs or suits (other than for Infringement Claims) that arise out of or relate to the violation of the terms of this Agreement by the Market Maker or its officers, employees, directors or agents. The Market Maker shall pay on demand all amounts due under this section.
- (n) Currency. Unless otherwise expressly specified, all amounts referred to herein shall be denominated in Canadian dollars.
- (o) Time of the Essence. Time shall be the essence of the agreement.

<b>MARKET MAKER AUTHORIZATION AND DECLARATION</b>	
Market Maker	
Name of Signing Officer	Title
Signature	Date

<b>ALPHA EXCHANGE INC.</b>	
Name of Signing Officer	Title
Signature	Date

**Attachment “A” to the Market Maker Agreement for Alpha Listed Securities**  
**– Trading Standards**

STANDARD CRITERIA FOR CONTINUOUS TRADING SESSION

LIQUIDITY LEVEL	Level 1 – Less than 50,000 Securities	Level 2 – Between 50,000 and 500,000 Securities	Level 3 – Over 500,000 Securities
MINIMUM QUOTE SIZE	10 Board Lots	5 Board Lots	3 Board Lots
MAXIMUM SPREAD	1.5%	1%	0.5%
PRESENCE	99%	99%	99%

Security Assigned: \_\_\_\_\_

Security Assigned: \_\_\_\_\_

Security Assigned: \_\_\_\_\_

Security Assigned: \_\_\_\_\_

Member: \_\_\_\_\_  
Market Maker Approved Trader: \_\_\_\_\_  
Back-up Trader: \_\_\_\_\_

Is the Member, the Market Maker Approved Trader or the Back-up Trader an insider (as defined in section 1.1 of the Securities Act (Ontario)) of the issuer of the security that is the subject of this application? If yes, provide details:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_



## Attachment “B” to the Market Maker Agreement for Alpha Listed Securities

### Fee Schedule - Effective February 1, 2012

#### Transactional Fees

Equity Trades	Alpha Listed Securities Fee/Share
Auction (Open, Close or Halt)	
<b>All Securities</b>	
Trade Price/Share < \$1	n/a
Trade Price/Share >=\$1 &<\$5	n/a
Trade Price/Share >= \$5	n/a
Continuous Trading	
<b>Exchange Traded Funds</b>	
<b>Active</b>	
Trade Price/Share < \$1	\$0.0003
Trade Price/Share >=\$1	\$0.0025
<b>Passive</b>	
Trade Price/Share < \$1	-\$0.0003
Trade Price/Share >=\$1	-\$0.0025
<b>Odd Lot Trades – Auto Execution</b>	
Trade Price/Share < \$1	n/a
Trade Price/Share >=\$1	n/a
<b>SPIs - Other</b>	
<b>Active</b>	
Trade Price/Share <\$1	TBD
Trade Price/Share >=\$1 &<\$5	TBD
Trade Price/Share >=\$5	TBD
<b>Passive</b>	
Trade Price/Share <\$1	TBD
Trade Price/Share >=\$1 &<\$5	TBD
Trade Price/Share >=\$5	TBD
<b>All Other Securities</b>	
<b>Active</b>	
Trade Price/Share < \$1	\$0.0003
Trade Price/Share >=\$1 &<\$5	\$0.0025
Trade Price/Share >= \$5	\$0.0028
<b>Passive</b>	
Trade Price/Share < \$1	-\$0.0003
Trade Price/Share >=\$1 &<\$5	-\$0.0025
Trade Price/Share >= \$5	-\$0.0028
<b>Odd Lot Trades – Auto Execution</b>	
Trade Price/Share < \$1	n/a
Trade Price/Share >=\$1 &<\$5	n/a
Trade Price/Share >= \$5	n/a
<b>Notes / Debentures Trades</b>	
<b>Fee/\$1,000 par value</b>	
Auction (Open, Close or Halt)	
Trade Price/Share – All Securities	n/a

<b>Continuous Trading</b>	
Active – All Securities	\$0.0900
Passive – All Securities	-\$0.0900
Odd Lot Trades – Auto Execution	n/a

### Notes

- 1) Alpha Listed Securities are securities listed on Alpha Main and Alpha Venture Plus.
- 2) SPIs – Other are Special Purpose Issuers other than Exchange Traded Funds and Investment Funds.
- 3) All fees quoted are in Canadian dollars.
- 4) Transactional Fees are GST/HST exempt.
- 5) If the MM meets the Standard Criteria for Continuous Trading as set in Attachment “A” in the current month, then the transactional fees in this schedule will apply to the trades that are executed in the following month (i.e. If the MM meets the criteria in January, the transactional fees in this schedule will apply to the trades executed in February). Otherwise, the trading fees set out in the Trading Fee Schedule of the Member Agreement will apply.
- 6) The fees payable or credits receivable shall be paid in accordance with the terms of the MM Agreement and/or Member Agreement.
- 7) These fees are only payable in relation to the trading activity conducted utilizing the specific trader identification (Trader ID) or the dedicated back up Trader ID utilized for performing the MM function.

The fees payable or credits receivable shall be paid in accordance with the terms of the MM Agreement and/or Member Agreement.

**Appendix I**  
**Alpha Exchange Market Maker**  
**Agreement for Other Traded**  
**Securities**



## MARKET MAKER APPLICATION FORM AND AGREEMENT FOR ALPHA OTHER TRADED SECURITIES

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This Agreement is made as of the \_\_\_ day of \_\_\_\_\_, 20\_\_\_ by and between:

Alpha Exchange Inc.  
70 York Street, Suite 1501  
Toronto, Ontario M5J 1S9  
(Called the “**Exchange**”)

– AND –

Full Corporate Name  
  
Head Office Address  
(Called the “**Market Maker**”)

## **Market Maker Terms and Conditions:**

### **1. MARKET MAKER RESPONSIBILITIES**

- (a) Appointment of Market Makers for Alpha Other Traded Securities. Upon execution of this Agreement, ("the Market Maker") agrees to act as a Market Maker in accordance with the Trading Policies of Alpha Exchange Inc. ("Alpha") provided to the Market Maker ("Policies"), as amended from time to time. Alpha shall be entitled to approve the Market Maker for an Alpha Listed Issuer for a specific security in accordance with the terms of the Policies or in such other manner as Alpha may deem appropriate, in its sole discretion.
- (b) Status as a Member. The Market Maker agrees to:
  - (i) maintain its status as a Member of Alpha; and
  - (ii) take all commercially reasonable steps to ensure that it complies with all requirements to act as a Market Maker set out in this Agreement and the Policies, as amended from time to time. Where the Market Maker does not comply with such requirements it will immediately advise Alpha of such failure in writing. Such notification will include specific information as to the nature of such failure to comply. For greater certainty, the Market Maker agrees and acknowledges that the member agreement entered into between the Market Maker and Alpha Exchange Inc., as it may be amended from time to time (the "Member Agreement"), is hereby incorporated into and forms a part of this Agreement and that the provisions of the Member Agreement, to the extent that they are not inconsistent with the provisions hereof, apply equally to this Agreement. In the case of any inconsistency between the terms of this Agreement and the terms of the Member Agreement, the terms of the Member Agreement shall govern.
- (c) Obligations of Market Makers. The Market Maker will carry out all obligations of a Market Maker as set out in this Agreement, including but not limited to those obligations set out in Appendix "A", which may be amended by Alpha, and the Policies or as otherwise directed by Alpha and will at all times carry out all obligations in compliance with the Alpha Requirements, as defined in the Policies.
- (d) Resources. The Market Maker represents and warrants that it has and will continue to have necessary resources, including trained personnel and technology, to allow it to carry out all if its

obligations pursuant to this Agreement and the Policies.

- (e) Market Maker Policies. The Market Maker shall implement policies and procedures to monitor the conduct for compliance with the Policies applicable to the Market Maker and changes to such policies.
- (f) Term. The Market Maker agrees to act as a Market Maker for all securities assigned by Alpha for a period of one (1) year, with an automatic renewal for additional one year terms, subject to each party's right to terminate in accordance with the specific provisions of this Agreement (the "Term"). All terms shall expire on the anniversary of each year.
- (g) Odd Lot Responsibilities. The Market Maker will carry out all obligations of an odd-lot dealer as set out in Trading Policies or as otherwise directed by Alpha and will at all times carry out all obligations in compliance with the Alpha Requirements, as defined in the Policies (which have been incorporated by reference into and form a part of the Member Agreement).

### **2. ALPHA RESPONSIBILITIES**

- (a) Access to Information. Alpha shall take reasonable steps to provide the Market Maker with access to data and information to allow the Market Maker to evaluate the performance of its obligations hereunder. Alpha will provide monthly (or more frequently at Alpha's discretion) reports to the Market Maker regarding the performance of its obligations.
- (b) Changes to Policies. Where practical to do so, Alpha shall take reasonable steps to notify the Market Maker of proposed changes to the Policies not less than 30 days prior to the implementation of such a change. Notwithstanding this obligation, Alpha may implement any change in Policies without such notification where Alpha deems the immediate implementation of such change is necessary or desirable, in its absolute discretion, subject to the rule approval process of the securities regulatory authorities. Nothing in this section shall be construed to affect the Market Maker's responsibility to comply with Section 1(e) herein.

### 3. TERMINATION OF RESPONSIBILITIES

- (a) Breach of Obligations. Alpha shall be entitled to revoke the Market Maker's appointment as a Market Maker for any or all securities or attach such additional terms or conditions to this Agreement as Alpha deems to be necessary, where:
- (i) the Market Maker fails to comply with any term of this Agreement or the Policies or if the Market Maker fails to consistently perform at an adequate level to the satisfaction of Alpha (determined in Alpha's sole discretion);
  - (ii) Alpha determines, in its sole discretion, that the Market Maker or its officers, employees, directors or agents have violated any Alpha Requirement;
  - (iii) Alpha believes, in its sole discretion, that the Market Maker cannot or may not in the future carry out its obligations as a Market Maker under the Policies or this Agreement; or
  - (iv) Alpha has determined, in its sole discretion that the Market Maker or its officers, employees, directors or agents have in any way acted in a manner that is detrimental to the interests of Alpha or the public.
- (b) Termination for Convenience. The Market Maker shall be entitled, during the Term, to terminate its responsibilities hereunder, in relation to all securities for which it acts as a Market Maker by providing not less than sixty (60) days' written notice of its intention to do so.
- (c) Transition. The Market Maker agrees to comply with all provisions of the Policies relating to the transition responsibilities as a Market Maker wherever its responsibilities have been terminated or suspended hereunder. The Market Maker has appropriate resources, policies and procedures in place to ensure compliance with all applicable Alpha Requirements when undertaking any activity on the System in furtherance of a trade, and has the capacity to settle all trades executed on or through the use of the System.

### 4. FEES AND CREDITS

- (a) Fees. The Market Maker shall be obliged to pay fees and entitled to receive credits in accordance with Attachment B of this Market Maker Agreement in relation to the security to which it is acting as the Market Maker.

- (b) Invoicing. Alpha shall, as an element of the invoice provided pursuant to the Member Agreement, invoice the Market Maker for all fees payable, or where applicable credits payable by Alpha, under this Market Maker Agreement. All fees payable, or credits earned hereunder will be aggregated with fees payable under the Member Agreement in a single invoice payable monthly.

### 5. GENERAL

- (a) All capitalized terms not otherwise defined herein shall have the definition assigned for that term in the Member Agreement.
- (b) Notices. All notices hereunder shall be provided herein in the same manner as described in the Member Agreement.
- (c) Laws governing. This agreement shall be governed by the laws of the Province of Ontario and both parties unconditionally attorn to the exclusive jurisdiction of the courts of the Province of Ontario.
- (d) Amendments in writing. No amendment to this Agreement shall be valid unless made in writing and signed by Alpha and the Market Maker.
- (e) Assignment of rights. The Market Maker may not transfer or assign its rights and obligations hereunder without the prior written consent of Alpha. This Agreement shall enure to the benefit of and be binding upon the parties hereto and their respective successors and permitted assigns.
- (f) Execution in counterparts. This Agreement may be executed in counterparts. Each executed counterpart may be delivered to the other party by facsimile and/or electronic file, and copies bearing the signature of a party will constitute a valid and binding execution and delivery of this Agreement.
- (g) Whole or partial invalidity. The whole or partial invalidity of any provision of this Agreement shall not affect the validity of any other provision of this Agreement. If any provisions or conditions of this Agreement shall be held to be unenforceable by a court, or regulatory or self-regulatory authority, such invalidity or unenforceability shall attach only to such provision or condition. The validity of the remaining provisions and conditions shall not be affected thereby and this Agreement shall be carried out as if any such invalid or unenforceable provision or condition were not contained herein. To the extent permitted by law, the parties waive any provision of law that renders any provision of

this Agreement invalid or unenforceable in any respect.

(h) Natural Disasters. Notwithstanding any other term or condition of this Agreement, neither Alpha nor the Market Maker Dealer shall be obligated to perform or observe its obligations undertaken in the agreement (except for obligations to make payments hereunder and regulatory obligations) if prevented or hindered from doing so by any circumstance found to be beyond its control, including industrial disputes of any nature, acts of nature, acts of a public enemy, acts of government, failure of telecommunications, software or hardware, sabotage, terrorism, lightning or electromagnetic disturbances, earthquake, flood, fire or other casualty and the other party will likewise be excused from performance of its obligations (other than timely payment of fees) to the extent such party's obligations relate to the performance so interfered with; provided that the party so affected uses its reasonable efforts to avoid or remove such causes of non- performance and shall resume performance hereunder with dispatch whenever such causes are removed.

(i) Language. The parties confirm their express wish that this Agreement, as well as any other documents relating to this Agreement, including notices, schedules and authorizations, have been and shall be drawn up in the English language only. Les parties aux présentes confirment leur volonté que cette convention, de même que tous les documents, y compris tous avis, annexes et autorisations s'y rattachant, soient rédigés en la langue anglaise seulement.

(j) Effect of Termination. Termination of the agreement or the appointment of any Member as an Market Maker shall not terminate or negate any obligations of the Market Maker to complete or implement any transaction entered into prior to such termination or arising from or accruing from authorized activities of the Market Maker up to the effective time of termination.

(k) Liability.

(i) Except for Alpha's indemnity obligations hereunder, Alpha's entire aggregate liability arising from or related to this Agreement shall not exceed the sum of ten thousand dollars (\$10,000), even if such cause of action is continuing.

(ii) In no event shall any of Alpha's related parties, affiliates, partners or any third party

providers of any of Alpha's or such other entities officers, directors, employees or agents have any liability to the Market Maker under or related to this Agreement.

(iii) This Section shall not exclude or restrict Alpha's liability for death or personal injury arising from either the negligence of Alpha or its officers, employees, agents, or partners, including where they are acting in the ordinary course of their duties. Such liability shall in no event exceed the sum of one million dollars (\$1,000,000).

(iv) Money damages may both be incalculable and an insufficient remedy for any breach of the agreement by such party or its employees, agents or representatives and that any such breach would cause the other party irreparable harm. In the event of any such breach or threatened breach of the agreement, the other party shall be entitled to seek equitable relief, including by way of injunction and specific performance.

(v) Neither Alpha or the Market Maker shall be liable, under any circumstances, for any indirect, incidental, reliance, special, punitive or consequential damages including, but not limited to, lost profits, lost opportunities, even if the applicable party has been advised of the possibility of such damages.

(l) Disclaimers. All disclaimers and limitation herein shall apply regardless of the nature of any cause of action or demand (including, but not limited to breach of contract, breach of warranty, negligence, strict liability, tort or any other cause of action) and shall survive a fundamental breach or breaches and/or failure of the essential purpose of this Agreement or any remedy contained herein.

(m) Indemnifications.

(i) Alpha agrees to pay, either on its own behalf, or on behalf of a third party provider, subject to the limitations herein set forth, any losses, damages or expenses incurred by the Market Maker arising from any claim, suit or proceeding commenced by a third party alleging that there has been an infringement of any such third party's intellectual property rights resulting from the execution of this Agreement ("Infringement Claim"). The Market Maker agrees that Alpha shall be relieved of the foregoing obligations unless the Market Maker notifies Alpha promptly in writing of such claim, suit or proceeding and

gives Alpha authority to defend and settle such proceeding as contemplated herein, and, at Alpha and/or third party's expense, as applicable, gives Alpha and/or third party provider proper and full information and assistance to settle and/or defend any such claim, suit or proceeding. Neither Alpha nor third party providers shall be liable for any costs or expenses incurred without their prior written authorization.

(ii) The Market Maker will indemnify, defend, and hold Alpha, its related parties, subsidiaries, affiliates, partners, officers, directors and employees harmless of and from any demands, losses, claims, judgment, liabilities, actions, proceedings, penalties, damages, costs or suits (other than for Infringement Claims) that arise out of or relate to the violation of the terms of this Agreement by the Market Maker or its officers, employees, directors or agents. The Market Maker shall pay on demand all amounts due under this section.

(n) Currency. Unless otherwise expressly specified, all amounts referred to herein shall be denominated in Canadian dollars.

(o) Time of the Essence. Time shall be the essence of the agreement.



<b>MARKET MAKER AUTHORIZATION AND DECLARATION</b>	
Market Maker	
Name of Signing Officer	Title
Signature	Date

<b>ALPHA EXCHANGE INC.</b>	
Name of Signing Officer	Title
Signature	Date

**Attachment "A" to the Market Maker Agreement for Other Traded Securities**  
**- Trading Standards**

STANDARD CRITERIA FOR CONTINUOUS TRADING SESSION

LIQUIDITY LEVEL	Level 1	Level 2	Level 3
VOLUME TRADED AT ALPHA AS % OF TOTAL VOLUME TRADED IN ALL MARKETPLACES	30%	20%	10%

STANDARD CRITERIA FOR AUCTION TRADING SESSION

LIQUIDITY LEVEL	Level 1	Level 2	Level 3
DAILY MINIMUM PARTICIPATION IN OPENING AUCTION TRADED VOLUME ON ALPHA	30%	20%	10%
MAXIMUM OPENING FROM LISTED MARKET OPENING PRICE	\$0.01	\$0.01	\$0.01

Security Assigned: \_\_\_\_\_

Security Assigned: \_\_\_\_\_

Security Assigned: \_\_\_\_\_

Security Assigned: \_\_\_\_\_

Member: \_\_\_\_\_

Market Maker Approved Trader: \_\_\_\_\_

Back-up Trader: \_\_\_\_\_

Please list all other exchanges and securities (including symbols) in respect of which you act as a \_\_\_\_\_

Market Maker:

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Is the Member, the Market Maker Approved Trader or the Back-up Trader an insider (as defined in section 1.1 of the Securities Act (Ontario)) of the issuer of the security that is the subject of this application? If yes, provide details:

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## Attachment "B" to the Market Maker for Other Traded Securities Fees - Effective February 1, 2012

### Transactional Fees

Equity Trades	Other Traded Securities Fee/Share	
	Auction (Open, Close or Halt)	
<b>All Assigned Securities</b>		
Trade Price/Share < \$1		-\$0.0003
Trade Price/Share >=\$1 &<\$5		-\$0.0003
Trade Price/Share >= \$5		-\$0.0005
	Continuous Trading	
<b>Assigned Exchange Traded Funds</b>		
<b>Active</b>		
Trade Price/Share < \$1		\$0.0002
Trade Price/Share >=\$1		\$0.0021
<b>Passive</b>		
Trade Price/Share < \$1		-\$0.0002
Trade Price/Share >=\$1		-\$0.0021
<b>Odd Lot Trades – Auto Execution</b>		
Trade Price/Share < \$1		-\$0.0002
Trade Price/Share >=\$1		-\$0.0021
<b>All Other Assigned Securities</b>		
<b>Active</b>		
Trade Price/Share < \$1		\$0.0002
Trade Price/Share >=\$1 &<\$5		\$0.0021
Trade Price/Share >= \$5		\$0.0025
<b>Passive</b>		
Trade Price/Share < \$1		-\$0.0002
Trade Price/Share >=\$1 &<\$5		-\$0.0021
Trade Price/Share >= \$5		-\$0.0025
<b>Odd Lot Trades – Auto Execution</b>		
Trade Price/Share < \$1		-\$0.0002
Trade Price/Share >=\$1 &<\$5		-\$0.0021
Trade Price/Share >= \$5		-\$0.0025
<b>Notes / Debentures Trades</b>	Auction (Open, Close or Halt)	Fee/\$1,000 par value
Trade Price/Share – All Securities		n/a
	Continuous Trading	
Active – All Securities		\$0.0800
Passive – All Securities		-\$0.0800
Odd Lot Trades – Auto Execution		n/a

### Additional Compensation for Market Maker of Other Traded Securities

**(A/B) x C= Additional Compensation Pool**

- A = \$20,000 or any amount greater than \$20,000 as determined by Alpha Exchange.
- B = The total number of securities where all MM OTS have achieved the performance criteria in the continuous market.
- C= The number of securities where a specific MM OTS has achieved the performance criteria in the continuous market of their assigned securities.

## Notes

- 1) Other Traded Securities are securities listed on the TSX and the TSX Venture.
- 2) SPIs – Other are Special Purpose Issuers other than Exchange Traded Funds and Investment Funds.
- 3) All fees quoted are in Canadian dollars.
- 4) Transactional Fees are GST/HST exempt.
- 5) If the MM meets the opening auction criteria set in Attachment “A”, it will receive the opening auction transactional fees in the month it was earned.
- 6) If the MM meets the Standard Criteria for Continuous Trading set in Attachment “A”, it will receive the Additional Compensation in the month it was earned.
- 7) The continuous transaction fee is paid for meeting the odd lot auto execute function in the month it was earned.
- 8) The fees payable or credits receivable shall be paid in accordance with the terms of the MM Agreement and/or Member Agreement.
- 9) These fees are only payable in relation to the trading activity on the assigned securities conducted utilizing the specific trader identification (Trader ID) or the dedicated back up Trader ID utilized for performing the MM function.
- 10) The fees payable or credits receivable shall be paid in accordance with the terms of the MM Agreement and/or Member Agreement.

**Appendix J**  
**Alpha Main Listing Handbook**



**ALPHA EXCHANGE INC.**  
**ALPHA MAIN LISTING HANDBOOK**  
**(THE “ALPHA MAIN LISTING HANDBOOK”)**



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## Part I. Definitions and Interpretation

### 1.01 Definitions

(1) Unless otherwise defined or interpreted or the subject matter or context otherwise requires, every term used in Alpha Exchange Requirements that is defined or interpreted in:

- (a) Ontario securities law;
- (b) Universal Market Integrity Rules (“UMIR”);
- (c) IIROC Rules; or
- (d) Alpha Exchange Trading Policies,

has the same meaning in this Alpha Main Listing Handbook.

(2) The following terms have the meanings set out when used in this Alpha Main Listing Handbook:

**Accepted Foreign Exchange**

An exchange that is not located within Canada and for which an issuer listed on such exchange has demonstrated that such exchange and the jurisdiction’s securities laws requirements are similar to that of Alpha Exchange and Ontario securities laws.

**Alpha Exchange**

Alpha Exchange Inc. or AlphaX.

**Alpha Exchange Requirements**

Include the following:

- the Alpha Exchange Trading Policies;
- the Alpha Main Listing Handbook;
- obligations arising out of the Member Agreement or any listing forms;
- any forms issued pursuant to the Alpha Exchange Trading Policies or the Alpha Main Listing Handbook;



- UMIR; and
- Ontario securities law, and any decision thereunder as it may be amended, supplemented and in effect from time to time.

<b>Alpha Main</b>	Is the listing market where Alpha Main Listed Issuers are listed.
<b>Alpha Main Listed Issuer</b>	An issuer with one or more classes of securities listed in accordance with and subject to the requirements set out in the Alpha Main Handbook.
<b>Alpha Main Listed Securities</b>	Any securities of an Alpha Main Listed Issuer that are listed on Alpha Main.
<b>Alpha Venture Plus Listed Issuer</b>	An issuer with one or more classes of securities listed in accordance with and subject to the requirements set out in the Alpha Venture Plus Handbook.
<b>Average Daily Trading Volume</b>	The trading volume for a listed security on all marketplaces for the six months preceding the date of Posting of a Form 16A, excluding any purchases made under a Normal Course Issuer Bid, divided by the number of trading days during that period. If the securities have traded for less than six months, the trading volume on all marketplaces since the first day on which the security traded, which must be at least four weeks prior to the date of Posting Form 16A.
<b>Beneficial Holders</b>	Those security holders of an issuer that are included in either: <ul style="list-style-type: none"><li>• a Demographic Summary Report available from the International Investors Communications</li></ul>



Corporation; or

- a non-objecting beneficial owner list for the issuer under National Instrument 54-101 - *Communication with Beneficial Owners of Securities of a Reporting Issuer*.

<b>Board Lot</b>	A “standard trading unit” as defined in UMIR.
<b>Clearing Corporation</b>	CDS Clearing and Depository Services Inc. and any successor corporation or entity recognized as a clearing agency.
<b>Common Shares</b>	Equity Shares with voting rights that are exercisable in all circumstances irrespective of the number or percentage of securities owned that are not, on a per share basis, less than the voting rights attached to any other class of shares of the issuer.
<b>Control Person</b>	Has the same meaning as its definition in the Ontario <i>Securities Act</i> .
<b>Decision</b>	Any decision, direction, order, ruling, guideline or other determination of Alpha Exchange, including any committee of Alpha Exchange, or of the Market Regulator made in the administration of this Alpha Main Listing Handbook.
<b>Delist</b>	The termination of a security’s listing on Alpha Main, which renders it ineligible for trading on Alpha Main.
<b>Equity Shares</b>	Shares of an issuer that carry a residual right to participate in the earnings of the issuer and in the issuer’s assets upon dissolution or liquidation.



<b>Foreign Issuer</b>	Is an issuer who is also an issuer listed and in good standing on an Accepted Foreign Exchange.
<b>Freely-Tradeable Securities</b>	The Public Float less any securities that are pooled, escrowed or subject to restrictions on transfer that have not already been included in the Public Float calculation.
<b>IIROC</b>	The Investment Industry Regulatory Organization of Canada and any successor entity.
<b>Lead Market Maker</b>	A Member who has executed a Lead Market Maker Agreement and has been assigned a particular Alpha Main Listed Security.
<b>Market Maker</b>	A Member who has executed a Market Making Agreement and has been assigned a particular Alpha Main Listed Security.
<b>Market Regulator</b>	The Investment Industry Regulatory Organization of Canada and any successor.
<b>Member</b>	Has the meaning ascribed to it in Alpha Exchange Trading Policies, as amended from time to time.
<b>Non-Voting Securities</b>	Restricted shares that do not carry a right to vote except in certain limited circumstances such as to elect a limited number of directors or to vote where mandated by applicable corporate or securities law.
<b>Normal Course Issuer Bid</b>	An issuer bid for a class of Alpha Main Listed Securities where the purchases over a 12-month period by the Alpha Main Listed Issuer or Persons acting jointly or in concert with the Alpha Main Listed Issuer and commencing on the date of Posting of the documents





required by Alpha Exchange Requirements, do not exceed the greater of:

- 10% of the Public Float; or
- 5% of the securities of the class outstanding,

as of the date of Posting of the documents required by Alpha Exchange Requirements, excluding purchases under a formal issuer bid.

**Other Listed Issuers**

Issuer which is at the time of applying for the listing of a security is listed on a Canadian exchange other than Alpha Exchange but does not include an Accepted Foreign Exchange.

**Person**

An individual, partnership, unincorporated association, unincorporated syndicate, unincorporated organization, trust, trustee, executor, administrator, or other legal representative.

**Preference Shares**

Shares which have a genuine and non-specious preference or right over all classes of Equity Shares.

**Post**

Submitting an Alpha Main Listed Issuer document or a document in prescribed electronic format to Alpha Exchange (in the case of a requirement to Post a security certificate, means filing a definitive specimen with Alpha Exchange) so that it can be posted on the Alpha Main Listed Issuer's page on Alpha Exchange's website if required by Alpha Exchange Requirements.

**Public Float**

The number of securities outstanding, less shares known by the Alpha Main Listed Issuer after reasonable enquiry to be



beneficially owned or under the control or direction of:

- the Alpha Main Listed Issuer, and
- every Related Person of an Issuer.

**Public Shareholder**

Any security holder that is not a Related Person of an Issuer.

**Record Date**

The date fixed for the purpose of determining security holders of an Alpha Main Listed Issuer eligible for a distribution or other entitlement.

**Registered Holders of an Issuer**

The registered security holders of an issuer that are beneficial owners of the equity securities of that issuer. For the purposes of this definition, where the beneficial owner controls or is an affiliate of the registered security holder, the registered security holder shall be deemed to be the beneficial owner.

**Related Entity of an Issuer**

- a Person:
  - that is an affiliated entity of the Alpha Main Listed Issuer; or
  - of which the Alpha Main Listed Issuer is a Control Person;
- that is a management company or distribution company of a mutual fund that is an Alpha Main Listed Issuer; or
- that is a management company or other company that operates a trust or partnership that is an Alpha Main



**Related Person of an Issuer**

Listed Issuer.

- a Related Entity of the Alpha Main Listed Issuer;
- partners, directors and officers of the Alpha Main Listed Issuer or Related Entity of an Issuer;
- any Person that beneficially owns, either directly or indirectly, or exercises voting control or direction over at least 10% of the total voting rights attached to all voting securities of the Alpha Main Listed Issuer or Related Entity of an Issuer;
- an investment fund manager of a Special Purpose Issuer that is an investment fund;
- partners, directors and officers of an investment fund manager of a Special Purpose Issuer that is an investment fund;
- a promoter of the Alpha Main Listed Issuer; and
- such other Person as may be designated from time to time by Alpha Exchange.

**Restricted Securities**

Equity Shares that are not Common Shares which have a residual right to share in the earnings of the Alpha Main Listed Issuer and in its assets upon liquidation or winding up and may include Non-Voting Securities, Subordinate Voting Securities and Restricted



## Voting Securities.

### **Commentary:**

For greater certainty Preferred Shares cannot be Restricted Securities.

### **Restricted Voting Securities**

Restricted Securities that carry a right to vote subject to a restriction on the number or percentage of securities that may be voted by a shareholder or combination of shareholders, other than a restriction that is permitted or required by statute that is only applicable to non-residents or non-citizens of Canada.

### **Security Based Compensation Arrangement**

Security based compensation arrangements include:

- Stock Option Plans for the benefit of employees, insiders, directors, officers, consultants or service providers or any one of such groups;
- individual stock options granted to employees, service providers or insiders if not granted pursuant to a plan previously approved by the Alpha Main Listed Issuer's security holders;
- stock purchase plans where the Alpha Main Listed Issuer provides financial assistance or where the Alpha Main Listed Issuer matches the whole or a portion of the securities being purchased;
- stock appreciation rights involving issuances of securities from treasury;



- any other compensation or incentive mechanism involving the issuance or potential issuances of securities of the Alpha Main Listed Issuer; and
- security purchases from treasury by an employee, insider or service provider which is financially assisted by the Alpha Main Listed Issuer by any means whatsoever.

**Special Purpose Issuer**

An issuer of a structured product such as an investment fund that may trade on an exchange (including exchange traded mutual funds, split share corporations), exchange traded notes, index-linked securities, commodity-linked securities, bonus certificates and capital protected certificates.

**Stock Option**

An option to purchase securities from treasury granted to an employee, insider, director, officer, consultant or service provider of an Alpha Main Listed Issuer.

**Stock Option Plan**

A plan that provides for the granting of Stock Options and the policies and procedures relating thereto.

**Subordinate Voting Securities**

Restricted Securities that carry a right to vote where there is another class of shares outstanding that carry a greater right to vote on a per-security basis.

**Unrelated Director**

A director who:

- is independent as defined in National Instrument 52-110 *Audit Committees*;
- a supplier or purchaser of the Alpha Main Listed Issuer's products or services where such relationship is not



material to the Alpha Main Listed Issuer or the supplier or purchaser and could not reasonably be considered to affect the person's independent judgment; or

- has not been a director of the Alpha Main Listed Issuer for 10 years or longer.

## 1.02 Interpretation

- (1) A company is an affiliate of another company if one of them is a subsidiary of the other or if both are subsidiaries of the same company or if each of them is controlled by the same Person.
- (2) The division of Alpha Exchange Requirements into separate rules, policies, divisions, sections, subsections and clauses and the provision of a table of contents, headings and notes is for convenience of reference only and shall not affect the construction or interpretation of Alpha Exchange Requirements.
- (3) The words "hereof," "herein," "hereby," "hereunder" and similar expressions mean the whole of this Alpha Main Listing Handbook and not simply the particular provision in which the term is mentioned, unless the context clearly indicates otherwise.
- (4) The word "or" is not exclusive.
- (5) The word "including," when following any general statement or term, does not limit the meaning of the general statement or term to the specific matter immediately following the statement or term.
- (6) Unless otherwise specified, any reference to a statute includes that statute and the regulations made pursuant to that statute, with all amendments made and in force from time to time, and to any statute or regulation that supersedes that statute or regulation.
- (7) Unless otherwise specified, any reference to a rule, policy, blanket order or instrument includes all amendments made and in force from time to time, and



- to any rule, policy, blanket order or instrument that supersedes that rule, policy, blanket order or instrument.
- (8) Grammatical variations of any defined term have the same meaning.
  - (9) Any word imputing gender includes the masculine, feminine and neutral genders.
  - (10) Any word in the singular includes the plural and vice versa.
  - (11) All references to time in Alpha Exchange Requirements are to Toronto time unless otherwise stated.
  - (12) All references to currency in Alpha Exchange Requirements are to Canadian dollars unless otherwise stated.

### **1.03 Alpha Exchange Discretion**

The Alpha Exchange Requirements have been put in place to serve as guidelines to issuers seeking and maintaining a listing on Alpha Main and their professional advisers. However, Alpha Exchange reserves the right to exercise its discretion in its application of the Alpha Exchange Requirements. Alpha Exchange may waive or modify an existing requirement or impose additional requirements in applying its discretion. It may take into consideration the public interest and any facts or situations unique to a particular party. Issuers are reminded that listing on Alpha Main is a privilege and not a right. Alpha Exchange may grant or deny an application, including an application for listing, notwithstanding the published Alpha Exchange Requirements.

#### **Commentary:**

As part of Alpha Exchange's consideration of the public interest, Alpha Exchange will review all filings to determine if there are any market integrity issues. For example, if Alpha Exchange receives material information that is contrary to other information in its possession and therefore misleading, Alpha Exchange can require the Alpha Main Listed Issuer to change its disclosure or take other action in Part IX as appropriate.

### **1.04 Listing Market References**

All references to a listing market by a prospective issuer or an Alpha Main Listed Issuer should refer to Alpha Main.



### **1.05 Compliance with Securities Laws**

An Alpha Main Listed Issuer will be subject to Canadian securities laws as a “non-venture issuer” and must meet those requirements.





## Part II. Original Listing Requirements for Alpha Main Listed Issuers

### 2.01 General

- (1) This part of the Handbook concerns issuers that do not have any securities listed on Alpha Main or are undergoing a “backdoor listing”. Alpha Main Listed Issuers that wish to list additional securities of an already listed class must comply with the additional listing requirements of Part VI. Alpha Main Listed Issuers that wish to list a new class of securities must comply with the supplemental listing requirements of Part VI. Other Listed Issuers that wish to list securities on Alpha Main must comply with this Part. Alpha Main Listed Issuers that wish to substitute a class of Alpha Main Listed Securities with a different class must comply with the substitution listing requirements of Part VI.
- (2) Alpha Exchange has set out minimum listing standards in sections 2.02, 2.03 and 2.04, however, it may consider a number of factors in exercising its discretion to list securities, and may refuse to list an issuer that otherwise meets the minimum standards set out below. These factors include:
- (a) *Track record*: The issuer has a history of profitable operations or, if not, significant revenues.
  - (b) *Quality of management*: The issuer’s directors, officers and controlling shareholders do not have a regulatory history or reputation that give rise to concerns that the business of the issuer will not be conducted with integrity or due regard to the interests of shareholders.
  - (c) *Distribution*: The issuer has a sufficient number of Public Shareholders outstanding to foster a liquid market in the Alpha Main Listed Securities.
  - (d) *Acceptable capital structure*: In determining whether a capital structure is acceptable, Alpha Exchange will consider such factors as: (i) the price of shares, units or notional amount issued prior to an initial public offering, or the value of the goods or services provided in consideration for the shares, units or notional amounts compared to the price in the initial public offering; (ii) whether shares, units or notional amounts



issued prior to the initial public offering were issued primarily to non-arm's length parties; and (iii) the number of shares, units or the notional amount issued prior to the initial public offering compared to the number to be issued in the initial public offering.

- (3) Alpha Exchange may request any other documentation or information as part of the original and ongoing listing requirements so that it may confirm that the Alpha Main Listed Issuer is meeting Alpha Exchange Requirements.

## **2.02 Minimum Listing Standards for Alpha Main Listed Issuers other than Special Purpose Issuers**

- (1) *Equity*—Shareholder equity of at least \$4,000,000.
- (2) *Cash Flow*—Pre-tax cash flow from continuing operations of at least \$700,000 in its last fiscal year.

### **Commentary:**

If an issuer has experienced material net income losses in any of the last three fiscal years, Alpha Exchange will review the pre-tax cash flow from continuing operations for an additional two years to consider if compliance with the income requirement is sufficient or listing should be denied.

In calculating pre-tax cash flow from continuing operations for purposes of this test Alpha Exchange will rely on the net cash provided by operating activities reported in the statements of cash flows, as filed in the Alpha Main Listed Issuer's most recent periodic report, excluding changes in working capital or in operating assets and liabilities and adding back any income tax payable for the period.

- (3) *Distribution*—Minimum Public Float of 500,000 securities, together with a minimum of 800 Public Shareholders each holding a Board Lot or a minimum Public Float of 1,000,000 securities together with a minimum of 400 Public Shareholders each holding a Board Lot.
- (4) *Minimum Public Float Value*—\$3,000,000.



- (5) *Working Capital and Capital Structure* — Adequate working capital to carry on business and an appropriate capital structure.

### **2.03 Minimum Listing Standards for Special Purpose Alpha Main Listed Issuers: Investment Funds**

- (1) A Special Purpose Issuer that is an investment fund must have a net asset value of at least \$10,000,000 unless it is an investment fund with a net asset value of at least \$1,000,000 and is part of a group of investment funds that are managed by the same investment fund manager, all of which are listed or are to be listed on Alpha Main or another exchange, and the group has a net asset value of at least \$20,000,000.
- (2) *Distribution* - For each series of securities of an investment fund there must be at least 100,000 securities outstanding prior to the commencement of trading of a series of securities on Alpha Main.
- (3) *Redeemable Securities* – Securities must be redeemable, directly or indirectly from the investment company for securities and/or cash.
- (4) *Calculation of Net Asset Value*— A listed investment fund must provide Alpha Main Exchange with a representation that the net asset value will be calculated each business day and will be made available to all Members at the same time.

### **2.04 Minimum Listing Standards for Special Purpose Alpha Main Listed Issuers: Other**

- (1) This section contains the minimum listing standards for securities other than Equity Shares and Preference Shares, warrants of an Alpha Main Listed Issuer to purchase Alpha Main Listed Securities of its own issue and securities of investment funds.
- (2) A Special Purpose Issuer other than an investment fund must be an Alpha Main Listed Issuer, Other Listed Issuer or a private financial institution with a market capitalization of at least \$150 million.
- (3) *Liquidity of Underlying Asset* - There must be evidence of the liquidity of the underlying asset.



- (4) The securities to be listed must have been issued pursuant to a prospectus received by a securities regulatory authority.
- (5) *Calculation of Index Value* – A listed investment fund must provide Alpha Exchange with a representation that the index value will be calculated each business day and will be made available to all Members at the same time.

## **2.05 Management of Alpha Main Listed Issuers**

- (1) Alpha Exchange considers the quality of management of its Alpha Main Listed Issuers to be an important component of a fair and orderly market for investors. Therefore, Alpha Exchange may review the conduct of any Related Person of an Issuer. Alpha Exchange must be satisfied that the business of the Alpha Main Listed Issuer will be conducted with integrity and in the best interests of shareholders, unit holder and debt holders, and that the Alpha Main Listed Issuer will comply with Alpha Exchange Requirements and applicable securities law.

### **Commentary:**

In particular, an issuer will not be approved for listing if any Related Person has been convicted of fraud, breach of fiduciary duty, violations of securities legislation (other than minor violations that do not give rise to investor protection or market integrity concerns) unless the issuer severs relations with such person to the satisfaction of Alpha Exchange.

An issuer may not be approved for listing if any Related Person has entered into a settlement agreement with a securities regulatory authority or is associated with any person who would disqualify an issuer for listing.

- (2) Management must have knowledge and expertise relevant to the business of the issuer.

## **2.06 Foreign-listed Issuers**

- (1) A Foreign Issuer can become listed on Alpha Main by following the procedure set out in sections 2.10 and 2.11. Upon acceptance, the Foreign Issuer is subject to all of the provisions of this Alpha Main Listing Handbook unless explicitly exempted by Alpha Exchange and, notwithstanding anything else herein, such issuer must contemporaneously Post all documents filed with the



Accepted Foreign Exchange with Alpha Main, translated into English and French if necessary.

- (2) Alpha Exchange will consider granting exemptions in respect of provisions of this Alpha Main Listing Handbook for Foreign Issuer.

**Commentary:**

An exemption may be granted where Alpha Exchange is satisfied that the issuer is subject to substantially similar regulatory and exchange listing regime as in Canada as well as similar requirements as those contained in this Alpha Main Listing Handbook. Alpha Exchange may require a Foreign Issuer to establish that its original listing jurisdiction has substantially similar requirements to those required by Alpha Exchange Requirements and Ontario securities laws. Alpha Exchange may publish a notice detailing standard exemptions from the Handbook for specific Accepted Foreign Exchanges.

Foreign Issuers are subject to all applicable Canadian securities laws unless exemptions are obtained from the relevant securities commission(s).

Alpha Exchange will consider the extent to which a Foreign Issuer has a presence in Canada and/or have experience in doing business in Canada. Furthermore, if the Foreign Issuer has its head office outside Canada, as long as it is listed on Alpha Exchange, such issuer must appoint and maintain an address for service within Canada and must agree to attorn to the laws of the Province of Ontario and the federal laws applicable in that province.

- (3) The Alpha Main Listed Issuer will be automatically suspended from trading if it is suspended or delisted from the Accepted Foreign Exchange or other Canadian exchange that it is listed on.

## **2.07 Designation of Restricted Securities**

- (1) This section is to be read in conjunction with OSC Rule 56-501 - *Restricted Shares*.
- (2) Restricted Securities must be identified as such in the Alpha Main Listed Issuer's constating documents and will be identified by Alpha Exchange as such in market data displays prepared for the financial press.



- (3) A class of shares may not be designated as 'common' unless the shares are Common Shares.
- (4) A class of shares may not be designated as 'preference' or 'preferred' securities unless the shares are Preference Shares.
- (5) An issuer's constating documents must give Restricted Security holders the same right to receive notice of, attend and speak at all shareholder meetings as Common Shareholders and to receive all disclosure documents and other information sent to Common Shareholders.
- (6) An Alpha Main Listed Issuer with outstanding listed Restricted Securities or intending to list Restricted Securities must include in its Listing Statement the disclosure required by Part 2 of OSC Rule 56-501 - *Restricted Shares*.

**Commentary:**

Issuances of Restricted Securities and superior voting shares post-listing are subject to section 6.19 of this Alpha Main Listing Handbook.

## **2.08 Coattail Provisions**

- (1) Alpha Exchange will not list Restricted Securities unless the issuer's constating documents provide that if a take-over bid is made to Common Shareholders, whether or not the Common Shares are listed, the Restricted Securities will automatically convert to Common Shares unless an identical offer (in terms of price per share, percentage of shares to be taken up exclusive of shares already owned by the offeror and its associates and all other material conditions) is concurrently made to Restricted Shareholders.

## **2.09 Escrow**

- (1) An issuer applying for listing in conjunction with an initial public offering must have an escrow agreement with its principals that complies fully with the requirements of National Policy 46-201 - *Escrow for Initial Public Offerings* ("**NP 46-201**") respecting established issuers. Alpha Exchange will require the Alpha Main Listed Issuer provide a draft of such escrow agreement(s) to Alpha Exchange for review prior to its execution.

**Commentary:**



Alpha Exchange may grant an exemption to the escrow agreement required if the resulting issuer will be an “exempt issuer” pursuant to section 3.2(b) of NP 46-201.

- (2) For escrow agreements required by Alpha Exchange, an Alpha Main Listed Issuer may apply to Alpha Exchange to:
  - (a) amend the terms of existing escrow agreements required by Alpha Exchange;
  - (b) request the transfer of securities within escrow; or
  - (c) request the early release of securities from escrow, if applicable.
- (3) For escrow agreements required under NP 46-201, or required by another exchange or other entity, Alpha Main Listed Issuers must apply to the relevant securities commission, exchange or entity which originally required the escrow agreement for any specific request to amend the terms of the escrow agreement.
- (4) Transfers of Alpha Main Listed Securities escrowed pursuant to Alpha Exchange Requirements require the prior written consent of Alpha Exchange. Except as specifically provided in this Handbook and in the escrow agreement, securities of Related Persons of an Issuer may only be transferred to new or existing Related Person of an Issuer in accordance with the following terms and subject to any legal or other restriction on transfer and with the approval of the Alpha Main Listed Issuer’s board of directors. To apply for a transfer within escrow, the Alpha Main Listed Issuer or owner of the escrowed securities must submit the following documents to Alpha Exchange:
  - (a) a letter requesting transfer within escrow, identifying the registered and beneficial owner of the escrowed securities (including name and address) and the proposed registered and beneficial owner of the escrowed securities after giving effect to the transfer. The letter must confirm that the transferee is a Related Person of the Issuer or such other permitted transferee;
  - (b) a copy of the escrow security purchase agreement;



- (c) a document signed by the transferee consenting to be bound by the terms of the escrow agreement;
- (d) a letter from the escrow agent confirming the escrow securities currently held in escrow under the escrow agreement, including the names of the registered owners and the number of securities held by each; and
- (e) any applicable fee.

## **2.10 Listing Application — Procedure**

(1) The application for listing must include the following:

- (a) a completed Listing Application (Form 1 or Form 1A, as applicable) together with the supporting documentation set out in Appendix A to the Listing Application;
- (b) a draft Listing Statement (Form 2 or 2A) (including financial statements approved by the Alpha Main Listed Issuer's Board of Directors and its Audit Committee);

### **Commentary:**

A Foreign Issuer may submit to Alpha Main its most recent up-to-date public offering document which is compliant with the securities laws of its jurisdiction and substantially similar to a Listing Statement in lieu of a Listing Statement.

- (c) a duly executed Personal Information Form (Form 3) or a Declaration (Form 3A) from each Related Person of an Issuer; if any of these Persons is not an individual, a PIF from each director, senior officer and each Control Person of that Person;

### **Commentary:**

A Foreign Issuer must submit to Alpha Exchange a Personal Information Form or Declaration and Alpha Exchange will conduct its own background checks based on these forms or such other information as requested by Alpha Exchange.





- (d) current insider reports from each Person required to file a report with the applicable securities regulatory authority;
- (e) any Security Based Compensation Arrangement;
- (f) such other documentation as Alpha Exchange may require to assess the issuer's qualification for listing or to support the disclosures made in the Listing Statement and other documentation filed in connection with the Listing Application; and

**Commentary:**

Alpha Exchange will require an issuer to file technical reports required to be filed with securities commissions under National Instruments 43-101 and 51-101, and may require the issuer to provide a summary.

- (g) the application fee plus applicable taxes.
- (2) Alpha Exchange will use its best efforts to review the application in a timely manner with due regard to any schedule for filing a prospectus.
  - (3) Following its review, Alpha Exchange may conditionally approve the issuer, or defer or decline the application.
  - (4) If an issuer is conditionally approved, it has 90 days in which to file the final documentation set out in section 2.11. If an application is deferred, the issuer has 90 days in which to address the specific issues that caused deferral. If the issues are not addressed during that period to the satisfaction of Alpha Exchange, the application will be declined.
  - (5) Subject to a right of appeal, a declined issuer may not submit a new application until six months have elapsed from the date on which it was given notice of that the application was declined.
  - (6) Ontario securities law prohibits a Person with the intention of effecting a trade in a security from making any representation that a security will be listed on a stock exchange unless the exchange has granted conditional approval to the listing or otherwise approves. An issuer that has been conditionally approved for listing may use the following language in its final prospectus or offering document, but only in its entirety:



“Alpha Exchange Inc. has conditionally approved the listing of these securities. Listing is subject to the Alpha Main Listed Issuer fulfilling all of Alpha Exchange Inc.’s requirements on or before *[date stipulated by Alpha Exchange Inc.]*, including distribution of these securities to a minimum number of security holders.”

**Commentary:**

Alpha Exchange will also advise the relevant securities commission(s) of the conditional approval.

## **2.11 Final Documentation**

(1) The issuer must submit the following documentation for final listing approval and posting of its securities for trading on Alpha Main and must Post the documents on the Alpha Exchange website forthwith following final approval:

(a) One originally executed copy of the Listing Statement (Form 2 or 2A) dated within three business days of the date they are submitted, together with any additions or amendments to the supporting documentation previously provided as required by Appendix A to the Listing Application;

**Commentary:**

A Foreign Issuer listed on an Accepted Foreign Exchange may submit to Alpha Main its most recent public offering document which is compliant with the securities laws of its jurisdiction and substantially similar to a Listing Statement in lieu of a Listing Statement if it is up to date.

(b) two duly executed Listing Agreements (Form 4);

(c) an opinion of counsel that the Alpha Main Listed Issuer:

- (i) is in good standing under and not in default of applicable corporate law;
- (ii) is not in default of any securities law requirement of any jurisdiction in which it is a reporting issuer or equivalent;



- (iii) has the corporate power and capacity to own its properties and assets, to carry on its business as it is currently being conducted, and to enter into the Listing Agreement and to perform its obligations thereunder;
  - (iv) has taken all necessary corporate action to authorize the execution, delivery and performance of the Listing Agreement and that the Listing Agreement has been duly executed and delivered by the Alpha Main Listed Issuer and constitutes a legal, valid and binding obligation of the Alpha Main Listed Issuer, enforceable against the Alpha Main Listed Issuer in accordance with its terms;
- (d) an opinion of counsel that all shares previously issued of the class of securities to be listed or that may be issued upon conversion, exercise or exchange of other previously-issued securities are or will be duly issued and are or will be outstanding as fully paid and non-assessable shares;
- (e) a certificate of the applicable government authority that the Alpha Main Listed Issuer is in good standing under and not in default of applicable corporate law;
- (f) a copy of the written notice from the Clearing Corporation confirming the CUSIP number assigned to the Alpha Main Listed Securities;
- (g) if the issuer is to be listed upon conclusion of a public offering, a copy of the receipt(s) for the (final) prospectus;
- (h) a letter from the transfer agent stating the total number of shares issued and confirmation of the number of shareholders holding at least one Board Lot of the issuer's securities;
- (i) such other documentation as Alpha Exchange may require; and
- (j) the balance of the listing fee plus applicable taxes.



## **2.12 Documents to be Filed on SEDAR**

The final version of the Alpha Main Listed Issuer's Listing Statement (Form 2 or 2A) must be filed via SEDAR under the continuous disclosure category for Alpha Exchange filings using the filing type "Other," and after an amendment is made to SEDAR to accommodate this filing in the continuous disclosure category, using the appropriate filing type for this document.

### **Part III. Ongoing Requirements**

#### **3.01 Directors and Officers**

- (1) Every new Related Person of an Issuer must complete a Personal Information Form (Form 3) or a Declaration (Form 3A), as applicable, upon their becoming a Related Person of an Issuer.
- (2) Alpha Exchange may collect such personal information about the Related Person of an Issuer as it sees fit.
- (3) An Alpha Main Listed Issuer must immediately remove, or cause the resignation of, any director or officer who Alpha Exchange determines is not suitable to act as a director or officer of an Alpha Main Listed Issuer. For other unsuitable Related Persons of an Issuer, the Alpha Main Listed Issuer must immediately sever relations with such Person to the satisfaction of Alpha Exchange, or, in the case of a Control Person, satisfy Alpha Exchange that the Control Person does not and will not have any role in the governance of the Alpha Main Listed Issuer.
- (4) A Related Person of an Issuer does not have to provide a Personal Information Form (Form 3) to Alpha Exchange in respect of an Other Listed Issuer if that person has submitted a form similar to a personal information form to an exchange other than Alpha Exchange within the past 18 months but must submit a Declaration (Form 3B), and attach a copy of the personal information form submitted to that other exchange, upon which Alpha Exchange will conduct its own background checks based on the information provided or such other information as requested by Alpha Main.



### **3.02 Transfer and Registration of Securities**

- (1) Every Alpha Main Listed Issuer must maintain in good standing transfer and registration facilities in the City of Toronto, where its Alpha Main Listed Securities must be directly transferable.
- (2) The transfer and registration facilities must be operated by a transfer agent recognized by the Clearing Corporation.
- (3) This section does not apply to a Foreign Issuer to the extent that such Foreign Issuer's registrar and transfer agent can settle trades with the Clearing Corporation.

### **3.03 Dematerialized Securities**

- (1) Issuers must make arrangements acceptable to the Clearing Corporation so that all trades in Alpha Main Listed Securities are cleared and settled on a book-entry only basis.

### **3.04 Posting Officer**

- (1) An Alpha Main Listed Issuer must designate at least one individual to act as its Posting officer and at least one backup. The Posting officers are responsible for making all of the Postings required under Alpha Exchange Requirements.
- (2) An Alpha Main Listed Issuer may Post documents through the facilities of a third party service provider approved by Alpha Exchange.

### **3.05 Postings**

- (1) An Alpha Main Listed Issuer must Post electronic copies of all documents required to be Posted with Alpha Exchange unless a physical copy is otherwise required by this Alpha Main Listing Handbook. An Alpha Main Listed Issuer must Post on its website any notices from Alpha Exchange in respect of a public reprimand, suspension or Delisting.
- (2) In lieu of Posting, an Alpha Main Listed Issuer may file the following documents with Alpha no later than the deadline for Posting:
  - (a) documents listed in section 2.10(1)(c); and



- (b) any opinion of counsel.
- (3) A filing made under subsection 3.05(2) must indicate that it is made in lieu of Posting the document.
- (4) An Alpha Main Listed Issuer may request from Alpha Exchange that a document or notice required to be Post be marked as confidential and not accessible for public dissemination or review.



## Part IV. Timely Disclosure

### A. Obligation to Disclose Material Information

#### 4.01 Introduction

- (1) This Handbook is not an exhaustive statement of the timely and continuous disclosure requirements applicable to Alpha Main Listed Issuers. Alpha Main Listed Issuers must comply with all applicable requirements of securities legislation. In particular, mining issuers must comply with the additional disclosure requirements of National Policy 43-101- *Standards of Disclosure for Mineral Projects*. Oil and gas issuers must comply with the additional disclosure requirements of (Proposed) National Instrument 51-101 – *Standards of Disclosure for Oil and Gas Activities*. All Alpha Main Listed Issuers must comply with National Policy 51-201 – *Disclosure Standards* and, if applicable, section 11.2 of NI 81-106 - *Investment Fund Continuous Disclosure*.
- (2) Each Alpha Main Listed Issuer must determine what information is material in the context of its own affairs. The materiality of information varies from one issuer to another, and will be influenced by factors such as the issuer's profitability, assets, capitalization, and the nature of its operations.

#### **Commentary:**

"Material information" is any information relating to the business and affairs of an issuer that results in or would reasonably be expected to result in a significant change to the market price or value of any of the issuer's Alpha Main Listed Securities. It is broader than the concept of "material change" in Ontario securities law. An event that is "significant" or "major" in the context of a smaller issuer's business and affairs may not be material to a larger one. Given the element of judgment involved, Alpha Main Listed Issuers are encouraged to consult with the Market Regulator on a confidential basis at an early stage to determine whether a particular event gives rise to material information.



## 4.02 Disclosable Events

- (1) Alpha Main Listed Issuers are required to make immediate public disclosure of all material information. They are not required to interpret the impact of external political, economic and social developments on their affairs, but if the external development will have or has had a direct effect on their business and affairs that is both material and uncharacteristic of the effect generally experienced as a result of such development by other companies engaged in the same business or industry, Alpha Main Listed Issuers are urged, where practical, to explain the particular impact on them. For example, a change in government policy that affects most companies in a particular industry does not require an announcement, but if it affects only one or a few companies in a material way, an announcement should be made.
- (2) A reasonable investor's investment decision may be affected by factors relating directly to the securities themselves as well as by information concerning the Alpha Main Listed Issuer's business and affairs. For example, changes in an Alpha Main Listed Issuer's issued capital, stock splits, redemptions and dividend decisions may all have an impact upon the reasonable investor's investment decision.
- (3) Actual or proposed developments that require immediate disclosure include, but are not limited to, the following:
  - (a) changes in security ownership that may affect control of the Alpha Main Listed Issuer
  - (b) changes in corporate structure, such as reorganizations, amalgamations, etc.;
  - (c) take-over bids or issuer bids;
  - (d) major corporate acquisitions or dispositions;
  - (e) changes in capital structure;
  - (f) borrowing of a significant amount of funds;
  - (g) public or private sale of additional securities;





- (h) development of new products and developments affecting the Alpha Main Listed Issuer's resources, technology, products or market;
- (i) significant discoveries or exploration results, both positive and negative, by resource companies;
- (j) entering into or loss of significant contracts;
- (k) firm evidence of significant increases or decreases in near-term earnings prospects;
- (l) changes in capital investment plans or corporate objectives;
- (m) significant changes in management;
- (n) significant litigation;
- (o) major labour disputes or disputes with major contractors or suppliers;
- (p) events of default under financing or other agreements; or
- (q) any other developments relating to the business and affairs of the issuer that might reasonably be expected to influence or change an investment decision of a reasonable investor.

**Commentary:**

Disclosure is only required where a development is material. Announcements of an intention to proceed with a transaction or activity should be made when a decision has been made to proceed with it by the Alpha Main Listed Issuer's board of directors or by senior management with the expectation of concurrence from the board of directors. However, a corporate development in respect of which no firm decision has yet been made but that is reflected in the market price may require prompt disclosure.

Forecasts of earnings and other financial forecasts need not be disclosed, but where a significant increase or decrease in earnings is indicated in the near future, such as in the next fiscal quarter, this fact must be disclosed. Forecasts should not be provided on a selective basis to investors or others not involved in the management of the affairs of the issuer. If disclosed, they should be generally disclosed.



- (4) If a pending transaction has been announced but has not closed, updates should be provided at least every 30 days, unless the original announcement specifies a specific date on which an update will be given. Any material change to the pending transaction as announced must be disclosed promptly.

#### **4.03 Rumours and Unusual Trading Activity**

- (1) Rumours and unusual trading activity may influence or change the investment decision of a reasonable investor and/or the trading price of an issuer's securities. It is impractical to expect management to be aware of, and comment on, all rumours or unusual trading activity. However, when either rumours or unusual trading activity occur, the Market Regulator may request that the Alpha Main Listed Issuer make a clarifying statement. A trading halt may be imposed pending release of a "no corporate developments" statement.
- (2) If a rumour is correct in whole or in part, or if it appears that the unusual trading activity reflects illicit trading on non-disclosed material information, the Market Regulator will require the Alpha Main Listed Issuer to make immediate disclosure of the relevant material information, and a trading halt may be imposed pending release and dissemination of that information.

#### **4.04 Timing of Disclosure and Pre-Notification of the Market Regulator**

- (1) An Alpha Main Listed Issuer must disclose material information forthwith upon the information becoming known to management, or in the case of information previously known, forthwith upon it becoming apparent that the information is material. Immediate release of information is necessary to ensure that it is promptly available to all investors and to reduce the risk that persons with access to that information will act upon undisclosed information.
- (2) The policy of immediate disclosure frequently requires that press releases be issued during trading hours, especially when an important corporate development has occurred. When this occurs, the Alpha Main Listed Issuer must notify the Market Regulator *prior* to the issuance of a press release and must not disseminate the press release until instructed by the Market Regulator. The Market Regulator will determine whether trading in the Alpha Main Listed Issuer's securities should be temporarily halted. The Market



Regulator will also review the proposed wording of the press release to ensure it is complete and balanced.

- (3) Where a release is issued after the close of trading, the Market Regulator should be advised prior to the opening of trading the following day.

#### **4.05 Dissemination of Material Information**

- (1) After notifying the Market Regulator, the news release must be transmitted to the media by the quickest possible method, and by a method that provides the widest dissemination possible. To ensure that the entire financial community is aware of the news at the same time, a wire service (or combination of services) must be used which provides national and simultaneous coverage.
- (2) Dissemination of news is essential to ensure that all investors have equal and timely information. Alpha Main Listed Issuers must ensure appropriate dissemination of news releases, and any failure to properly disseminate news shall be deemed to be a breach of this policy and shall be grounds for suspension or Delisting of the Alpha Main Listed Issuer's securities. In particular, Alpha Exchange will not consider relieving an Alpha Main Listed Issuer from its obligation to disseminate news properly because of cost factors.
- (3) Alpha Main Listed Issuers are encouraged to use services such as Dow Jones and Reuters that provide wide dissemination at no cost to the issuer. However, because they may not carry the release or may heavily edit it, they are not acceptable as a sole means of dissemination.

#### **Commentary:**

Alpha Exchange accepts the use of any news services that meet the following criteria:

1. Dissemination of the full text of the release to the national financial press and to daily newspapers that provide regular coverage of financial news;
2. Dissemination to all Members; and
3. Dissemination to all relevant regulatory bodies.



- (4) Similarly, while the Alpha Main Listed Issuer must Post all news releases with Alpha Exchange and may also Post them on its own website, this is not an acceptable means of dissemination. Alpha Main Listed Issuers must be careful they do not “front run” their press release by Posting it on a website before it has been disseminated by a full-text service.

**Commentary:**

If an Alpha Main Listed Issuer chooses to Post news releases or other documents required to be filed by Alpha Exchange or by securities regulatory authorities on its website, it must Post all of them. It cannot Post only favorable information. Similarly, news releases and other filings must be clearly distinguished from marketing material that may also be on the website so that a viewer will not confuse the two.

**4.06 Content of News Releases**

- (1) Announcements of material information should be factual and balanced. Unfavorable news must be disclosed just as promptly and completely as favorable news.
- (2) News releases must contain sufficient detail to enable investors to assess the importance of the information to allow them to make informed investment decisions.
- (3) Alpha Main Listed Issuers should communicate clearly and accurately the nature of the information, without including unnecessary details, exaggerated reports or editorial commentary.
- (4) News releases must not be misleading.

**Commentary:**

For example, an Alpha Main Listed Issuer must not announce an intent to enter into a transaction if it lacks the ability to complete the transaction or if no corporate decision has been made to proceed with the transaction.

- (5) Investors and the media may wish to obtain further information concerning the announcement. All news releases must include the name of an officer or director of the Alpha Main Listed Issuer who is responsible for the announcement, together with the Alpha Main Listed Issuer’s telephone



number. The Alpha Main Listed Issuer is encouraged to also include the name and telephone number of an additional contact person.

#### **4.07 Trading Halts for the Dissemination of Information**

- (1) Trading may be halted by the Market Regulator during trading hours to allow material information to be disseminated and market participants to decide if they want to change their buy or sell orders. The Decision to halt trading is the Market Regulator's, and it will not routinely halt trading for all press releases, even at the request of the Alpha Main Listed Issuer. It is not appropriate for an Alpha Main Listed Issuer to request a trading halt if it is not prepared to make an announcement forthwith.
- (2) The Market Regulator may also halt trading to obtain a statement from an Alpha Main Listed Issuer clarifying a rumour or unusual trading that is having an effect on the market for the issuer's securities.
- (3) A trading halt does not reflect on the reputation of the issuer or its management. Trading is halted for positive developments as well as negative ones.
- (4) The Market Regulator, upon consultation with the Alpha Main Listed Issuer, if appropriate, will determine the time required to disseminate the news release and consequently the length of any quotation and trading halt. A trading halt will not normally last more than two hours.
- (5) A trading halt will not continue for more than 24 hours unless the Market Regulator determines that re-opening trading will have a significant negative impact on market integrity.
- (6) An Alpha Main Listed Issuer is expected to issue the news release promptly following the initiation of a trading halt. If an announcement is not forthcoming, the Market Regulator will establish an opening time no later than 24 hours from the time of the halt (excluding non-business days). If a news release has not been issued by the time set for resuming trading, the Market Regulator will issue a notice stating that trading was halted for dissemination of news or clarification of abnormal trading and no announcement is forthcoming. In this situation, the Alpha Main Listed Issuer should be prepared to issue a statement prior to the reopening explaining why it



requested a halt (if this is the case) and why it is not able to make an announcement.

## **B. When Confidentiality May Be Maintained**

### **4.08 When Information May be Kept Confidential**

- (1) Section 75(3) of the *Securities Act* (Ontario), as supplemented by National Policy 51-201 and National Instrument 81-106, provides that where, in the opinion of the reporting issuer, the public disclosure of a material change would be unduly detrimental to the interests of the reporting issuer, or where the material change consists of a decision to implement a change made by senior management of the Alpha Main Listed Issuer who believe that confirmation of the decision by the board of directors is probable, the Alpha Main Listed Issuer may file a report disclosing a material change on a confidential basis. Non-disclosure of information is also provided for in section 140(2) of the *Securities Act* (Ontario).
- (2) When an Alpha Main Listed Issuer requests that information be kept confidential, then pursuant to section 75(4) of the *Securities Act* (Ontario), it must advise the Ontario Securities Commission in writing within 10 days if it wishes that the information continue to be held on a confidential basis, and every 10 days thereafter until the material information is generally disclosed. The Ontario Securities Commission takes the view that it can require the Alpha Main Listed Issuer to disclose confidential information when, in its view, the benefit from public disclosure would outweigh the harm to the issuer resulting from disclosure.
- (3) Alpha Main Listed Issuers should be guided by applicable securities legislation in determining whether material information can be filed on a confidential basis with a securities regulatory authority. Where a decision is made to file a confidential report with the securities regulatory authority, the Market Regulator must be immediately notified of the Alpha Main Listed Issuer's decision to do so. The Market Regulator must be provided with a copy of all submissions to the securities regulatory authority relating to a request to make or to continue confidential disclosure, or to make general disclosure of previously held confidential information. The Market Regulator must be kept fully apprised of the nature of any discussions between the Alpha Main Listed



Issuer and the securities regulatory authority relevant thereto, and any decision of the securities regulatory authority with respect to the ability of the Alpha Main Listed Issuer to make or continue confidential disclosure, or requiring the Alpha Main Listed Issuer to make general disclosure.

- (4) Alpha Main Listed Issuers that are reporting issuers in other jurisdictions must ensure that they comply with all applicable rules in addition to this Part.

#### **4.09 Maintaining Confidentiality**

- (1) Where disclosure of material information is delayed, the Alpha Main Listed Issuer must maintain complete confidentiality. In the event that such confidential information, or rumours respecting the confidential information, is divulged in any manner (other than in the necessary course of business), the Alpha Main Listed Issuer is required to make an immediate announcement on the matter. The Market Regulator must be notified of the announcement, in advance, in the usual manner. During the period before material information is disclosed, market activity in the Alpha Main Listed Issuer's securities should be closely monitored by the Alpha Main Listed Issuer. Any unusual market activity probably means that news of the matter is being disclosed and that certain persons are taking advantage of it. In such case, the Market Regulator should be advised immediately and a halt in trading will be imposed until the Alpha Main Listed Issuer has made disclosure of the material information.
- (2) At any time when material information is being withheld from the public, the Alpha Main Listed Issuer is under a duty to take precautions to keep such information completely confidential. Such information should not be disclosed to any of the Alpha Main Listed Issuer's officers, employees or advisers, except in the necessary course of business. The directors, officers and employees of an Alpha Main Listed Issuer should be reminded on a regular basis that confidential information obtained in the course of their duties must not be disclosed.

#### **4.10 Insider Trading**

- (1) Alpha Main Listed Issuers should make insiders and others who have access to material information about the Alpha Main Listed Issuer before it is generally disclosed aware that trading in securities of the issuer (or securities whose



- market price or value varies materially with the securities of the reporting issuer) while in possession of undisclosed material information or tipping such information is prohibited under applicable securities legislation, and may give rise to administrative, civil and/or criminal liability.
- (2) In any situation where material information is being kept confidential, management is under a duty to take every possible precaution to ensure that no trading whatsoever takes place by any insiders or persons in a “special relationship” with the Alpha Main Listed Issuer in which use is made of such information before it is generally disclosed to the public.
- (3) In the event that the Market Regulator is of the opinion that insider or improper trading may have occurred before material information has been disclosed and disseminated, the Market Regulator may require that an immediate announcement be made disclosing such material information. The Market Regulator will refer the matter to the appropriate securities regulatory authority for enforcement action.

#### **4.11 No Selective Disclosure**

- (1) Disclosure of material information must not be made on a selective basis. The disclosure of material information should not occur except by means that ensure that all investors have access to the information on an equal footing. Alpha Exchange recognizes that good corporate governance involves actively communicating with investors, brokers, analysts, and other interested parties with respect to the corporation’s business and affairs, through private meetings, formal or informal conferences, or by other means. However, when communications of any nature occur other than widely disseminated press releases in accordance with this rule, Alpha Main Listed Issuers may not, under any circumstances, communicate material information to anyone, other than in the necessary course of business, in which case the party receiving the information must be instructed to keep it confidential and not to trade the Alpha Main Listed Issuer’s securities.
- (2) The board of directors of an Alpha Main Listed Issuer should put in place policies and procedures that will ensure that those responsible for dealing with shareholders, brokers, analysts, and other external parties are aware of their





and the Alpha Main Listed Issuer's obligations with respect to the disclosure of material information.

- (3) Should material information be disclosed, whether deliberately or inadvertently, other than through a widely disseminated press release in accordance with the rule, the Alpha Main Listed Issuer must immediately contact the Market Regulator and request a trading halt pending the widespread dissemination of the information.



## Part V. Periodic Disclosure

### 5.01 Documents required to be Posted

- (1) Every Alpha Main Listed Issuer must promptly Post the following documents with Alpha Exchange:
  - (a) every document required by Part IV, Part VI, Part VII and Part VIII of this Alpha Main Listing Handbook;
  - (b) every document required to be filed with any securities regulatory authority for a jurisdiction in which it is a reporting issuer or equivalent, to be delivered to security holders of an Alpha Main Listed Issuer or to be filed on SEDAR to be Posted concurrently or as soon as practicable following the filing with the securities regulatory authority or SEDAR or the delivery to security holders;
  - (c) annual financial statement and Management's Discussion and Analysis or an annual management report on fund performance as provided for in National Instrument 81-106 - *Investment Fund Continuous Disclosure*, as applicable;
  - (d) interim financial statements and Management's Discussion and Analysis or an interim management report on fund performance as provided for in National Instrument 81-106 - *Investment Fund Continuous Disclosure*, as applicable;
  - (e) quarterly updates (Form 5 or Form 5A) current as of the last day of the relevant quarter, to be Posted concurrently with an Alpha Main Listed Issuer's interim financial statement; and
  - (f) other than Special Purpose Issuers which are investment funds, an Annual Information Form (AIF), to be Posted concurrently with the Alpha Main Listed Issuer's audited annual financial statements.

#### Commentary:



Documents that are also required to be filed with securities regulatory authorities must be filed on SEDAR before or concurrently with such Posting to Alpha Exchange.

## **5.02 Dividends or Other Distribution**

- (1) In addition to any other requirements of this Alpha Main Listing Handbook, Alpha Main Listed Issuers must notify Alpha Exchange of any dividend or other distribution (whether regular or special) to holders of Alpha Main Listed Securities at least seven trading days prior to the Record Date for the distribution by way of a Notice of Additional Listing (Form 12), if the dividend is in the form of Alpha Main Listed Securities, or by way of a Notice of Cash Dividend (Form 18) for the distribution of cash or other assets. This allows Alpha Exchange to establish “ex” trading dates with respect to the distribution.

## **5.03 Other Notifications and Changes of Corporate Information**

- (1) In addition to any other requirements of this Alpha Main Listing Handbook, Alpha Main Listed Issuers must notify Alpha Exchange of any corporate action that may affect holders of Alpha Main Listed Securities at least seven trading days prior to the Record Date for the corporate action to allow the setting of an “ex” trading date, if applicable. These actions include, but are not limited to, changes of transfer agent and registrar, change in general Alpha Main Listed Issuer information, change in the jurisdiction of organization of the Alpha Main Listed Issuer, change in the Alpha Main Listed Issuer’s fiscal year end, change in the Alpha Main Listed Issuer’s interlisted status and full or partial redemptions or retractions of an Alpha Listed Security. Such notice should be provided by submitting a notice of change of information (Form 20). If an Alpha Main Listed Issuer wishes to move from a Alpha Venture Plus Listed Issuer to an Alpha Main Listed Issuer, the Alpha Main Listed Issuer must Post a notice of change of corporate information (Form 20).



## **Part VI. Corporate Finance and Capital Structure Changes**

### **6.01 Compliance with Disclosure Obligations**

- (1) Every transaction, except as noted below, governed by this Part is deemed to be “material information” that must be disclosed immediately under Alpha Exchange’s Timely Disclosure Policy, even if the Market Regulator determines not to halt trading for dissemination. Alpha Main Listed Issuers must ensure they issue a press release prior to Posting any documents required by this Part.

#### **Commentary:**

A grant of a Stock Option in the normal course is not necessarily material information. Alpha Main Listed Issuers must make a determination on a case-by-case basis.

- (2) An Alpha Main Listed Issuer must give Alpha Exchange prior notice of any issuance or potential issuance of securities of a class of Alpha Main Listed Securities as provided in this Part.
- (3) In addition to any other requirements of this Alpha Main Listing Handbook, Alpha Main Listed Issuers must notify Alpha Exchange of any corporate action that may affect holders of Alpha Main Listed Securities at least seven trading days prior to the Record Date for the corporate action to allow the setting of an “ex” trading date, if applicable.

### **6.02 Compliance with Shareholder Approval Requirements**

- (1) Transactions subject to this Part of the Handbook may also be subject to prior shareholder approval required in Part X of this Alpha Main Listing Handbook.

#### **A. Distributions of a Class of Alpha Main Listed Securities**

### **6.03 Application of Division A**

- (1) Division A of Part VI applies to a class or series of Alpha Main Listed Securities that are already listed for trading on Alpha.



## 6.04 Prospectuses

- (1) An Alpha Main Listed Issuer that proposes to issue securities pursuant to a prospectus must promptly Post:
  - (a) a preliminary notice of the proposed offering (Form 6);
  - (b) a copy of the preliminary prospectus; and
  - (c) any other documents relating to the proposed offering that may be of interest to investors, provided Posting those documents does not contravene applicable securities law.
- (2) The pricing rules for private placements in section 6.05 of this Alpha Main Listing Handbook and the shareholder approval requirements for private placements in section 10.07 of this Alpha Main Listing Handbook apply to issuances of Alpha Main Listed Securities by prospectus. Section 6.06 applies to the issuance of convertible or exchangeable securities issued pursuant to a prospectus.
- (3) Upon closing of the offering, the Alpha Main Listed Issuer must Post:
  - (a) a final notice of the offering (Form 6), blacklined to the preliminary notice;
  - (b) a copy of the final prospectus;
  - (c) a copy of the receipt(s) for the final prospectus; and
  - (d) an opinion of counsel that the securities to be issued pursuant to the offering (and any underlying securities, if applicable) are or will be duly issued and are or will be fully paid and non-assessable.
- (4) The securities will normally be posted for trading upon closing of the offering. At the request of the Alpha Main Listed Issuer, Alpha Exchange may establish an “if, as and when issued” market prior to the closing of the offering. No such market will be established prior to the issuance of a receipt for the final prospectus.



## 6.05 Private Placements

(1) Alpha Exchange considers a “private placement” to be an issuance of securities from treasury for cash or to settle a *bona fide* debt (including securities for services rendered) in reliance on an exemption from the prospectus requirements in applicable securities legislation.

(2) Subject to section 10.07 of this Alpha Main Listing Handbook, the private placement must not be priced lower than the market price on the day preceding the date on which the Alpha Main Listed Issuer issued a press release announcing the placement or the date of the price reservation notice, less the applicable discount (the “maximum discount”):

<i>Market Price</i>	<i>Maximum Discount</i>
\$0.50 or less	25%
\$0.51 - \$2.00	20%
Above \$2.00	15%

(3) The closing market price must be adjusted for any stock splits or consolidations and must not be influenced by the Alpha Main Listed Issuer, any director or officer of the Alpha Main Listed Issuer or any party with knowledge of the private placement.

(4) If debt is to be exchanged for securities, the issue price is the face value of the debt divided by the number of securities to be issued. If the private placement is of special warrants, the issue price is the total proceeds to the Alpha Main Listed Issuer (before payment of any agent’s or other fees) divided by the maximum number of securities that may be issued, assuming any penalty provisions are triggered. If warrants or other convertible securities are to be issued, the Alpha Main Listed Issuer must also comply with Section 6.08.

(5) An Alpha Main Listed Issuer wishing to do a private placement at the current market price may request price protection by giving Alpha Exchange confidential notice in writing. The price protection and any price reserved by



way of press release expires if the transaction has not closed 45 days after the date on which it is given.

- (6) An Alpha Main Listed Issuer that proposes to issue securities pursuant to a private placement must promptly Post a preliminary notice of the proposed placement (Form 7) at least 5 trading days prior the close of the private placement.
- (7) Upon closing of the placement the Alpha Main Listed Issuer must Post:
  - (a) a final notice of the offering (Form 7), blacklined to the preliminary notice;
  - (b) a letter from the Alpha Main Listed Issuer confirming receipt of proceeds;
  - (c) if applicable, a certified copy of the minutes of the shareholder meeting approving the placement containing the exact wording of the resolution and confirming that it was adopted by a majority of shareholders other than those excluded from voting by Alpha Exchange Requirements or corporate or securities law; and
  - (d) an opinion of counsel that the securities to be issued pursuant to the offering (and any underlying securities, if applicable) are or will be duly issued and are or will be fully paid and non-assessable.

#### **6.06 Securities Issuable on Conversion of an Option, Warrant and Convertible Securities Other Than Incentive Options**

- (1) Securities issuable on conversion of an option (other than Stock Options), warrant or other convertible securities must not be issued at less than the market price on the trading day prior to the day on which a press release announcing the placement was issued. The price may be adjusted for any payment for the convertible security.

##### **Commentary:**

If the market price was \$0.50 and a warrant sold for \$0.05, the conversion price could be \$0.45. If a convertible share were issued for \$1.00, it could not be convertible into more than 2 common shares.



- (2) Convertible securities may not be issued for no consideration except as “sweeteners” in conjunction with a private placement or public offering of Alpha Main Listed Securities, in which case the number of securities issuable upon conversion cannot exceed the number of Alpha Main Listed Securities initially placed or offered.
- (3) Except in exceptional circumstances and with the prior approval of a majority of Unrelated Directors of the Alpha Main Listed Issuer, non-material changes to the characteristics of the security may not occur except pursuant to standard anti-dilution provisions. For greater certainty, the fact that a convertible security will expire out of the money is not an exceptional circumstance. An Alpha Main Listed Issuer must submit a notice (Form 9) to Alpha at least 5 trading days prior to such proposed amendments. Any material changes must be approved by security holders other than by those whose securities are subject to such changes.

**Commentary:**

This section applies to securities of an Alpha Main Listed Issuer convertible into its own securities. Requirements for listed warrants of Other Listed Issuers are contained in section 6.18 of this Alpha Main Listing Handbook.

Materiality is a matter of judgment in the particular circumstance; an Alpha Main Listed Issuer’s board of directors must determine materiality. A “material” amendment to the terms of an option, warrant and convertible security include (but are not limited to), the following:

- a material extension of the term of the convertible security (for example: (i) an extension of a term of a grant by a month may be immaterial but becomes material if that additional month extends the grant past a date when an expected release of information is to occur; (ii) an extension of a grant with a term of 8 years for an additional year may be nonmaterial but becomes material if the exercise price is materially lower than the prevailing market price); or
- a re-pricing of any grant (where “re-pricing” means any of the following or any other action that has the same effect: (i) lowering of an conversion/exercise price of an option, warrant or convertible security after it is granted; (ii) any other action that is treated as a re-pricing under generally accepted accounting principles; or (iii) canceling an option, warrant or convertible security at a time when its conversion/exercise price exceeds the fair market value of the underlying security, in exchange for another security, unless the cancellation and exchange





occurs in connection with an amalgamation, acquisition, spin-off or other similar corporate transaction.

## 6.07 Acquisitions

- (1) Securities may be issued as full or partial consideration at not less than the maximum discount permitted by section 6.05. Management of the Alpha Main Listed Issuer is responsible for ensuring that the consideration received is reasonable and must retain copies of evidence of value including confirmation of out-of-pocket costs or replacement costs, fairness opinions, geological reports, financial statements or valuations. This documentation must be made available to Alpha Exchange upon request.
- (2) An Alpha Main Listed Issuer that proposes to issue securities in consideration for an acquisition must promptly Post a preliminary notice of the proposed acquisition (Form 8), at least 5 trading days prior the close of the acquisition.
- (3) Upon closing of the acquisition the Alpha Main Listed Issuer must Post:
  - (a) a final notice of the offering (Form 8), blacklined to the preliminary notice;
  - (b) a letter from the Alpha Main Listed Issuer confirming closing of the transaction and receipt of the assets, transfer of title of the assets or other evidence of receipt of consideration for the issuance of the securities;
  - (c) if applicable, a certified copy of the minutes of the shareholder meeting approving the acquisition containing the exact wording of the resolution and confirming that it was adopted by a majority of shareholders other than those excluded from voting by Alpha Exchange requirements or corporate or securities law; and
  - (d) an opinion of counsel that the securities to be issued pursuant to the offering (and any underlying securities, if applicable) are or will be duly issued and are or will be fully paid and non-assessable.



## 6.08 Incentive and Compensation Options

(1) This section governs the issuance of incentive and compensation options, including Stock Options, other than overallotment options to an underwriter in a prospectus offering or options to increase the size of the distribution prior to closing, that are used as incentives or compensation mechanisms for employees, directors, officers, consultants and other Persons who provide services for Alpha Main Listed Issuers.

### **Commentary:**

Amendments to Security Based Compensation Arrangements may be subject to board and shareholder approval as provided in Section 10.10 of this Alpha Main Listing Handbook.

- (2) Stock Options may not have an exercise price lower than the closing market prices of the underlying securities on the trading day prior to the date of grant of the Stock Options.
- (3) Alpha Main Listed Issuers should not price an option where the market price does not reflect undisclosed material information, unless the issuance of the option is granted to an arm's length party in connection with a material transaction that is not required to be disclosed at that time (e.g. an option issued to an employee of a company to be acquired issued as an incentive for them to remain).
- (4) An Alpha Main Listed Issuer's Security Based Compensation Arrangement must state a maximum number of securities issuable pursuant to such plan either as a fixed number or percentage of the Alpha Main Listed Issuer's outstanding securities.
- (5) An Alpha Main Listed Issuer that has instituted a Security Based Compensation Arrangement must Post the following concurrent with the first grant under the plan:
- (a) a copy of the Security Based Compensation Arrangement; and
  - (b) if applicable, a certified copy of the minutes of the shareholder meeting approving the plan containing the exact wording of the resolution and



confirming that it was adopted by a majority of shareholders other than those excluded from voting by subsection 10.10.

(6) Immediately following each grant, the Alpha Main Listed Issuer must Post:

- (a) a notice of Security Based Compensation Arrangement grant or amendment (Form 9); and
- (b) if the option is granted outside of the Security Based Compensation Arrangement, an opinion of counsel that the securities to be issued will be duly issued and will be fully paid and non-assessable.

(7) An Alpha Main Listed Issuer that has materially amended a Security Based Compensation Arrangement must Post the following forthwith after the amendment:

- (a) a copy of the Security Based Compensation Arrangement;
- (b) if applicable, a certified copy of the minutes of the board of directors' meeting or shareholder meeting approving the amendment containing the exact wording of the resolution and confirming that it was adopted by a majority of directors or shareholders other than those excluded from voting by Alpha Exchange Requirements; and
- (c) an opinion of counsel that any additional securities to be issued pursuant to the Security Based Compensation Arrangement will be duly issued and will be fully paid and non-assessable.

**Commentary:**

Materiality is a matter of judgment in the particular circumstance; an Alpha Main Listed Issuer's board of directors must determine materiality.

(8) A Security Based Compensation Arrangement that existed prior to the issuer becoming listed on Alpha must comply with the requirements of this section 6.08.



## 6.09 Rights Offerings

- (1) An Alpha Main Listed Issuer intending to do a rights offering must inform Alpha Exchange immediately. Notice may be on a confidential basis if the terms have not been finalized.
- (2) The rights offering can be conditional; rights must be transferable and will be posted for trading on Alpha Main. Rights can be issued to purchase shares of a reporting issuer in Canada, listed on a Canadian exchange and categorized as a “non-venture” issuer. Shareholders must receive at least one right for each share held.
- (3) An Alpha Main Listed Issuer must finalize the terms of the rights offering and obtain clearance from all applicable securities regulatory authorities *at least seven trading days* prior to the Record Date for a rights offering. “Ex” trading will begin two trading days prior to the Record Date, meaning purchasers on and after that date will not be entitled to obtain rights certificates. Trading in the rights will begin on the first day of “ex” trading in the Alpha Main Listed Securities. If insufficient notice is given, Alpha Exchange will require the Alpha Main Listed Issuer to delay the Record Date.
- (4) At least seven trading days prior to the Record Date the Alpha Main Listed Issuer must Post the following:
  - (a) a copy of the final rights circular or prospectus as approved by the applicable securities regulatory authority;
  - (b) a written statement as the date on which the offering circular and rights certificates will be mailed to shareholders (which must be as soon as practicable following the Record Date);
  - (c) Where the securities of the other issuer underlying the rights are listed on another exchange, Alpha Exchange will require evidence of a conditional approval letter approving such transaction; and
  - (d) an opinion of counsel that the securities to be issued on exercise of the rights will be duly issued and will be fully paid and non-assessable.



- (5) The Alpha Main Listed Issuer must also provide Alpha Exchange with a specimen copy of the rights certificate at least seven trading days prior to the Record Date.
- (6) The rights offering must be open for a minimum of 21 days following the Record Date. Once the rights offering has commenced, there may be no amendments to its terms except as permitted by Alpha Exchange in extremely exceptional circumstances, such as an unanticipated postal strike that makes timely delivery of the circular and certificates impossible.
- (7) If the offering provides a rounding mechanism whereby rights holders holding less rights than are needed to buy one share can have their entitlement adjusted, arrangements must be made to ensure Beneficial Holders registered in the name of the Clearing Corporation or an intermediary will be treated as if they were Registered Holders of an Issuer.

#### **6.10 Issuer Bids**

- (1) An Alpha Main Listed Issuer undertaking a formal issuer bid for a class of Alpha Main Listed Securities must Post the following documentation:
  - (a) a notice of the issuer bid (Form 10) within one trading day following announcement of the bid; and
  - (b) a copy of the issuer bid circular required by applicable securities legislation as soon as practicable.
- (2) Normal course issuer bids are governed by sections 6.20 to 6.22 of this Alpha Main Listing Handbook.

#### **6.11 Take-Over Bids**

- (1) An Alpha Main Listed Issuer undertaking a take-over bid must Post the following documentation:
  - (a) a notice of the take-over bid (Form 11) within one trading day following announcement of the bid;
  - (b) a copy of the take-over bid circular as soon as such document is filed on SEDAR; and



- (c) an opinion of counsel that any securities to be issued (and any underlying securities, if applicable) are or will be duly issued and are or will be fully paid and non-assessable as soon as practicable.
- (2) If the Alpha Main Listed Issuer is offering a new class of securities as payment under the bid and wishes to list those securities, the provisions of section 6.18 (supplemental listings) and 6.19 (restricted securities) apply.

## **6.12 Additional Listings for Other Purposes**

- (1) An Alpha Main Listed Issuer that wishes to issue securities of a class of Alpha Main Listed Securities for any other purpose (for example bonus shares) must Post the following documentation within seven trading days (subject to any other timing requirements of the Handbook) prior to issuing the securities:
  - (a) a notice of additional listing (Form 12);
  - (b) copies of all relevant agreements; and
  - (c) an opinion of counsel that the securities to be issued (and any underlying securities, if applicable) are or will be duly issued and are or will be fully paid and non-assessable.



## 6.13 Sales from Control Person through the Facilities of Alpha Exchange

- (1) Responsibility of Participating Organization and Seller. It is the responsibility of both the selling security holder and Member acting on their behalf to ensure compliance with Alpha Exchange Requirements and applicable securities laws. In particular, Member and selling security holders should familiarize themselves with the procedures and requirements set out in Part 2 of National Instrument 45-102 – *Resale of Securities* (“**NI 45-102**”).

### **Commentary:**

If securities are to be sold from a Control Person pursuant to an order made under section 74 of the *Securities Act* (Ontario) or an exemption contained in subsection 72(1) of the *Securities Act* (Ontario) or Part 2 of OSC Rule 45-501, the securities acquired by the purchaser may be subject to a hold period in accordance with the provisions of the *Securities Act* (Ontario) or NI 45-102. Sales of securities subject to a hold period are special terms trades and will normally be permitted to take place on Alpha Main without interference.

- (2) General Rules for Control Person Sales on Alpha Exchange.
- (a) Posting. The seller shall Post a Form 45-102F1 - *Notice of Intention to Distribute Securities* under subsection 2.8 of NI 45-102 with Alpha Main at least seven trading days prior to the first trade made to carry out the distribution.
- (b) Notification of Appointment of Participating Organization. The seller must notify Alpha Exchange of the name of the Member which will act on behalf of the seller. The seller shall not change the Member without prior notice to Alpha Exchange.
- (c) Acknowledgement of Participating Organization. The Member acting as agent for the seller shall give notice to Alpha Exchange of its intention to act on the sale from control before the first sale commences.



- (d) Report of Sales. The Member shall report in writing to the Alpha Exchange within five days after the end of each month the total number of securities sold by the seller during the month, and, if and when all of the securities have been sold, the Member shall so report forthwith in writing to Alpha Exchange.
- (e) Issuance of Alpha Notice. Alpha Main shall issue a notice respecting the proposed sale from control which notice will contain the name of the seller, the number of securities of the listed company held by the seller, the number proposed to be sold, and any other information that Alpha Exchange considers appropriate. Alpha Exchange may issue further notices from time to time regarding the sales made by the seller
- (f) Term. The Posting of Form 45-102F1 expires on the earlier of:
- (i) thirty days after the date the Form 45-102F1 was filed, and
  - (ii) the date the selling security holder, or the lender, pledgee, mortgagee or other encumbrancer, files the last of the insider reports reflecting the sale of all securities referred to in the Form 45-102F1.
- (g) First Sale. The first sale cannot be made until at least seven trading days after the Posting of Form 45-102F1.

**Commentary:**

Alpha Exchange may, in circumstances it considers appropriate, require that special conditions be met with respect to any sales. Possible conditions include, but are not limited to, the requirement that the seller not makes a sale below the price of the last sale of a board lot of the security on Alpha Main which is made by another person or company acting independently.

(3) Restrictions on Control Person Sales on Alpha Exchange.

- (a) Private Agreements. A Member is not permitted to participate in sales from a Control Person by private agreement transactions.





- (b) Normal Course Issuer Bids. If the Alpha Main Listed Issuer of the securities which are the subject of the sale from Control Person is undertaking a Normal Course Issuer Bid in accordance with Sections 6.20 to 6.22 of this Alpha Main Listing Handbook, the Normal Course Issuer Bid and the sale from Control Person will be permitted on the condition that:
- (i) the Member acting for the Alpha Main Listed Issuer confirms in writing to Alpha Exchange that it will not bid for securities on behalf of the Alpha Main Listed Issuer at a time when securities are being offered on behalf of the Control Person seller;
  - (ii) the Member acting for the Control Person seller confirms in writing to Alpha Exchange that it will not offer securities on behalf of the Control Person seller at a time when securities are being bid for under the Normal Course Issuer Bid; and
  - (iii) transactions in which the Alpha Main Listed Issuer is on one side and the Control Person seller on the other are not permitted.
- (c) Price Guarantees. The price at which the sales are to be made cannot be established or guaranteed prior to the seventh day after the Posting of Form 45-102F1 with Alpha Exchange.

## **B. Substitutional Listings Related to Corporate Actions**

### **6.14 Name Change**

- (1) An Alpha Main Listed Issuer that changes its name must Post the following at least seven trading days prior to the effective date in order to be listed under the new name:
- (a) a notice of change of information (Form 20);
  - (b) a notarial or certified copy of the Certificate of Amendment or equivalent giving effect to the name change;
  - (c) confirmation from the registrar and transfer agent that it can effect transfer in the new issue on a book-only basis;



- (d) confirmation of the new CUSIP number or that the number is unchanged;  
and
  - (e) confirmation that the issuer has notified commissions in all jurisdictions in which it is a reporting issuer of the name change.
- (2) Alpha Exchange may assign a new stock symbol. The Alpha Main Listed Issuer should submit any requests in this regard in advance of the name change becoming effective.

### **6.15 Stock Subdivisions (Stock Splits)**

- (1) The Alpha Main Listed Issuer must Post the following documentation at least seven trading days prior to the Record Date:
- (a) a notice of the security split (Form 13);
  - (b) written confirmation of the Record Date;
  - (c) an opinion of counsel that all necessary steps have been taken to effect the subdivision and that the securities to be issued will be duly issued and will be fully paid and non-assessable; and
  - (d) if the security split is part of a reclassification, confirmation of the new CUSIP number.
- (2) The securities will begin trading on a split basis two trading days prior to the Record Date.

### **6.16 Security Consolidations**

- (1) A new CUSIP number must be obtained for the consolidated securities.
- (2) An Alpha Main Listed Issuer may not consolidate its securities if the total securities outstanding and number of Board Lot holders following the consolidation would be less than the minimums for continued listing set out in section 9.03.
- (3) To give effect to a security consolidation, the Alpha Main Listed Issuer must Post the following:



- (a) a notice of the security consolidation (Form 14);
  - (b) a certified copy of the minutes of the security holder meeting approving the consolidation;
  - (c) a certified copy of the Certificate of Amendment giving effect to the consolidation, or equivalent document;
  - (d) an opinion of counsel that all necessary steps have been taken to effect the consolidation; and
  - (e) confirmation of the new CUSIP number.
- (4) The securities will normally begin trading on a consolidated basis two or three trading days after all documents are filed.
- (5) Alpha Exchange will assign a new stock symbol when the securities begin trading on a consolidated basis. The Alpha Main Listed Issuer should submit any requests in this regard in advance of the consolidation becoming effective.

#### **6.17 Security Reclassifications with No Security Split**

- (1) An Alpha Main Listed Issuer wishing to effect a security reclassification not involving a security split, a reclassification into more than one class of securities or other change to its capital structure must consult Alpha. The requirements to give effect to the reclassification will be tailored to the Alpha Main Listed Issuer's particular situation.
- (2) To give effect to a security restructuring, the Alpha Main Listed Issuer must Post the following:
- (a) a notice of the security restructuring (Form 15);
  - (b) a certified copy of the minutes of the security holder meeting approving the restructuring;
  - (c) a copy of the Certificate of Amendment giving effect to the restructuring, or equivalent document;



- (d) an opinion of counsel that all necessary steps have been taken to effect the reclassification, and that the new securities are or will be duly authorized and are or will be fully-paid and non-assessable; and
  - (e) confirmation of the new CUSIP number(s).
- (3) The new securities will normally begin trading three trading days after all documents are filed.
- (4) Alpha Exchange may assign a new stock symbol to the new securities. The Alpha Main Listed Issuer should submit any requests in this regard in advance of the restructuring becoming effective.

## **C. Supplemental Listings**

### **6.18 Supplemental Listings Relating to a New Class or Series**

- (1) An Alpha Main Listed Issuer or an Other Listed Issuer may apply to have a new class or series of securities listed and posted for trading on Alpha.
- (2) All original listing requirements and the distribution requirements apply to a supplemental listings relating to a new class or series of securities other than those supplemented subsection 6.18(3) and 6.18(4).
- (3) *Warrants* — Warrants issued by an Alpha Main Listed Issuer (other than a Special Purpose Issuer) to purchase Alpha Main Listed Securities of its own issue must have at least 100,000 warrants outstanding held by at least 100 warrant holders, each holding at least 100 warrants, and the warrant indenture must provide that the terms of the warrants cannot be amended except pursuant to standard anti-dilution provisions. Any other warrants issued by a Special Purpose Issuer must meet the requirements for Special Purpose Issuers set out in section 2.04 of this Alpha Main Listing Handbook.
- (4) *Preference Shares* — Each class of listed Preference Shares must have at least 100,000 shares outstanding held by at least 100 shareholders, each holding at least 100 shares.
- (5) The application for a supplemental listing of an Alpha Main Listed Issuer must include the following:



- (a) a completed Listing Application (Form 1 or 1A) together with the supporting documentation set out in Appendix A to the Listing Application (as it relates to the supplemental listing); and
  - (b) a draft Listing Statement (Form 2 or 2A).
- (6) Alpha Exchange will use its best efforts to review the application in a timely manner with due regard to any schedule for filing a prospectus. Alpha Exchange may require the Alpha Main Listed Issuer to file additional documentation in order to properly conduct its review.
- (7) The Alpha Main Listed Issuer must submit the following documentation for final listing approval and posting of its securities for trading on Alpha:
- (a) an originally executed copy of the Listing Statement (Form 2 or 2A) dated within three business days of the date they are submitted together with any additions or amendments to any supporting documentation previously provided;
  - (b) an opinion of counsel that all securities previously issued of the class of securities to be listed or that may be issued upon conversion, exercise or exchange of other previously-issued securities are or will be duly issued and are or will be outstanding as fully paid and non-assessable;
  - (c) a letter from the transfer agent stating the number of securities outstanding and confirmation of the number of securityholders holding at least one Board Lot of the securities;
  - (d) confirmation of the new CUSIP number;
  - (e) a definitive specimen of the share certificate; and
  - (f) the applicable fee.

## **6.19 Restricted Securities**

- (1) An Alpha Main Listed Issuer proposing a supplemental listing of a new class of Restricted Securities must comply with section 6.18 of this Alpha Main Listing Handbook.



- (2) An Alpha Main Listed Issuer with listed Restricted Securities may not distribute any securities that have greater voting rights than any class of listed Restricted Securities (including by way of capital reorganization, a pro-rata distribution of securities or any transaction that would change the ratio of outstanding Restricted Securities to Common shares) unless the distribution is to all of the Alpha Main Listed Issuer's Equity Shareholders on a *pro rata* basis and such distribution has been approved by the holders of the Restricted Securities.

#### **D. Issuer Bids Through Alpha's Facilities**

##### **6.20 Normal Course Issuer Bids - Procedure**

- (1) Sections 6.20 through 6.22 apply
- (a) to all Normal Course Issuer Bids by Alpha Main Listed Issuers; and
  - (b) to all purchases of Alpha Main Listed Securities by a trustee or other agent for a pension, stock purchase, stock option, dividend reinvestment or other plan in which employees or securities holders of an Alpha Main Listed Issuer may participate if:
    - (i) the trustee or agent is an employee, director, associate or affiliate of the Alpha Main Listed Issuer; or
    - (ii) the Alpha Main Listed Issuer directly or indirectly controls the time, price, amount or manner of purchases or directly or indirectly influences the choice of the broker through which purchases are made.

#### **Commentary:**

These sections do not apply if the purchases are made on the specific instruction of the employee or security holder who will be the beneficial owner of the securities purchased.

- (2) An Alpha Main Listed Issuer must not announce a Normal Course Issuer Bid or Post any documentation in connection with a Normal Course Issuer Bid if it does not have a present intention to purchase securities.



- (3) The maximum number of securities to be purchased under a Normal Course Issuer Bid cannot be a number that would make that class of securities ineligible for continued listing on Alpha Main assuming all the securities are purchased.
- (4) An Alpha Main Listed Issuer intending to make a Normal Course Issuer Bid for a class of Alpha Main Listed Securities must Post a draft notice of the Normal Course Issuer Bid (Form 16A) which states the maximum number of securities the issuer intends to purchase under the bid seven trading days prior to issuing a news release announcing the details of the bid; the final Form 16A must be Posted when the news release is disseminated.

**Commentary:**

An issuer may make a bid for less than the maximum number of securities permitted by the definition of Normal Course Issuer Bid. If so the Form 16A must contain the number of securities the issuer intends to purchase rather than simply stating the maximum number. Subsection (7) allows an Alpha Main Listed Issuer to increase the maximum number of securities that are the subject of the bid.

Alpha will review the Form 16A to determine if the NCIB is acceptable based on market integrity concerns.

The news release announcing the bid must contain a summary of the information in Form 16A, including the maximum number of shares to be purchased, the reason for the bid, any restrictions on purchase and the number of shares purchased in the preceding twelve months.

- (5) A final Form 16A notice expires on the earlier of:
- (a) one year from the date of filing of the initial notice; and
  - (b) any earlier date specified in the notice.

**Commentary:**

An issuer wishing to continue a bid for more than one year must file a new Form 16A no later than the expiry date of the current form.

- (6) The maximum number of securities that can be purchased under the bid must be adjusted for stock splits, stock dividends and stock consolidations. The Alpha



Main Listed Issuer must Post an amended Form 16A reflecting the adjustment at the same time as it Posts the documentation required for the subdivision or consolidation.

(7) If:

- (a) the original Form 16A specified purchases of less than the maximum number permitted under the definition of Normal Course Issuer Bid; or
- (b) the number of securities outstanding of the class that is the subject of the Normal Course Issuer Bid has increased by more than 25% from the date of Posting of the original Form 16A,

an Alpha Main Listed Issuer must Post a revised Form 16A permitting the purchase of up to the greater of 10% of the Public Float or 5% of the outstanding securities as of the date of the Posting of the amended Form 16A.

(8) An Alpha Main Listed Issuer must Post a revised Form 16A in the event of any material change in the information in the current Form 16A as soon as practicable following the material change.

**Commentary:**

A change in the number of shares outstanding is not a material change requiring filing of an amended form unless the issuer is increasing the number of shares it intends to purchase pursuant to subsection (7). A decrease in the number of shares the issuer intends to purchase is a material change.

- (9) An Alpha Main Listed Issuer must issue a news release prior to or concurrently with the filing of any amended Form 16A containing full details of the amendment.
- (10) An amended Form 16A expires on the same date as the original Form 16A.
- (11) Within 10 days of the end of each calendar month, the Alpha Main Listed Issuer, trustee or agent must Post a completed Form 16B indicating the number of securities purchased in the previous month on Alpha and otherwise including the volume weighted average price paid.





## 6.21 Normal Course Issuer Bids — Restrictions on Purchases

- (1) An Alpha Main Listed Issuer, trustee or agent may only appoint one Member at any one time to make purchases under the bid. The Alpha Main Listed Issuer must notify the Market Regulator and Alpha Exchange of the name of the Member and the registered representative responsible for the bid. To assist Alpha Exchange in its surveillance function, the Alpha Main Listed Issuer is required to provide written notice to Alpha Exchange before it intends to change its purchasing Member. The purchasing Member shall be provided with a copy of the Form 16A and be instructed to make purchases in accordance with the provisions herein and the terms of such notice.
- (2) Normal course issuer bid purchases may not be made by intentional crosses, prearranged trades or private agreements, except for purchases under the block purchase exemption in subsection 6.22(5).
- (3) If a Normal Course Issuer Bid is outstanding at the time a sale from a Control Person under Part 2 of National instrument 45-102 - *Resale of Securities* is underway, the Member making purchases under the bid must ensure that it is not bidding for securities at the same time securities are offered under the sale from control.
- (4) An Alpha Main Listed Issuer must not purchase securities under a Normal Course Issuer Bid while a formal issuer bid for the same securities is outstanding. This restriction does not apply to a trustee or agent making purchases for a plan in which employees or security holders participate.
- (5) If an Alpha Main Listed Issuer has a securities exchange take-over bid outstanding at the same time as a Normal Course Issuer Bid is outstanding for the offered securities, the Alpha Main Listed Issuer may only make purchases under the Normal Course Issuer Bid permitted by OSC Rule 48-501 - *Trading During Distributions, Formal Bids and Stock Exchange Transactions*.
- (6) An Alpha Main Listed Issuer, trustee or agent may not make any purchases under a Normal Course Issuer Bid while in possession of any material information that has not been disseminated under Part IV of this Alpha Main Listing Handbook.



- (7) Failure of a Member making purchases pursuant to a normal course issuer bid to comply with any requirement herein may result in the suspension of the bid.

## **6.22 Normal Course Issuer Bids — Limits on Price and Volume**

- (1) Normal Course Issuer Bid purchases may not begin until two trading days after the later of:
- (a) the Posting of a Form 16A or amended Form 16A in connection with the bid; and
  - (b) the issuance of a news release containing details of the Form 16A or amended Form 16A.
- (2) It is inappropriate for an Alpha Main Listed Issuer making a normal course issuer bid to abnormally influence the market price of its securities. Normal course issuer bid purchases must be made at or below the price of the last independent trade of the security at the time of purchase. Notwithstanding the foregoing, a violation to the preceding rule will not occur where: (i) the independent trade occurred no more than one second before the Normal Course Issuer Bid purchase that created the uptick; (ii) the independent trade is a down tick to the previous trade and the Normal Course Issuer Bid purchase would not have created an uptick to the trade prior to the last independent trade; and (iii) the price difference between the independent trade and the Normal Course Issuer Bid purchase was not more than \$0.02.

### **Commentary:**

The following are not considered independent trades, whether made directly or indirectly:

- trades for the account or an insider of the Alpha Main Listed Issuer or for an account under the direction of an insider;
- trades for the account of the Member making purchases under the bid or under the direction of the Member;
- trades solicited by the Member making purchases under the bid; and



- trades made by the Member making purchases for the bid in order to facilitate a subsequent block purchase by the Alpha Main Listed Issuer.

Alpha Exchange will not consider this section to be violated by an inadvertent uptick caused by a change in the last sale price that occurred immediately prior to the entry of the purchase order.

- (3) Normal course issuer bid purchases may not be made at the opening of trading or during the 30 minutes prior to the scheduled closing of the continuous trading session. Orders may be entered in the closing call notwithstanding the price restriction in subsection (2).
- (4) Except as provided in subsection (5), an Alpha Main Listed Issuer that is not an investment fund must not make a purchase that, when aggregated with all other purchases during the same trading day, exceeds the greater of:
- (a) 25% of the Average Daily Trading Volume of the security; and
  - (b) 1,000 of such securities.
- (5) Notwithstanding the restriction in subsection (4), an Alpha Main Listed Issuer may make a purchase of a block of securities that:
- (a) has a purchase price of at least \$200,000;
  - (b) is at least 5,000 securities with an aggregate purchase price of at least \$50,000; or
  - (c) is at least 20 Board Lots and is greater than 150% of the Average Daily Trading Volume of the security,
- provided that:
- (d) the block is not beneficially owned by, or is not under the control or direction of, a Related Person of an Issuer;
  - (e) the Alpha Main Listed Issuer makes no more than one purchase under this subsection in a calendar week; and



- (f) after making a block purchase, the Alpha Main Listed Issuer makes no further purchases during that trading day.

**Commentary:**

The block purchase exemption is only an exemption from the daily purchase restrictions. Alpha Main Listed Issuers cannot make a block purchase that would result in more shares purchased than permitted under the Form 16A filed in connection with the bid.

- (6) An Alpha Main Listed Issuer that is an investment fund must not make a purchase that, when aggregated with all other purchases during the preceding 30 days, exceeds 2% of the securities of that class outstanding as of the date of filing of the Form 16A in connection with the bid.

**E. Shareholder Rights Plans**

**6.23 Shareholder Rights Plans - Procedure**

- (1) This section applies to any shareholder rights plan, commonly known as a “poison pill,” adopted by an Alpha Main Listed Issuer, whether or not the rights entitle a shareholder to purchase an Alpha Listed Security.

**Commentary:**

Alpha Exchange does not endorse or prohibit the adoption of poison pills, whether or not in connection with a potential take-over bid. Poison pills are subject to review by the applicable securities commissions under National Policy 62-202 – *Take-Over Bids — Defensive Tactics*.

- (2) An Alpha Main Listed Issuer must Post the following documentation as soon as practicable after issuing a news release with details of the plan:
  - (a) a notice of the shareholder rights plan (Form 19); and
  - (b) a copy of the shareholder rights plan.
- (3) A shareholder rights plan may not exempt particular security holders from the operation of the plan, except for existing shareholders if there is minority shareholder approval.



**Commentary:**

Minority shareholder approval means the approval of security holders who are not exempted from the plan.

- (4) Security holders of the Alpha Main Listed Issuer must ratify the shareholder rights plan no later than six months following the adoption of or any material amendments to the plan. If security holder ratification is not obtained within this time period, the plan must be cancelled.
- (5) The Alpha Main Listed Issuer must issue a news release immediately upon the occurrence of an event causing the rights to separate from the Alpha Listed Security.

**Part VII. Significant Transactions**

**7.01 Notification**

- (1) An Alpha Main Listed Issuer must give notice of significant transactions that do not involve the issuance of securities. Alpha Exchange considers the following to be significant transactions:
  - (a) any transaction or series of transactions with a Related Person of an Issuer with an aggregate value greater than 10% of the Alpha Main Listed Issuer's market capitalization on a pre-transactional basis;
  - (b) any loan to an Alpha Main Listed Issuer other than by a financial intermediary (as defined in OSC Rule 14-501 - *Definitions*);
  - (c) any loan by an Alpha Main Listed Issuer unless such loan is in the ordinary course of business; or
  - (d) any payment of a bonus, finder's fee, commission or other similar payment in connection with an issuance of securities.

**Commentary:**

Alpha Exchange requires notice of significant transactions that are outside of the ordinary course of business that may raise market integrity issues. The above list details what transactions Alpha Exchange will consider to be outside of the ordinary course of business, however, Alpha Exchange, in its discretion, may



deem other transactions to be significant transactions requiring compliance with this Part.

- (2) In addition, an Alpha Main Listed Issuer must provide additional details of any transaction or development it is obliged to disclose under Alpha Exchange's Timely Disclosure Policy.

**Commentary:**

Alpha Exchange expects that an Alpha Main Listed Issuer will provide updates to the market when material changes occur in respect of a significant transaction. An Alpha Main Listed Issuer must provide sufficient details of any such developments to provide the market with a meaningful update. Examples of such changes include, but are not limited to: changes in the closing date of the acquisition; changes in consideration offered; creation of a new Related Person of an Issuer; and any risks involved in the acquisition.

- (3) A transaction that results in a change of business may be subject to the backdoor listing rules contained in Part VIII of this Alpha Main Listing Handbook. Significant related party transactions may also be subject to Multilateral Instrument 61-101 - *Protection of Minority Security Holders in Special Transactions*.
- (4) Alpha Main Listed Issuers intending to undertake a transaction for which notice is required must Post a notice of significant transaction (Form 17):
- (a) seven trading days prior to the public announcement of the transaction for all transactions which have an aggregate value greater than 10% of the Alpha Main Listed Issuer's market capitalization on a pre-transactional basis; or
  - (b) one trading day following the public announcement of the transaction for all other transactions.

All notices will be confidentially held by Alpha Exchange until the public announcement is made.

Alpha Exchange will review such Form 17 for market integrity issues.



(5) The Alpha Main Listed Issuer must notify Alpha Exchange when the transaction has closed.



## Part VIII. Backdoor Listings

### 8.01 Definition

- (1) Alpha Exchange considers a significant acquisition by an Alpha Main Listed Issuer accompanied or preceded by a change of control to be a “backdoor listing.”

**Commentary:**

A significant acquisition is any change, whether by asset purchase, take-over bid, amalgamation, arrangement, merger or otherwise that substantially change’s the Alpha Main Listed Issuer’s business. A business is considered to be substantially changed if more than 50% of the issuer’s assets or 50% of its revenues following the change are from the assets, business or other interest that is the subject of the significant acquisition.

A change of control results when an Alpha Main Listed Issuer issues more than 100% of the number of equity securities in connection with the significant acquisition (including an offering to raise money to be able to make a cash acquisition) or otherwise has a substantial change in management or the board of directors of the Alpha Main Listed Issuer.

As an example, if the number of securities issued or issuable by an investment fund in payment of the purchase price for an acquisition of another fund exceeds 100% of the number of securities outstanding of the investment fund which is an Alpha Main Listed Issuer, on a non-diluted basis, it will be considered a backdoor listing.

- (2) Alpha Exchange has discretion to deem any transaction or series of transactions to be a backdoor listing which will result in the Alpha Main Listed Issuer having to comply with all of the original listing requirements detailed in Part II. Alpha Main Listed Issuers are urged to consult with Alpha Exchange at an early stage when contemplating any transaction that might be considered a backdoor listing.





## 8.02 Exception

- (1) Backdoor listings are subject to additional regulation because the business of the Alpha Main Listed Issuer has fundamentally changed such that the Alpha Main Listed Issuer's past disclosure is not as relevant to the entity resulting from the significant acquisition. A transaction involving two or more Alpha Main Listed Issuers does not give rise to these concerns and will not be considered a backdoor listing except in exceptional cases; however, such Alpha Main Listed Issuers should consult with Alpha Exchange prior to undertaking a transaction resulting in a backdoor listing.
- (2) Notwithstanding anything else in this Handbook, the exemption in Section 8.02(1) does not apply to a backdoor listing of investment funds.

## 8.03 Procedure

- (1) An Alpha Main Listed Issuer undergoing a backdoor listing must meet the standards and follow the procedures outlined for an original listing. In addition, it must obtain security holder approval for the significant acquisition. For this purpose, holders of Restricted Securities must be entitled to vote with the holders of any class of securities of the Alpha Main Listed Issuer which otherwise carry greater voting rights, on a basis proportionate to their respective residual equity interests in the Alpha Main Listed Issuer.
- (2) The information circular or management proxy circular must contain prospectus-level disclosure for the resulting issuer, including historical financial statements for the company that is the target of the significant acquisition and pro forma consolidated financial statements for the last full fiscal year and any completed quarter of the current fiscal year. This information must also be included in the listing statement for the resulting company. Alpha Exchange will require the Alpha Main Listed Issuer to file a draft of the information circular or management proxy circular with Alpha Exchange for review at least 10 trading days before it sends the circular to security holders.
- (3) Principals of the resulting company must enter into an escrow agreement with Alpha that complies with the requirements of NP 46-201. Alpha Exchange will require the Alpha Main Listed Issuer provide a draft of such escrow agreement(s) to Alpha for review at least 10 trading days prior to its execution. The terms of the escrow agreement must be drafted as if the Alpha



Main Listed Issuer were an “established issuer” pursuant to the terms of NP 46-201.

**Commentary:**

Alpha Exchange may grant an exemption to the escrow agreement required if the resulting issuer will be an “exempt issuer” pursuant to section 3.2(b) of NP 46-201.

- (4) Securities issued pursuant to a backdoor listing will be subject to the Maximum Discount, minimum pricing and other requirements detailed in sections 6.05 and 6.06 of this Alpha Main Listing Handbook.
- (5) Following the security holder approval, the Alpha Main Listed Issuer must Post the following documents with Alpha Exchange:
  - (a) a certified copy of the scrutineer’s report which details the results of the vote on the resolution to approve the backdoor listing. If applicable, the report must confirm that security holder approval was obtained on any other matters in respect of which it was required;
  - (b) an original or notarial certified copy of any escrow agreement(s) required to be entered into pursuant to section 8.03(3);
  - (c) a legal opinion or officer’s certificate confirming that all closing conditions other than the issuance of Alpha Exchange’s final approval notice have been satisfied; and
  - (d) the balance of the applicable fees.



## **Part IX. Suspensions, Delisting and Other Remedial Actions**

### **9.01 General**

- (1) Alpha Exchange or the Market Regulator may halt or suspend trading in an Alpha Listed Security at any time without notice if such halt or suspension is in the public interest.
- (2) Part IX applies to all Alpha Main Listed Issuers, including Foreign Issuers.

### **9.02 Halts**

- (1) Alpha Exchange or the Market Regulator may order a halt to trading and order entry in an Alpha Listed Security to permit the dissemination of material news concerning the Alpha Main Listed Issuer. Alpha Exchange may also halt trading and order entry in an Alpha Listed Security if an Alpha Main Listed Issuer violates Alpha Exchange Requirements or is conducting a backdoor listing.
- (2) During the period of a trading halt imposed by the Market Regulator or Alpha Exchange, no trading in the securities may take place on other marketplaces or over-the-counter.

### **9.03 Suspensions**

- (1) Without limiting the general power to suspend trading, the Head of Listings or his or her delegate may suspend trading of an Alpha Main Listed Issuer's securities where:
  - (a) the Alpha Main Listed Issuer has become insolvent or bankrupt or has made an assignment to creditors;
  - (b) the Alpha Main Listed Issuer has ceased to carry on business or a significant portion of its business or has announced its intention to cease to carry on business or a significant portion of its business;
  - (c) the Alpha Main Listed Issuer's financial statements or the auditor's report thereon state that the Alpha Main Listed Issuer may not be able to continue as a going concern;
  - (d) the Alpha Main Listed Issuer has:



- (i) in the case of Alpha Main Listed Issuers other than Special Purpose Issuers, pre-tax cash flow from continuing operations of less than \$350,000; or
  - (ii) in the case of a Special Purpose Issuer, a net asset value of the Alpha Main Listed Issuer less than \$5,000,000 (or \$500,000 if the Special Purpose Issuer was listed as part of a group);
- (e) the Alpha Main Listed Issuer, other than a Special Purpose Issuer, has shareholder equity of less than \$2,000,000;
- (f) the Alpha Main Listed Issuer, other than a Special Purpose Issuer has:
- (i) Public Shareholders holding less than 250,000 Alpha Main Listed Securities or less than 400 Public Shareholders each holding a Board Lot;
  - (ii) Public Shareholders holding less than 500,000 Alpha Main Listed Securities or less than 200 Public Shareholders each holding a Board Lot; or
  - (iii) a Public Float with a value less than \$1,500,000;
- (g) the Alpha Main Listed Issuer who has listed warrants does not have at least 50,000 warrants outstanding held by at least 50 warrant holders, each holding at least 50 warrants;
- (h) the Alpha Main Listed Issuer who has listed Preference Shares does not have at least 50,000 Preference Shares outstanding held by at least 50 shareholders, each holding at least 50 Preference Shares;
- (i) the Special Purpose Issuer has a distribution of less than 50,000 securities;
- (j) the Alpha Main Listed Issuer is in violation of its listing agreement or Alpha Exchange Requirements;
- (k) the Alpha Main Listed Issuer is not in compliance with applicable securities or corporate law;



- (l) the Alpha Main Listed Issuer has not paid when due applicable fees to Alpha Exchange; or
  - (m) Alpha Exchange considers a suspension to be in the public interest or in the interest of a fair and orderly market.
- (2) Unless the public interest or the interest of a fair and orderly market warrants otherwise, Alpha Exchange will give the Alpha Main Listed Issuer prior notice of its intention to suspend the Alpha Main Listed Issuer and allow the issuer an opportunity to be heard. At the same time the Alpha Main Listed Issuer is notified, Alpha Exchange will issue a press release indicating it is considering a suspension.
- Commentary:**
- A Decision to suspend an Alpha Main Listed Issuer may be appealed as provided in Part XI of this Alpha Main Listing Handbook.
- (3) During a suspension, the Alpha Main Listed Issuer remains an Alpha Main Listed Issuer and must comply with all applicable Alpha Exchange Requirements.
- (4) In order to have a suspension lifted, the Alpha Main Listed Issuer must meet the requirements for original listing and meet such other requirements as Alpha Exchange may establish.

#### **9.04 Declaration of Non-Compliance**

- (1) If an Alpha Main Listed Issuer has failed to comply with Alpha Exchange Requirements or applicable securities law or has failed to pay applicable fees, the Head of Listings may publicly identify the Alpha Main Listed Issuer as non-compliant if, in his or her opinion, suspension of trading of the Alpha Main Listed Issuer's securities would not be an appropriate remedy for the failure to comply.

**Commentary:**

A declaration of non-compliance is a statement that an Alpha Main Listed Issuer is not in compliance with Alpha Exchange Requirements. The said declaration will be made public. It does not require that the issuer have intentionally breached them nor does it matter what the reason for the breach was.



## 9.05 Public Reprimand

- (1) If an Alpha Main Listed Issuer has failed to comply with Part IV, Part V, or Part X of this Alpha Main Listing Handbook, the Head of Listings may publicly reprimand the Alpha Main Listed Issuer if suspension of trading of the Alpha Main Listed Issuer's securities would not be an appropriate remedy for the failure to comply.

### **Commentary:**

In making a determination to issue a public reprimand, the Head of Listings will consider whether the failure to comply:

- (a) was advertent;
- (b) materially affected shareholders' interests;
- (c) was rectified by the Alpha Main Listed Issuer;
- (d) resulted from reliance on the advice of an independent advisor;  
and
- (e) was one of a series of similar failures.

A public reprimand is a censure of conduct that Alpha Exchange considers inappropriate for an Alpha Main Listed Issuer. It does not necessarily involve a breach of Alpha Exchange Requirements. Alpha Exchange will not issue a reprimand for an innocent breach, but would for negligence or incompetence. The reprimand would be issued where the conduct is serious enough to warrant a regulatory response, but not so serious as to justify a suspension or a finding that a person is unfit to be an insider of the Alpha Main Listed Issuer. For example, the late filing of financial statements by one day would trigger a regulatory response but it may not be necessary for Alpha Exchange to suspend trading for the inadvertent late filing but a public reprimand would be appropriate.

- (2) Alpha Exchange will give the Alpha Main Listed Issuer prior notice of its intention to issue a reprimand.

### **Commentary:**



A Decision to issue a reprimand may be appealed as provided in Part XI of this Alpha Main Listing Handbook. Issuance of the reprimand will be stayed pending the outcome of the appeal.

## 9.06 Delisting

- (1) If within 150 days of the date of suspension or earlier if a date has been specified in the notice of suspension: (a) a suspended Alpha Main Listed Issuer fails to meet the original listing requirements; or (b) the suspension has not been lifted, the Alpha Main Listed Issuer shall be automatically Delisted without further notice. Notwithstanding the forgoing, an Alpha Main Listed Issuer may be Delisted at such earlier time upon notice of Delisting from Alpha Exchange.
- (2) An Alpha Main Listed Issuer may voluntarily request that all or a class of its Alpha Main Listed Securities be Delisted. Such request must be in writing, set out the reasons for the request and be accompanied by a certified copy of a resolution of the Alpha Main Listed Issuer's board of directors (or equivalent) authorizing the request. Alpha Exchange may not Delist the Alpha Main Listed Securities of an issuer unless a satisfactory alternative market exists. Notwithstanding the foregoing, if two-thirds of disinterested shareholders approve the Delisting without an alternative market then Alpha Exchange will comply with the request to Delist.

### **Commentary:**

An Alpha Main Listed Issuer can request to Delist from Alpha Main to become an Alpha Venture Plus Listed Issuer; in this regard, such listing market will be considered a satisfactory alternative market. An Alpha Main Listed Issuer who no longer qualifies for the continuing listing requirements of Alpha Main but qualifies for the original listing requirements as an Alpha Venture Plus List Issuer may make an application to Alpha Exchange to become an Alpha Venture Plus Listed Issuer by following the initial listing application procedures for such listing market, however, the Alpha Main Listed Issuer will be granted exemptions to the extent that Alpha Exchange already has the requisite information on hand and it is current. A transfer of an Alpha Main Listed Issuer from Alpha Main to an Alpha Venture Plus Listed Issuer is considered a material change; it may also be a material change under applicable securities laws. If an Alpha Main Listed Issuer transfers to become an Alpha Venture Plus Listed Issuer, the Alpha Main Listed



Issuer must issue a news release announcing the transfer and its resulting effect on any securities of the Alpha Main Listed Issuer. The Alpha Main Listed Issuer may keep their Alpha Main symbol.





## **Part X. Corporate Governance and Security Holder Approval**

### **A. Corporate Governance**

#### **10.01 Application**

- (1) Sections 10.02, 10.03 and 10.04 do not apply to Alpha Main Listed Issuers that are
- (a) asset-backed issuers; or
  - (b) other Special Purpose Issuers.

#### **10.02 Governance of Alpha Main Listed Issuers**

- (1) An Alpha Main Listed Issuer that is not a Special Purpose Issuer must have a Board of Directors composed of at least three Unrelated Directors or one-third Unrelated Directors, whichever is greater.
- (2) An Alpha Main Listed Issuer that is not a Special Purpose Issuer must have a Chief Executive Officer, a Chief Financial Officer who cannot be the Chief Executive Officer, and a secretary.
- (3) Materials sent to security holders in connection with a meeting of security holders at which directors are being elected must provide for individual election of directors.
- (4) Materials sent to security holders by Alpha Main Listed Issuers that are subject to National Instrument 51-102 – *Continuous Disclosure Obligations*, in connection with a meeting of security holders at which directors are being elected, must disclose (a) whether the issuer has adopted a majority voting policy for directors for non-contested meetings and whether they have annual elections for all directors; and (b) if not, explain (i) their practices for electing directors; and (ii) why they have not adopted a majority voting policy or annual elections for all directors.



- (5) Following each meeting of security holders at which there is a vote on the election of directors, an Alpha Main Listed Issuer that has not adopted a majority voting policy must provide notice to Alpha Exchange if a director receives a majority of “withhold” votes.

### **10.03 Audit Committee**

- (1) An Alpha Main Listed Issuer that is not a Special Purpose Issuer must have an audit committee that complies with the requirements of National Instrument 52-110 - *Audit Committees*.

### **10.04 Compensation Committee**

- (1) An Alpha Main Listed Issuer that is not a Special Purpose Issuer must have a compensation committee composed of Unrelated Directors that:
- (a) reviews and approves goals and objectives relevant to the Chief Executive Officer’s compensation;
  - (b) evaluates the Chief Executive Officer’s performance with respect to those goals and objectives;
  - (c) determines the Chief Executive Officer’s compensation (both cash-based and equity-based);
  - (d) reviews and approves incentive compensation plans and equity-based plans and determines whether security holder approval should be obtained; and
  - (e) makes recommendations to the board with respect to compensation of other senior officers and directors.
- (2) An Alpha Main Listed Issuer does not have to establish a compensation committee if the matters discussed in section 10.04, other than section 10.04(1)(e), are determined by Unrelated Directors constituting a majority of the Board’s Unrelated Directors in a vote in which only Unrelated Directors participate.

## **B. Security holder Approval**



### **10.05 No Derogation from Corporate or Securities Law**

- (1) The provisions of this Part are in addition to any requirement for security holder approval or minority security holder approval in corporate or securities law.

### **10.06 General Requirements**

- (1) Any security holder participating or who is otherwise interested in a transaction that is the subject of a security holder vote may not vote on any resolution to approve that transaction.
- (2) An Alpha Exchange Requirement for security holder approval, other than approval of a backdoor listing, may be satisfied by obtaining a written resolution signed by holders of at least 50% of the holders of the class of securities involved, other than holders excluded from voting by Alpha Exchange Requirements or corporate or securities law. Alpha Main Listed Issuers using this exemption will be required to issue a press release at least seven trading days in advance of the closing of the transaction which shall disclose the material terms of the transaction and that the Alpha Main Listed Issuer has relied upon this exemption.
- (3) The security holder approval requirements apply to transactions involving the issuance or potential issuance of listed Non-Voting Securities.
- (4) The security holder approval requirements apply on a class-by-class basis.

#### **Commentary:**

If a transaction involves the issuance of listed Subordinate Voting Securities, it must be approved by the holders of the Subordinate Voting Securities. A vote by holders of multiple voting shares cannot override their vote, even if the multiple voting shares represent a majority of the votes.

- (5) Materials sent to security holders in connection with the vote for approval must contain information in sufficient detail to allow a security holder to make a fully-informed decision. Alpha Exchange will require the Alpha Main Listed Issuer to file a draft of the information circular with Alpha Exchange for review of market integrity issues before its sends the circular to security holders in respect of transaction that require the issuance of more than 5% of the issued and outstanding Alpha Main Listed Securities of an issuer.



- (6) In addition to any specific requirement for security holder approval, Alpha Exchange will generally require security holder approval if in the opinion of Alpha Exchange the transaction materially affects control of the Alpha Main Listed Issuer.

**Commentary:**

Alpha Exchange takes the view that “materially affects control” means the ability of any security holder or combination of security holders acting together to influence the outcome of a vote of security holders, including the ability to block significant transactions. Such an ability will be affected by the circumstances of a particular case, including the presence or absence of other large security holdings, the pattern of voting behaviour by other holders at previous security holder meetings and the distribution of the voting securities. A transaction that results, or could result, in a new Control Person will be considered to materially affect control, unless the circumstances indicate otherwise.

## **10.07 Private Placements**

- (1) Security holders must approve a proposed private placement if:

- (a) the number of securities issuable in the private placement is more than 25% of the total number of securities or votes outstanding and the price of the placement is less than the closing price of the security on the day preceding the date on which the Alpha Main Listed Issuer announced the transaction, but not less than the maximum discount;
- (b) the price is less than the maximum discount, regardless of the number of shares to be issued; or
- (c) the number of securities issuable to Related Persons of an Issuer in the transaction, when added to the number of securities issued to such Related Persons of an Issuer in private placements or acquisitions in the preceding twelve months, is more than 10% of the total number of securities or votes outstanding, regardless of the price of the private placement.

**Commentary:**



In determining whether the 25% threshold has been crossed, all securities issuable in the private placement are counted, whether or not convertible securities are out of the money, and no other issued convertible securities are counted, whether or not they are in the money.

For example, ABC has 10,000,000 common shares outstanding and has outstanding securities convertible into 5,000,000 common shares at \$10.00. The market price of ABC's common shares is \$15.00. If ABC were to do a private placement of 1,500,000 common shares at \$14.75 with a sweetener of warrants convertible into a further 1,500,000 common shares at \$20.00, shareholder approval would be required as the maximum number of shares issuable (3,000,000) is more than 25% of the 10,000,000 shares outstanding. The securities convertible into common shares at \$10.00 are not counted.

If the placement was done at \$15.00 or higher, there would be no requirement for shareholder approval unless the provisions for approval of non-arm's length transactions apply.

In calculating the number of shares issued to Related Persons to the Alpha Main Listed Issuer in the previous twelve months, do not include shares that were issued in a transaction approved by shareholders.

(2) Security holder approval of a private placement is not required if:

- (a) the Alpha Main Listed Issuer is in serious financial difficulty and does not meet the requirements for continued listing in Section 9.03(1)(d);
- (b) the Alpha Main Listed Issuer has reached an agreement to do a financing;
- (c) no Related Persons of an Issuer is participating in the financing; and
- (d) the
  - (i) audit committee, if comprised solely of Unrelated Directors; or
  - (ii) Unrelated Directors constituting a majority of the Board's Unrelated Directors in a vote in which only Unrelated Directors participate,

have determined that the financing is in the best interests of the Alpha Main Listed Issuer, is reasonable in the circumstances and that it is not feasible to obtain security holder approval or make a rights offering to existing security holders on the same terms.



- (3) An Alpha Main Listed Issuer taking advantage of the exemption in section 10.07(2) must forthwith issue a news release stating it will not hold a security holder vote and fully explaining how it qualifies for the exemption.

## 10.08 Acquisitions

- (1) Security holders must approve an acquisition if:

(a) a Related Person of an Issuer or a group of Related Persons of an Issuer has a 10% or greater interest in the assets to be acquired and the total number of securities issuable are more than 5% of the total number of securities or votes outstanding; or

(b) for Alpha Main Listed Issuers that are not investment funds, the number of securities issuable pursuant to:

- (i) the acquisition agreement;
- (ii) any Security Based Compensation Arrangement of the target entity; and
- (iii) any concurrent private placement upon which the acquisition is contingent,

is more than 25% of the total number of securities or votes of the Alpha Main Listed Issuer outstanding.

- (2) For Alpha Main Listed Issuers that are investment funds, the acquisition of another investment fund (the “target fund”) does not require security holder approval if:

- (a) the target fund calculates and publishes its net asset value at least once a month;
- (b) the consideration offered does not exceed the net asset value of the target fund;
- (c) the investment fund manager of the Alpha Main Listed Issuer has determined that assets acquired are consistent with the Alpha Main Listed Issuer’s investment objectives;



- (d) the independent review committee of the Alpha Main Listed Issuer has: (i) approved the acquisition; and (ii) if manager of the Alpha Main Listed Issuer is to bear all of the costs and expenses of the transaction; and
- (e) the transaction is not a backdoor listing.

### **10.09 Acquisitions and Reorganizations of Listed Investment Funds**

- (1) Security holders of an Alpha Main Listed Issuer that is an investment fund must approve any:
  - (a) acquisition of the Alpha Main Listed Issuer that is an investment fund; or
  - (b) any reorganization or transfer of the Alpha Main Listed Issuer's assets to another investment fund that results in the Alpha Main Listed Issuer ceasing to exist after the reorganization or transfer of assets and the Alpha Main Listed Issuer's security holders becoming security holders of the other investment fund,unless:
  - (c) the Alpha Main Listed Issuer has a permitted merger clause in its constating documents that permits the acquisition of the Alpha Main Listed Issuer without security holder approval;
  - (d) the consideration offered to security holders of the Alpha Main Listed Issuer for the acquisition has a value that is not less than net asset value;
  - (e) the investment fund manager of the Alpha Main Listed Issuer that is an investment fund that is being acquired has determined that the investment objectives, valuation procedures and fee structure of the Alpha Main Listed Issuer and the acquiring issuer are substantially the same;
  - (f) the independent review committee of the Alpha Main Listed Issuer that is an investment fund that is being acquired has approved the acquisition;



- (g) if the Alpha Main Listed Issuer is to bear any of the costs and expenses of the transaction such costs have been approved by the security holders; and
- (h) the Alpha Main Listed Issuer is providing its security holders with a redemption right for cash proceeds which are not less than its net asset value, together with a minimum of 20 business days' prior notice and description of such redemption right and the acquisition.

**Commentary:**

Notice may be made by means of a news release describing the transaction and the redemption right.

#### **10.10 Security Based Compensation**

- (1) This section governs Security Based Compensation Arrangements, other than overallotment options to an underwriter in a prospectus offering or options to increase the size of the distribution prior to closing.
- (2) Security holders must approve the grant of securities to any Person not previously employed by or an insider of the Alpha Main Listed Issuer where:
  - (a) such grant is intended to induce the Person to enter into a full-time contract of employment as an officer of the Alpha Main Listed Issuer; and
  - (b) the securities issued or issuable under the grant exceed 2% of the securities of that class outstanding as of the date of the grant.
- (3) *Applicable Limits to Security Based Compensation Arrangements.*
  - (a) Subject to paragraph (b), an Alpha Main Listed Issuer may grant securities under a Securities Based Compensation Arrangement to an employee or consultant of the Alpha Main Listed Issuer who is an investor relations person of the Alpha Main Listed Issuer, an associated consultant of the Alpha Main Listed Issuer, an executive officer of the Alpha Main Listed Issuer, a director of the Alpha Main Listed Issuer, or a permitted assign of those persons if, after the grant,





- (i) the number of securities, calculated on a fully diluted basis, reserved for issuance under options granted to:
    - (A) Related Persons of an Issuer, does not exceed 10% of the outstanding securities of the issuer, or
    - (B) a Related Person of an Issuer, does not exceed 5% of the outstanding securities of the issuer, or
  - (ii) the number of securities, calculated on a fully diluted basis, issued within 12 months to:
    - (A) Related Persons of an Issuer, does not exceed 10% of the outstanding securities of the issuer, or
    - (B) a Related Person of an Issuer and the associates of the related person, does not exceed 5% of the outstanding securities of the issuer..
- (b) The limits stated in paragraph 10.10(3) do not apply to the Security Based Compensation Arrangements of an Alpha Main Listed Issuer if the issuer:
- (i) obtains security holder approval, and
  - (ii) before obtaining security holder approval, provides security holders with the following information in sufficient detail to permit security holders to form a reasoned judgment concerning the matter:
    - (A) the eligibility of employees, executive officers, directors, service providers and consultants to be issued or granted securities as compensation or under a plan;
    - (B) the maximum number of securities that may be issued, or in the case of options, the number of securities that may be issued on exercise of the options, as compensation or under a plan;
    - (C) particulars relating to any financial assistance or support agreement to be provided to participants by the Alpha Main Listed Issuer or any related entity of the issuer to facilitate the



purchase of securities as compensation or under a plan, including whether the assistance or support is to be provided on a full-, part-, or non-recourse basis;

(D) in the case of options, the maximum term and the basis for the determination of the exercise price;

(E) particulars relating to the options or other entitlements to be granted as compensation or under a plan, including transferability; and

(F) the number of votes attaching to securities that, to the Alpha Main Listed Issuer's knowledge at the time the information is provided, will not be included for the purpose of determining whether security holder approval has been obtained.

(4) An Alpha Main Listed Issuer should submit any circular required by this section 10.10 to Alpha at least 10 trading days prior to its distribution to security holders so that Alpha Exchange may review it for market integrity issues and to ensure it complies with Alpha Exchange Requirements.

(5) Within three years after institution and within every three years thereafter, an Alpha Main Listed Issuer must obtain security holder approval for an evergreen plan (also known as a rolling Stock Option Plan) in order to continue to grant awards. Evergreen plans contain provisions so that the awards replenish upon the exercise of options or other entitlements, and such provisions must be properly disclosed and approved by security holders. Security holders must pass a resolution specifically approving unallocated entitlements under the evergreen plan. Security holder approval relating to other types of amendments to an evergreen plan must not be accepted as implicit approval to continue granting awards under an evergreen plan. In addition, the resolution should include the next date by which the Alpha Main Listed Issuer must seek security holder approval, such date being no later than three years from the date such resolution was approved. If security holder approval is not obtained within three years of either the institution of an evergreen plan or subsequent approval, as the case may be, all unallocated entitlements must be cancelled and the Alpha Main Listed Issuer must not be permitted to grant further entitlements under the evergreen plan until such



time as security holder approval is obtained. However, all allocated awards under an evergreen plan, such as options that have been granted but not yet exercised, can continue unaffected. If security holders fail to approve the resolution for the renewal of a plan, the Alpha Main Listed Issuer must forthwith stop granting awards under such plan, even if such renewal approval was sought prior to the end of the three-year period.

- (6) The fundamental terms of a grant pursuant to a Security Based Compensation Arrangement or the arrangement itself may be amended with the approval of the Alpha Main Listed Issuer's Board of Directors, other than directors participating or eligible to participate in the plan so long as the plan provide the ability of such directors to do so. If the Board of Directors is unable to approve an amendment because of the restrictions on eligibility to vote, any amendment to the fundamental terms of an option or compensation plan must be approved by security holders, other than security holders participating or eligible to participate in the plan. Notwithstanding the foregoing, a re-pricing of an option grant must be approved by security holders, other than security holders who are subject to the re-pricing.

**Commentary:**

Alpha Exchange considers changes to the fundamental terms of an option or plan to include reductions in the purchase price and extension of the expiry date.

Disinterested board approval for fundamental terms of a plan could be for provisions such as: who is an eligible optionee pursuant to a plan; the duration in which a grant expires after the grantee leaves the issuer or dies; or changes to fixed vesting schedules. The preceding examples are not an exhaustive list.

A "re-pricing" means any of the following or any other action that has the same effect: (i) lowering of an exercise price of an option after it is granted; (ii) any other action that is treated as a re-pricing under generally accepted accounting principles; or (iii) canceling an option at a time when its exercise price exceeds the fair market value of the underlying security, in exchange for another option, Restricted Share, or other security, unless the cancellation and exchange occurs in connection with an amalgamation, acquisition, spin-off or other similar corporate transaction.



- (7) Notwithstanding subsection 10.10(4), a plan may not be amended to increase the maximum number of securities issuable under the Security Based Compensation Arrangement unless:
- (a) the amendment is approved by a majority of the Alpha Main Listed Issuer's Board of Directors, other than directors participating or eligible to participate in the plan, if the new maximum number of securities issuable is less than 10% of the outstanding securities of the class as of the date of the amendment; or
  - (b) the amendment is approved by security holders, other than security holders participating or eligible to participate in the plan.
- (8) Notwithstanding anything else contained in this section 10.10, security holder approval is required for any of the following:
- (a) an extension of the term, under a Security Based Compensation Arrangement benefiting a Related Person of an Issuer;
  - (b) any amendment to remove or to exceed the participation limit of Related Person of an Issuer contained in a Security Based Compensation Arrangement; or
  - (c) amendments to an amending provision within a Security Based Compensation Arrangement.
- (9) When instituted all Security Based Compensation Arrangements must be approved by:
- (a) a majority of the Alpha Main Listed Issuer's directors; and
  - (b) the Alpha Main Listed Issuer's security holders.

If any security holder approval is required for a Security Based Compensation Arrangement and Related Persons of an Issuer are entitled to receive a benefit under the arrangement, such persons are not eligible to vote their securities in respect of the approval required by this Subsection. Security holder approval required for a Security Based Compensation Arrangement must be by way of a duly called meeting.



### **10.11 Shareholder Rights Plans**

- (1) Security holders must ratify the adoption of, or amendments to, a shareholder rights plan as provided in subsection 6.23(4).

### **10.12 Related Party Transactions**

- (1) An Alpha Main Listed Issuer undertaking any transaction subject to Multilateral Instrument 61-101 - *Protection of Minority Holders in Special Transactions* (“**MI 61-101**”) must comply with any requirements for formal valuations and minority security holder approval.

**Commentary:**

Alpha Main Listed Issuers may take advantage of other exemptions from these requirements if applicable but may not take advantage of exemptions that are available to venture issuers in paragraphs 4.4(1)(a), 5.7(1)(b) and subsection 5.5(b) of MI 61-101.



## **Part XI. Appeals**

### **11.01 Appeals of Decision**

- (1) An Alpha Main Listed Issuer or any other Person adversely affected by a Decision may appeal a decision of Alpha Exchange to the Board of Directors of Alpha Exchange, other than:
  - (a) a decision of the Market Regulator;
  - (b) a decision to temporarily halt or suspend trading pursuant to sections 9.01 or 9.02 made by a Market Regulator; or
  - (c) a decision of the Board of Directors of Alpha Exchange.

**Commentary:**

Decisions of the Market Regulator are subject to the Market Regulator's appeal procedures.

- (2) Appeals will be conducted according to the procedures established by the Board of Directors of Alpha Exchange.
- (3) An Alpha Main Listed Issuer or any other Person adversely affected by an appeal Decision may seek a review of such Decision with the applicable securities regulatory authority.

# **Appendix K**

## **Alpha Main Forms**



# ALPHA MAIN FORMS

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Name Relationship to Applicant

---

Telephone Email

**3. ADDITIONAL INFORMATION CONCERNING THE ISSUER**

(Fill in applicable Information)

**Jurisdiction of organization:**

**Are you a foreign issuer listed on an**  Yes  No

**Accepted Foreign Exchange:**

**Jurisdiction(s) in which the applicant is a reporting issuer or equivalent:**

**North American industrial classification:**

**Brief description of the applicant's business:**

**Desired symbols (please provide three options)**

**List any other exchanges or boards on which you have securities listed and complete the table below relating to that listing:**

---



CLASS	CUSIP	TOTAL AUTHORIZED	TOTAL ISSUED AND OUTSTANDING TO DATE	TOTAL RESERVED FOR ISSUANCE <sup>(1)</sup>	TOTAL RESTRICTED

Note:

<sup>(1)</sup> Include any options, convertible securities, over-allotment options and any other securities reserved for issuance.

#### 4. INFORMATION CONCERNING SECURITIES TO BE LISTED

CLASS	CUSIP	TOTAL AUTHORIZED	TOTAL ISSUED AND OUTSTANDING TO DATE (A)	TOTAL TO BE ISSUED UPON COMPLETION OF THE TRANSACTION (B)	TOTAL RESERVED FOR ISSUANCE <sup>(1)</sup> (C)	TOTAL TO BE LISTED (A+B+C)

Note:

<sup>(1)</sup> Include any options, convertible securities, over-allotment options and any other securities reserved for issuance.

Complete the following chart for each class of securities to be listed:

TOTAL ISSUED AND OUTSTANDING (A)	TOTAL HELD BY RELATED PERSONS AND EMPLOYEES (B)	TOTAL PUBLIC FLOAT (A-B) (C)	TOTAL SUBJECT TO TRANSFER RESTRICTIONS <sup>(1)</sup> (D)	FREELY-TRADABLE SECURITIES (C-D)

Note:

<sup>(1)</sup> Do not include securities that have already been counted in item (B).

For the Securities to be listed, provide information regarding the term or maturity date of each type or class and specify the type of settlement at maturity (cash or in-kind):



List the registered public securityholders for each class of securities to be listed in the chart below. For the purposes of this report, "public securityholders" are persons other than persons enumerated in section (B) of the previous chart. List registered holders only.

NAME OF SECURITY HOLDER	NUMBER OF SECURITIES	SUBSCRIPTION DATE

Complete the following chart for each class of securities to be listed:

CLASS OF SECURITY		
SIZE OF HOLDING	NUMBER OF HOLDERS	TOTAL NUMBER OF SECURITIES
1 – 99 securities		
100 – 499 securities		
500 – 999 securities		
1,000 – 1,999 securities		
2,000 – 2,999 securities		
3,000 – 3,999 securities		
4,000 – 4,999 securities		
5,000 or more securities		

List the beneficial public securityholders for each class of securities to be listed in the chart below. For the purposes of this report, "beneficial public securityholders" are (i) public security holders holding securities in their own name as registered shareholders; and (ii) public security holders holding securities through an intermediary where the Listed Issuer has been given written confirmation of shareholdings.

NAME OF SECURITY HOLDER	NUMBER OF SECURITIES	SUBSCRIPTION DATE

For the purposes of this chart, it is sufficient if the intermediary provides a breakdown by number of beneficial holders for each line item below. If an intermediary or intermediaries will not provide details of beneficial holders, give the aggregate position of all such intermediaries in the last line.



CLASS OF SECURITY		
SIZE OF HOLDING	NUMBER OF HOLDERS	TOTAL NUMBER OF SECURITIES
1 – 99 securities		
100 – 499 securities		
500 – 999 securities		
1,000 – 1,999 securities		
2,000 – 2,999 securities		
3,000 – 3,999 securities		
4,000 – 4,999 securities		
5,000 or more securities		
Unable to confirm		

Describe any restrictions on the free tradability of the class of securities to be listed. If none, confirm that the securities are freely tradable in Canada:

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Give details of any shareholder rights plan and any “coattail” provisions allowing shareholders to participate in a partial take-over bid. If none, state “none”.

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**5. INFORMATION CONCERNING RESERVED SECURITIES**

SECURITY/INSTRUMENT NAME	TOTAL RESERVED	EXERCISE OR CONVERSION PRICE	EXPIRY (YYYY-MM-DD)

**6. INFORMATION CONCERNING SECURITIES WITH TRANSFER RESTRICTIONS**

SECURITY/INSTRUMENT NAME	TOTAL RESTRICTED	TYPE OF RESTRICTION <sup>(1)</sup>	RELEASE DATES

Note:



1. Detail with the security is restricted due to an escrow agreement, pooling agreement, legend or any other restrictions on transfer.

Please provide any further details in relation to securities with transfer restrictions:

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## 7. TRANSFER AGENT AND REGISTRAR INFORMATION

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Transfer Agent Name	Address
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Cities in which transfer facilities are maintained

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Registrar Name	Address
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## 8. HISTORICAL INFORMATION

**Has the applicant (or any of its predecessors) ever applied to have its securities traded on another market and been denied?**  Yes  No

If yes, provide the name of the market(s), the date(s) and the reason(s):

---

**Has the issuer or any predecessor ever had trading in its securities halted by a marketplace or been suspended from trading or delisted by a marketplace?**  Yes  No

If yes, provide details. Be specific (do not simply state "failure to meet exchange requirements") and state whether the halt or suspension was remedied. If the delisting was at the issuer's request, state if the reason was to avoid compliance with a marketplace requirement (e.g. to issue securities at a price the marketplace would not accept). Do not include routine halts for dissemination of information, halts due to system problems in the marketplace or market-wide halts not specific to the issuer (e.g. circuit breakers).

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**Has the issuer or any predecessor ever been in default of its obligations as a reporting issuer or equivalent in any jurisdiction?**  Yes  No

If yes, provide details, including details of any cease trade orders or management cease trade orders issued.

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**9. LEAD MARKET MAKERS**

Alpha Exchange will assign to you a Lead Market Maker (and possibly a Market Maker) for the securities to be listed.

**10. OTHER INFORMATION**

Attach copies of all documents listed in Schedule “A” of this Application.

**11. MINIMUM LISTING STANDARDS**

Please complete the following table (please refer to section 2.02 of the Alpha Main Handbook for guidance):

Security holder’s equity:

Pre-tax cash flow:

Public Float:

Public Shareholders each holding a Board Lot:

Public Float Value:

Working Capital:

_____
_____
_____
_____
_____
_____





## **APPENDIX "A"**

1. Certified copies of all constating documents, including Articles of Incorporation, Articles of Amendment, Articles of Continuance, Articles of Amalgamation, by-laws, partnership agreements, trust indentures, declarations of trust, limited partnership agreements or equivalent documents;
2. Copies of all material contracts (including any coattail trust agreements);
3. Copies of all stock option or Security Based Compensation Arrangements and of any other agreement pursuant to which listed or voting securities may be issued;
4. Copies of any agreements under which securities are held in escrow, pooled, or under a similar arrangement;
5. A letter from the transfer agent stating that it has been duly appointed by the issuer and is in a position to make transfers and make prompt delivery of share certificates;
6. An undertaking to each of the Canadian Securities Regulators to comply with the requirements applicable to non-venture issuers; and
7. A list of all directors and officers for the past three years.





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Telephone

Email

**3. ADDITIONAL INFORMATION CONCERNING THE ISSUER**

(Fill in applicable Information)

**Jurisdiction of organization:**

**Jurisdiction(s) in which the applicant is a reporting issuer or equivalent:**

**North American industrial classification:**

**Fund family name (if applicable):**

**Brief description of the applicant's business:**

**Desired symbols (please provide three options)**

**Describe the product constituting the securities to be listed (including any underlying indices):**

**List any other exchanges or boards on which you have securities listed and complete the tables below relating to that listing:**



CLASS	CUSIP	TOTAL AUTHORIZED	TOTAL ISSUED AND OUTSTANDING TO DATE	TOTAL RESERVED FOR ISSUANCE <sup>(1)</sup>	TOTAL RESTRICTED

Note:

<sup>(1)</sup> Include any options, convertible securities, over-allotment options and any other securities reserved for issuance.

#### 4. INFORMATION CONCERNING SECURITIES TO BE LISTED

CLASS/TYPE	CUSIP	TOTAL AUTHORIZED	TOTAL ISSUED AND OUTSTANDING TO DATE (A)	TOTAL TO BE ISSUED UPON COMPLETION OF THE TRANSACTION (B)	TOTAL RESERVED FOR ISSUANCE <sup>(1)</sup> (C)	TOTAL TO BE LISTED (A+B+C)

Note:

<sup>(1)</sup> Include any options, convertible securities, over-allotment options and any other securities reserved for issuance.

Complete the following chart for each class of securities to be listed:

TOTAL ISSUED AND OUTSTANDING (A)	TOTAL HELD BY RELATED PERSONS AND EMPLOYEES (B)	TOTAL PUBLIC FLOAT (A-B) (C)	TOTAL SUBJECT TO TRANSFER RESTRICTIONS <sup>(1)</sup> (D)	FREELY-TRADABLE SECURITIES (C-D)

Note:

<sup>(1)</sup> Do not include securities that have already been counted in item (B).

For the Securities to be listed, provide information regarding the term or maturity date of each type or class and specify the type of settlement at maturity (cash or in-kind):



List the registered public securityholders for each class of securities to be listed in the chart below. For the purposes of this report, "public securityholders" are persons other than persons enumerated in section (B) of the previous chart. List registered holders only.

NAME OF SECURITY HOLDER	NUMBER OF SECURITIES	SUBSCRIPTION PRICE	SUBSCRIPTION DATE	CONSIDERATION (e.g. cash, debt settlement)

Complete the following chart for each class of securities to be listed:

CLASS OF SECURITY		
SIZE OF HOLDING	NUMBER OF HOLDERS	TOTAL NUMBER OF SECURITIES
1 – 99 securities		
100 – 499 securities		
500 – 999 securities		
1,000 – 1,999 securities		
2,000 – 2,999 securities		
3,000 – 3,999 securities		
4,000 – 4,999 securities		
5,000 or more securities		

List the beneficial public securityholders for each class of securities to be listed in the chart below. For the purposes of this report, "beneficial public securityholders" are (i) public security holders holding securities in their own name as registered shareholders; and (ii) public security holders holding securities through an intermediary where the Listed Issuer has been given written confirmation of shareholdings.

NAME OF SECURITY HOLDER	NUMBER OF SECURITIES	SUBSCRIPTION PRICE	SUBSCRIPTION DATE	CONSIDERATION (e.g. cash, debt settlement)

For the purposes of this chart, it is sufficient if the intermediary provides a breakdown by number of beneficial holders for each line item below. If an intermediary or intermediaries will not provide details of beneficial holders, give the aggregate position of all such intermediaries in the last line.



CLASS OF SECURITY		
SIZE OF HOLDING	NUMBER OF HOLDERS	TOTAL NUMBER OF SECURITIES
1 – 99 securities		
100 – 499 securities		
500 – 999 securities		
1,000 – 1,999 securities		
2,000 – 2,999 securities		
3,000 – 3,999 securities		
4,000 – 4,999 securities		
5,000 or more securities		
Unable to confirm		

**Describe any restrictions on the free tradability of the class of securities to be listed. If none, confirm that the securities are freely tradable in Canada:**

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**Give details of any shareholder rights plan and any “coattail” provisions allowing shareholders to participate in a partial take-over bid. If none, state “none”.**

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#### **5. INFORMATION CONCERNING RESERVED SECURITIES**

SECURITY/INSTRUMENT NAME	TOTAL RESERVED	EXERCISE OR CONVERSION PRICE	EXPIRY (YYYY-MM-DD)

#### **6. INFORMATION CONCERNING SECURITIES WITH TRANSFER RESTRICTIONS**

SECURITY/INSTRUMENT NAME	TOTAL RESTRICTED	TYPE OF RESTRICTION <sup>(1)</sup>	RELEASE DATES





Note:

- (1) Detail with the security is restricted due to an escrow agreement, pooling agreement, legend or any other restrictions on transfer.

Please provide any further details in relation to securities with transfer restrictions:

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## 7. TRANSFER AGENT AND REGISTRAR INFORMATION

---

Transfer Agent Name	Address
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Cities in which transfer facilities are maintained

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Registrar Name	Address
----------------	---------

## 8. HISTORICAL INFORMATION

**Has the applicant (or its investment fund manager, as applicable) or any of its predecessors ever applied to have its securities traded on another market and been denied?**  Yes  No

If yes, provide the name of the market(s), the date(s) and the reason(s):

---

**Has the applicant (or its investment fund manager, as applicable) or any predecessor ever had trading in its securities halted by a marketplace or been suspended from trading or delisted by a marketplace?**  Yes  No

If yes, provide details. Be specific (do not simply state "failure to meet exchange requirements") and state whether the halt or suspension was remedied. If the delisting was at the issuer's request, state if the reason was to avoid compliance with a marketplace requirement (e.g. to issue securities at a price the marketplace would not accept). Do not include routine halts for dissemination of information, halts due to system problems in the marketplace or market-wide halts not specific to the issuer (e.g. circuit breakers).

---



**Has the applicant (or its investment fund manager, as applicable) or any predecessor ever been in default of its obligations as a reporting issuer or equivalent in any jurisdiction?**  Yes  No

If yes, provide details, including details of any cease trade orders or management cease trade orders issued.

---

**9. MARKET MAKERS**

Alpha Exchange will assign to you a Lead Market Maker (and possibly a Market Maker) for the securities to be listed.

**10. OTHER INFORMATION**

Attach copies of all documents listed in Schedule “A” of this Application.

**11. MINIMUM LISTING STANDARDS**

(1) Please complete the following table, as applicable, for a Special Purpose Issuer that is an investment fund (please refer to sections 2.03 of the Alpha Main Handbook for guidance):

Net asset value:

Net asset value of the group of investment funds managed by the same manager:

Number of securities outstanding:

Public Shareholders each holding a Board Lot:

Public Float Value:

Working Capital:



(2) Please complete the following table, as applicable, for a Special Purpose Issuer that is not an investment fund (please refer to sections 2.04 of the Alpha Main Handbook for guidance):

Market capitalization of the issuer:

Describe the liquidity of the underlying asset  
(or attach evidence of liquidity):

Date of receipt for final prospectus:

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**12. CERTIFICATE AND DECLARATION**

After having received approval from its [*Board of Directors, Managers or General Partner*], \_\_\_\_\_ [legal name of applicant] applies to list the securities designated in this application with the Exchange.

AUTHORIZATION AND CONSENT: THE APPLICANT HEREBY AUTHORIZED AND CONSENTS TO THE COLLECTION BY ALPHA EXCHANGE INC., ITS SUBSIDIARIES, AFFILIATES, REGULATORS AND AGENTS OF ANY INFORMATION WHATSOEVER (WHICH MAY INCLUDE PERSONAL, CREDIT OR OTHER INFORMATION) FROM ANY SOURCE, INCLUDING WITHOUT LIMITATION AN INVESTIGATIVE AGENCY OR RETAIL CREDIT AGENCY, AS PERMITTED BY LAW IN ANY JURISDICTION IN CANADA OR ELSEWHERE. THE APPLICANT ACKNOWLEDGES AND AGREES THAT ANY SUCH INFORMATION MAY BE SHARED BY ALPHA EXCHANGE, ITS SUBSIDIARIES, AFFILIATES, REGULATORS AND AGENTS INDEFINITELY.

The officer(s) and director(s) signing below solemnly declare that as of the date of the application they each (i) have been duly authorized to sign this certificate and (ii) all information in this application and in other information filed in connection with the listing application is, to the best of their knowledge, true and correct and (iii) they are making this solemn declaration believing it to be true and knowing it is of the same force and effect as if made under the *Canada Evidence Act*.

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Signature of Authorized Person	Name
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Position	Date	NOTARIAL SEAL
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Signature of Authorized Person	Name
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Position	Date	NOTARIAL SEAL
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## **APPENDIX "A"**

1. Certified copies of all constating documents, including Articles of Incorporation, Articles of Amendment, Articles of Continuance, Articles of Amalgamation, by-laws, partnership agreements, trust indentures, declarations of trust, limited partnership agreements or equivalent documents;
2. Copies of all transaction related material contracts;
3. Copies of all stock option or security purchase plans and of any other agreement pursuant to which listed or voting securities may be issued;
4. Copies of any agreements under which securities are held in escrow, pooled, or under a similar arrangement;
5. A letter from the transfer agent stating that it has been duly appointed by the issuer and is in a position to make transfers and make prompt delivery of share certificates;
6. A list of all directors and officers for the past three years; and
7. Please provide evidence of how the issuer's liquidity and market capitalization have been calculated, if applicable.



**FORM 2  
LISTING STATEMENT  
FOR ISSUERS OTHER THAN SPECIAL PURPOSE ISSUERS**

**Initial Public Offering**

**Supplemental Listing**

**GENERAL INSTRUCTIONS**

- (1) *An issuer doing a public offering may file the preliminary and final prospectuses (in the form of Form 41-101F1) in lieu of this notice.*
- (2) *In determining the degree of detail required, a standard of materiality must be applied. Materiality is a matter of judgment in the particular circumstance, and is determined in relation to a section's significance to investors, analysts and other users of the information. An item of information, or an aggregate of items, is considered material if it is probable that its omission or misstatement would influence or change an investment decision with respect to the issuer's securities. In determining whether information is material, take into account both quantitative and qualitative factors. The potential significance of items must be considered individually rather than on a net basis, if the items have an offsetting effect. This concept of materiality is consistent with the financial reporting notion of materiality contained in the Alpha Main Handbook.*
- (3) *The disclosure must be understandable to readers and presented in an easy-to-read format. If technical terms are required, clear and concise explanations should be included.*
- (4) *No reference need be made to inapplicable items and, unless otherwise required in this form, negative answers to items may be omitted.*
- (5) *The term "issuer" includes the applicant issuer and any of its subsidiaries.*



- (6) *If an issuer discloses financial information in a Listing Statement in a currency other than the Canadian dollar, prominently disclose the currency in which the financial information is disclosed.*
- (7) *For issuers applying for approval following a backdoor listing, provide current and historic information for*
- (i) *the issuer,*
  - (ii) *all other companies or businesses involved in the backdoor listing (the “target”), and*
  - (iii) *the entity that will result from the backdoor listing.*

*Information in the issuer’s most recent Listing Statement may be incorporated by reference, but this statement must indicate if any of that information has changed or is no longer relevant. Information concerning assets or lines of business that will not be part of the new entity’s business should not be disclosed.*

- (8) *Please indicate on the cover of this Listing Statement if this statement is being drafted for the purposes of an initial public offering or a supplemental listing.*
- (9) *Terms not defined in this Form have the meaning ascribed to them in National Instrument 41-101 - General Prospectus Requirements (“NI 41-101”) or in Form 41-101F1 - Information Required in a Prospectus (“Form 41-101F1”).*

## **1. Table of contents**

- 1.1 Include a table of contents



## 2. Corporate Structure and Summary

### *Summary*

- 2.1** Briefly summarize, near the beginning of the Listing Statement, information appearing elsewhere in the Listing Statement that, in the opinion of the issuer or selling securityholder, would be most likely to influence the investor's decision to purchase the securities being listed, including a description of:
- (a) the principal business of the issuer and its subsidiaries,
  - (b) the securities to be listed, including the offering price and expected net proceeds,
  - (c) use of proceeds,
  - (d) risk factors,
  - (e) financial information, and
  - (f) if restricted securities, subject securities or securities that are directly or indirectly convertible into or exercisable or exchangeable for restricted securities or subject securities, are to be listed under the Listing Statement
    - (i) include a summary of the information required by section 6.17, and
    - (ii) include, in boldface type, a statement of the rights the holders of restricted securities do not have, if the holders do not have all of the rights referred to in section 6.17.
- 2.2** For the financial information provided under paragraph 2.1(e),
- (a) describe the type of information appearing elsewhere in the Listing Statement on which the financial information is based,
  - (b) disclose whether the information appearing elsewhere in the Listing Statement on which the financial information is based has been audited,
  - (c) disclose whether the financial information has been audited, and
  - (d) if neither the information appearing elsewhere in the Listing Statement on which the financial information is based nor the financial information has been audited, prominently disclose that fact.
  - (e) For each item summarized under subsection 2.1, provide a cross-reference to the information in the Listing Statement.





*Cautionary language*

- 2.3** At the beginning of the summary, include a statement in italics in substantially the following form:

“The following is a summary of the principal features of this listing and should be read together with the more detailed information and financial data and statements contained elsewhere in this Listing Statement.”

*Name, address and incorporation*

- 2.4** State the issuer’s full corporate name or, if the issuer is an unincorporated entity, the full name under which it exists and carries on business, and the address(es) of the issuer’s head and registered office as well as other material contact information of the issuer including a website address.
- 2.5** State the statute under which the issuer is incorporated, continued or organized or, if the issuer is an unincorporated entity, the laws of the jurisdiction or foreign jurisdiction under which it is established and exists as well as any jurisdictions in which the issuer is already a reporting issuer.
- 2.6** Describe the substance of any material amendments to the articles or other constating or establishing documents of the issuer.

*Intercorporate relationships*

- 2.7** Describe, by way of a diagram or otherwise, the intercorporate relationships among the issuer and its subsidiaries. If the issuer is applying following a backdoor listing or is proposing an acquisition, amalgamation, merger, reorganization or arrangement, describe by way of diagram or otherwise these intercorporate relationships both before and after the completion of the transaction.
- 2.8** For each subsidiary described in subsection 2.7, state
- (a) the percentage of votes attaching to all voting securities of the subsidiary beneficially owned, or controlled or directed, directly or indirectly, by the issuer,
  - (b) the percentage of each class of restricted securities of the subsidiary beneficially owned, or controlled or directed, directly or indirectly, by the issuer, and
  - (c) where the subsidiary was incorporated, continued, formed or organized.



## INSTRUCTIONS

*A particular subsidiary may be omitted if, at the most recent financial year end of the issuer*

*(a) the total assets of the subsidiary do not constitute more than 10 per cent of the consolidated assets of the issuer,*

*(b) the revenue of the subsidiary does not exceed 10% of the consolidated revenue of the issuer, and*

*(c) the conditions in paragraphs (a) and (b) would be satisfied if*

*(i) the subsidiaries that may be omitted under paragraphs (a) and (b) were considered in the aggregate, and*

*(ii) the reference to 10 per cent was changed to 20 per cent.*

### **3. Describe the business**

**3.1** Describe the business of the issuer and its operating segments that are reportable segments as those terms are used in the issuer's GAAP. Disclose information for each reportable segment of the issuer in accordance with subsection 5.1(1) of National Instrument 51-102 Form 51-102F2.

**3.2** Disclose the nature and results of any bankruptcy, receivership or similar proceedings against the issuer or any of its subsidiaries, or any voluntary bankruptcy, receivership or similar proceedings by the issuer or any of its subsidiaries, within the three most recently completed financial years or completed during or proposed for the current financial year.

**3.3** Disclose the nature and results of any material restructuring transaction of the issuer or any of its subsidiaries within the three most recently completed financial years or completed during or proposed for the current financial year.



- 3.4** If the issuer has implemented social or environmental policies that are fundamental to the issuer's operations, such as policies regarding the issuer's relationship with the environment or with the communities in which the issuer does business, or human rights policies, describe them and the steps the issuer has taken to implement them.

*Three-year history*

- 3.5** Describe how the issuer's business has developed over the last three completed financial years and any subsequent period to the date of the Listing Statement, including only events, such as acquisitions or dispositions, or conditions that have influenced the general development of the business.
- 3.6** If the issuer produces or distributes more than one product or provides more than one kind of service, describe the products or services.
- 3.7** Discuss changes in the issuer's business that the issuer expects will occur during the current financial year.

*Issuers with asset-backed securities outstanding*

- 3.8** If the issuer has asset-backed securities outstanding that were listed under a Listing Statement, disclose information in accordance with section 5.3 of National Instrument 51-102 Form 51-102F2.

*Issuers with mineral projects*

- 3.9** If the issuer has a mineral project, disclose information for the issuer in accordance with section 5.4 of National Instrument 51-102 Form 51-102F2.

*Issuers with oil and gas operations*

- 3.10** If the issuer is engaged in oil and gas activities as defined in National Instrument 51-101 and any of the oil and gas information is material as contemplated under National Instrument 51-101 in respect of the issuer, disclose information in accordance with National Instrument 51-101 Form 51-101F1
- (a) as at the end of, and for, the most recent financial year for which the Listing Statement includes an audited statement of financial position of the issuer;



(b) in the absence of a completed financial year referred to in paragraph (a), as at the most recent date for which the Listing Statement includes an audited statement of financial position of the issuer, and for the most recent financial period for which the Listing Statement includes an audited statement of comprehensive income of the issuer;

(c) if the issuer was not engaged in oil and gas activities at the date set out in paragraphs (a) or (b), as of a date subsequent to the date the issuer first engaged in oil and gas activities as defined in National Instrument 51-101 and prior to the date of this Listing Statement.

- 3.11** Include with the disclosure under section 3.10 a report in the form of Form 51-101F2, on the reserves data included in the disclosure required under section 3.10.
- 3.12** Include with the disclosure under section 3.10 a report in the form of Form 51-101F3 that refers to the information disclosed under section 3.10.
- 3.13** To the extent not reflected in the information disclosed in response to subsection 3.10, disclose the information contemplated by Part 6 of National Instrument 51-101 in respect of material changes that occurred after the applicable statement of financial position referred to in section 3.10.
- 3.14** To the extent not reflected in the information disclosed in response to subsection 3.10, disclose information for the issuer in accordance with section 5.5 of National Instrument 51-102 Form 51-102F2.

#### **INSTRUCTION**

*Disclosure in a Listing Statement must be consistent with NI 51-101 if the issuer is engaged in oil and gas activities as defined in NI 51-101.*

#### **4. Dividends or distributions**

- 4.1** Disclose the amount of cash dividends or distributions declared per security for each class of the issuer's securities for each of the three most recently completed financial years and its current financial year.
- 4.2** Describe any restrictions that could prevent the issuer from paying dividends or distributions.



- 4.3 Disclose the issuer's dividend or distribution policy and any intended change in dividend or distribution policy.

## 5. Management's Discussion and Analysis

### *Interpretation*

- 5.1 For the purposes of this section, MD&A means a completed Form 51-102F1 or, in the case of an SEC issuer, a completed Form 51-102F1 or management's discussion and analysis prepared in accordance with Item 303 of Regulation S-K under the 1934 Act.
- 5.2 For MD&A in the form of Form 51-102F1, the issuer
- (a) must disregard
    - (1) the Instruction to section 1.11 of Form 51-102F1, and
    - (2) section 1.15 of Form 51-102F1, and
  - (b) must include the disclosure required by section 1.10 of Form 51-102F1 in the Listing Statement.

### *INSTRUCTION*

*For the purposes of paragraph 5.2(b), an issuer cannot satisfy the requirement in section 1.10 of Form 51-102F1 by incorporating by reference its fourth quarter MD&A into the Listing Statement.*

### *MD&A*

- 5.3 Provide MD&A for
- (a) the most recent annual financial statements of the issuer included in the Listing Statement under Section 24, and
  - (b) the most recent interim financial reports of the issuer included in the Listing Statement under Section 24.
- 5.4 If the Listing Statement includes the issuer's annual statement of comprehensive incomes, statements of retained earnings, and cash flow statements for three financial years under Section 24, provide MD&A for the second most recent annual financial statements of the issuer included in the Listing Statement under Section 24.



- 5.5** Despite subsection 5.4, MD&A for the second most recent annual financial statements of the issuer included in the Listing Statement under Section 24 may omit disclosure regarding statement of financial position items.

*Disclosure of outstanding security data*

- 5.6** Disclose the designation and number or principal amount of
- (a) each class and series of voting or equity securities of the issuer for which there are securities outstanding,
  - (b) each class and series of securities of the issuer for which there are securities outstanding if the securities are convertible into, or exercisable or exchangeable for, voting or equity securities of the issuer, and
  - (c) subject to subsection 5.7, each class and series of voting or equity securities of the issuer that are issuable on the conversion, exercise or exchange of outstanding securities of the issuer.
- 5.7** If the exact number or principal amount of voting or equity securities of the issuer that are issuable on the conversion, exercise or exchange of outstanding securities of the issuer is not determinable, the issuer must disclose the maximum number or principal amount of each class and series of voting or equity securities that are issuable on the conversion, exercise or exchange of outstanding securities of the issuer and, if that maximum number or principal amount is not determinable, the issuer must describe the exchange or conversion features and the manner in which the number or principal amount of voting or equity securities will be determined.
- 5.8** The disclosure under subsections 5.6 and 5.7 must be prepared as of the latest practicable date.

*More recent financial information*

- 5.9** If the issuer is required to include more recent historical financial information in the Listing Statement under subsection 24.12, the issuer is not required to update the MD&A already included in the Listing Statement under this Section.



*Additional disclosure for junior issuers*

**5.10** For a junior issuer that had negative cash flow from operating activities in its most recently completed financial year for which financial statements have been included in the Listing Statement, disclose

- (a) the period of time the proceeds raised under the Listing Statement are expected to fund operations,
- (b) the estimated total operating costs necessary for the issuer to achieve its stated business objectives during that period of time, and
- (c) the estimated amount of other material capital expenditures during that period of time.

In determining cash flow from operating activities, the issuer must include cash payments related to dividends and borrowing costs.

*Additional disclosure for issuers with significant equity investees*

**5.11** An issuer that has a significant equity investee must disclose

- (a) summarized financial information of the equity investee, including the aggregated amounts of assets, liabilities, revenue and profit or loss, and
- (b) the issuer's proportionate interest in the equity investee and any contingent issuance of securities by the equity investee that might significantly affect the issuer's share of profit or loss.

**5.12** Provide the disclosure in subsection 5.11 for the following periods

- (a) the two most recently completed financial years,
- (b) the most recent year-to-date interim period and the comparative year-to-date period presented in the interim financial reports included in the Listing Statement, if any.

**5.13** Subsection 5.11 does not apply if

- (a) the information required under that subsection has been disclosed in the financial statements included in the Listing Statement, or
- (b) the issuer includes in the Listing Statement separate financial statements of the equity investee for the periods referred to in subsection 5.12.



## 6. Description of Securities

*INSTRUCTIONS: The issuer must describe all securities outstanding in this Section.*

### *Equity securities*

- 6.1** Describe all material attributes and characteristics of all classes of equity securities outstanding, including
- (a) dividend rights,
  - (b) voting rights,
  - (c) rights upon dissolution or winding-up,
  - (d) pre-emptive rights,
  - (e) conversion or exchange rights,
  - (f) redemption, retraction, purchase for cancellation or surrender provisions,
  - (g) sinking or purchase fund provisions,
  - (h) provisions permitting or restricting the issuance of additional securities and any other material restrictions, and
  - (i) provisions requiring a securityholder to contribute additional capital.

### *Debt securities*

- 6.2** Describe all material attributes and characteristics all outstanding classes of debt securities and the security, if any, for the debt, including
- (a) provisions for interest rate, maturity and premium, if any,
  - (b) conversion or exchange rights,
  - (c) redemption, retraction, purchase for cancellation or surrender provisions,
  - (d) sinking or purchase fund provisions,
  - (e) the nature and priority of any security for the debt securities, briefly identifying the principal properties subject to lien or charge,





- (f) provisions permitting or restricting the issuance of additional securities, the incurring of additional indebtedness and other material negative covenants, including restrictions against payment of dividends and restrictions against giving security on the assets of the issuer or its subsidiaries, and provisions as to the release or substitution of assets securing the debt securities,
- (g) the name of the trustee under any indenture relating to the debt securities and the nature of any material relationship between the trustee or any of its affiliates and the issuer or any of its affiliates, and
- (h) any financial arrangements between the issuer and any of its affiliates or among its affiliates that could affect the security for the indebtedness.

#### *Asset-backed securities*

#### **6.3** Describe the material attributes and characteristics of all outstanding classes of asset-backed securities, including

- (a) the rate of interest or stipulated yield and any premium,
- (b) the date for repayment of principal or return of capital and any circumstances in which payments of principal or capital may be made before such date, including any redemption or pre-payment obligations or privileges of the issuer and any events that may trigger early liquidation or amortization of the underlying pool of financial assets,
- (c) provisions for the accumulation of cash flows to provide for the repayment of principal or return of capital,
- (d) provisions permitting or restricting the issuance of additional securities and any other material negative covenants applicable to the issuer,
- (e) the nature, order and priority of the entitlements of holders of asset-backed securities and any other entitled persons or companies to receive cash flows generated from the underlying pool of financial assets, and
- (f) any events, covenants, standards or preconditions that may reasonably be expected to affect the timing or amount of payments or distributions to be made under the asset-backed securities, including those that are dependent or based on the economic performance of the underlying pool of financial assets.

#### **6.4** Provide financial disclosure that describes the underlying pool of financial assets for

- (a) the three most recently completed financial years ended more than 90 days before the date of the Listing Statement, or



- (b) if the issuer has not had asset-backed securities outstanding for three financial years, each completed financial year ended more than 90 days before the date of the Listing Statement, or
  - (c) a period from the date the issuer had asset-backed securities outstanding to a date not more than 90 days before the date of the Listing Statement if the issuer has not had asset-backed securities outstanding for at least one financial year.
- 6.5** For the purposes of the financial disclosure required by section 6.4, if an issuer changed its financial year end during any of the financial years referred to in section 6.4 and the transition year is less than nine months, the transition year is not a financial year.
- 6.6** Despite section 6.5, all financial disclosure that describes the underlying pool of financial assets of the issuer for a transition year must be included in the Listing Statement for the most recent interim period, if any, ended
  - (a) subsequent to the most recent financial year refer to in paragraphs 6.4(a) and 6.4(b) in respect of which financial disclosure on the underlying pool of financial assets is included in the Listing Statement, and
  - (b) more than 45 days before the date of the Listing Statement.
- 6.7** If the issuer files financial disclosure that describes the underlying pool of financial assets for a more recent period than required under section 6.4 or 6.6 before the Listing Statement is filed, the issuer must include that more recent financial disclosure that describes the underlying pool of financial assets in the Listing Statement.
- 6.8** If financial disclosure that describes the underlying pool of financial assets of the issuer is publicly disseminated by, or on behalf of, the issuer through news release or otherwise for a more recent period than required under section 6.4 or 6.6, the issuer must include the content of the news release or public communication in the Listing Statement.
- 6.9** The disclosure in section 6.4 or 6.6 must include a discussion and analysis of
  - (a) the composition of the pool as at the end of the period,
  - (b) profit and losses from the pool for the period presented on at least an annual basis or such shorter period as is reasonable given the nature of the underlying pool of assets,
  - (c) the payment, prepayment and collection experience of the pool for the period on at least an annual basis or such shorter period as is reasonable given the nature of the underlying pool of assets,
  - (d) servicing and other administrative fees, and



- (e) any significant variances experienced in the matters referred to in paragraphs (a) through (d).
- 6.10** Describe the type of financial assets, the manner in which the financial assets originated or will originate and, if applicable, the mechanism and terms of the agreement governing the transfer of the financial assets comprising the underlying pool to or through the issuer, including the consideration paid for the financial assets.
- 6.11** Describe any person or company who
- (a) originated, sold or deposited a material portion of the financial assets comprising the pool, or has agreed to do so,
  - (b) acts, or has agreed to act, as a trustee, custodian, bailee or agent of the issuer or any holder of the asset-backed securities, or in a similar capacity,
  - (c) administers or services a material portion of the financial assets comprising the pool or provides administrative or managerial services to the issuer, or has agreed to do so, on a conditional basis or otherwise, if
    - (1) finding a replacement provider of the services at a cost comparable to the cost of the current provider is not reasonably likely,
    - (2) a replacement provider of the services is likely to achieve materially worse results than the current provider,
    - (3) the current provider of the services is likely to default in its service obligations because of its current financial condition, or
    - (4) the disclosure is otherwise material,
  - (d) provides a guarantee, alternative credit support or other credit enhancement to support the obligations of the issuer under the asset-backed securities or the performance of some or all of the financial assets in the pool, or has agreed to do so, or
  - (e) lends to the issuer in order to facilitate the timely payment or repayment of amounts payable under the asset-backed securities, or has agreed to do so.
- 6.12** Describe the general business activities and material responsibilities under the asset-backed securities of a person or company referred to in section 6.11.
- 6.13** Describe the terms of any material relationships between
- (a) any of the persons or companies referred to in section 6.11 or any of their respective affiliates, and



(b) the issuer.

- 6.14** Describe any provisions relating to termination of services or responsibilities of any of the persons or companies referred to in section 6.11 and the terms on which a replacement may be appointed.
- 6.15** Describe any risk factors associated with the asset-backed securities, including disclosure of material risks associated with changes in interest rates or prepayment levels, and any circumstances where payments on the asset-backed securities could be impaired or disrupted as a result of any reasonably foreseeable event that may delay, divert or disrupt the cash flows dedicated to service the asset-backed securities.

## INSTRUCTIONS

- (1) *Present the information required under section 6.4 through 6.9 in a manner that will enable a reader to easily determine whether, and the extent to which, the events, covenants, standards and preconditions referred to in paragraph 6.3(f) have occurred, are being satisfied or may be satisfied.*
- (2) *If the information required under section 6.4 through 6.9 is not compiled specifically from the underlying pool of financial assets, but is compiled from a larger pool of the same assets from which the securitized assets are randomly selected so that the performance of the larger pool is representative of the performance of the pool of securitized assets, then an issuer may comply with section 6.4 through 6.9 by providing the financial disclosure required based on the larger pool and disclosing that it has done so.*
- (3) *Issuers are required to summarize contractual arrangements in plain language and may not merely restate the text of the contracts referred to. The use of diagrams to illustrate the roles of, and the relationship among, the persons and companies referred to in section 6.11, and the contractual arrangements underlying the asset-backed securities is encouraged.*

Derivatives



- 6.16** Describe fully the material attributes and characteristics of all outstanding derivatives, including
- (a) the calculation of the value or payment obligations under the derivatives,
  - (b) the exercise of the derivatives,
  - (c) settlements that are the result of the exercise of the derivatives,
  - (d) the underlying interest of the derivatives,
  - (e) the role of a calculation expert in connection with the derivatives,
  - (f) the role of any credit supporter of the derivatives, and
  - (g) the risk factors associated with the derivatives.

*Restricted securities*

- 6.17** If the issuer has outstanding or proposes to distribute under a prospectus restricted securities, subject securities or securities that are, directly or indirectly, convertible into or exercisable or exchangeable for restricted securities or subject securities, provide a detailed description of
- (a) the voting rights attached to the restricted securities that are the subject of the listing or that will result from the listing, either directly or following a conversion, exchange or exercise, and the voting rights, if any, attached to the securities of any other class of securities of the issuer that are the same as or greater than, on a per security basis, those attached to the restricted securities,
  - (b) any significant provisions under applicable corporate and securities law that do not apply to the holders of the restricted securities that are the subject of the listing or that will result from the listing, either directly or following a conversion, exchange or exercise, but do apply to the holders of another class of equity securities, and the extent of any rights provided in the constating documents or otherwise for the protection of holders of the restricted securities,
  - (c) any rights under applicable corporate law, in the constating documents or otherwise, of holders of restricted securities that are the subject of the listing or that will result from the listing, either directly or following a conversion, exchange or exercise, to attend, in person or by proxy, meetings of holders of equity securities of the issuer and to speak at the meetings to the same extent that holders of equity securities are entitled, and



(d) how the issuer complied with, or the basis upon which it was exempt from, the requirements of Part 12 of NI 41-101.

- 6.18** If holders of restricted securities do not have all of the rights referred to in section 6.17 the detailed description referred to in that subsection must include, in boldface type, a statement of the rights the holders do not have.
- 6.19** If the issuer is required to include the disclosure referred to in section 6.17, state the percentage of the aggregate voting rights attached to the issuer's securities that will be represented by restricted securities after effect has been given to the issuance of the securities being offered.

#### *Other securities*

- 6.20** If securities other than equity securities, debt securities, asset-backed securities or derivatives are being listed, describe fully the material attributes and characteristics of those securities.

#### *Modification of terms*

- 6.21** Describe provisions about the modification, amendment or variation of any rights attached to the outstanding securities.
- 6.22** If the rights of holders of securities may be modified otherwise than in accordance with the provisions attached to the securities or the provisions of the governing statute relating to the securities, explain briefly.

#### *Ratings*

- 6.23** If the issuer has asked for and received a stability rating, or if the issuer is aware that it has received any other kind of rating, including a provisional rating, from one or more approved rating organizations for the securities being listed and the rating or ratings continue in effect, disclose
- (a) each security rating, including a provisional rating or stability rating, received from an approved rating organization,
  - (b) the name of each approved rating organization that has assigned a rating for the securities to be distributed,



- (c) a definition or description of the category in which each approved rating organization rated the securities to be distributed and the relative rank of each rating within the organization's overall classification system,
- (d) an explanation of what the rating addresses and what attributes, if any, of the securities to be distributed are not addressed by the rating,
- (e) any factors or considerations identified by the approved rating organization as giving rise to unusual risks associated with the securities to be distributed,
- (f) a statement that a security rating or a stability rating is not a recommendation to buy, sell or hold securities and may be subject to revision or withdrawal at any time by the rating organization, and
- (g) any announcement made by, or any proposed announcement known to the issuer that is to be made by, an approved rating organization to the effect that the organization is reviewing or intends to revise or withdraw a rating previously assigned and required to be disclosed under this section.

## INSTRUCTION

*There may be factors relating to a security that are not addressed by a ratings agency when they give a rating. For example, in the case of cash settled derivatives, factors in addition to the creditworthiness of the issuer, such as the continued subsistence of the underlying interest or the volatility of the price, value or level of the underlying interest may be reflected in the rating analysis. Rather than being addressed in the rating itself, these factors may be described by an approved rating organization by way of a superscript or other notation to a rating. Any such attributes must be discussed in the disclosure under this section.*

### *Other attributes*

- 6.24** If the rights attaching any the securities are materially limited or qualified by the rights of any other class of securities, or if any other class of securities ranks ahead of or equally with the securities being listed, include information about the other securities that will enable investors to understand the rights attaching to the securities being listed.
- 6.25** If any class securities may be partially redeemed or repurchased, state the manner of selecting the securities to be redeemed or repurchased.



## INSTRUCTION

*This section requires only a brief summary of the provisions that are material from an investment standpoint. The provisions attaching to the securities being listed or any other class of securities do not need to be set out in full. They may, in the issuer's discretion, be attached as a schedule to the Listing Statement.*

### **7. Consolidated capitalization**

- 7.1** Describe any material change in, and the effect of the material change on, the share and loan capital of the issuer, on a consolidated basis, since the date of the issuer's financial statements for its most recently completed financial period included in the Listing Statement, including any material change that will result from the issuance of the securities being listed under the Listing Statement.

### **8. Options to purchase securities**

- 8.1** State, in tabular form, as at a specified date within 30 days before the date of the Listing Statement, information about options to purchase securities of the issuer, or a subsidiary of the issuer that are held or will be held upon completion of the listing by
- (a) all executive officers and past executive officers of the issuer, as a group, and all directors and past directors of the issuer who are not also executive officers, as a group, indicating the aggregate number of executive officers and the aggregate number of directors to whom the information applies,
  - (b) all executive officers and past executive officers of all subsidiaries of the issuer, as a group, and all directors and past directors of those subsidiaries who are not also executive officers of the subsidiary, as a group, excluding, in each case, individuals referred to in paragraph (a), indicating the aggregate number of executive officers and the aggregate number of directors to whom the information applies,
  - (c) all other employees and past employees of the issuer as a group,
  - (d) all other employees and past employees of subsidiaries of the issuer as a group,
  - (e) all consultants of the issuer as a group, and





- (f) any other person or company, other than the underwriter(s), naming each person or company.
- 8.2** Describe any material change to the information required to be included in the Listing Statement under subsection 8.1 to the date of the Listing Statement.
- 8.3** The issuer must also include a summary of the salient terms of all Security Based Compensation Arrangements.

#### *INSTRUCTIONS*

- (1) *Describe the options, warrants, or other similar securities stating the material provisions of each class or type of option, including*
  - (a) *the designation and number of the securities under option,*
  - (b) *the purchase price of the securities under option or the formula by which the purchase price will be determined, and the expiration dates of the options,*
  - (c) *if reasonably ascertainable, the market value of the securities under option on the date of grant,*
  - (d) *if reasonably ascertainable, the market value of the securities under option on the specified date, and*
  - (e) *with respect to options referred to in paragraph 8.1(f), the particulars of the grant including the consideration for the grant.*



- (2) *For the purposes of paragraph 8.1(f), provide the information required for all options except warrants and special warrants.*

## **9. Prior Sales and Financings**

- 9.1** For each class of securities of the issuer distributed under the Listing Statement and for securities that are convertible into those classes of securities, state, for the 12-month period before the date of the Listing Statement,
- (a) the price at which the securities have been issued or are to be issued by the issuer or sold by the selling securityholder,
  - (b) the number of securities issued or sold at that price, and
  - (c) the date on which the securities were issued or sold.

### *Trading price and volume*

- 9.2** For each class of securities of the issuer that is traded or quoted on a Canadian marketplace, identify the marketplace and the price ranges and volume traded or quoted on the Canadian marketplace on which the greatest volume of trading or quotation generally occurs.
- 9.3** If a class of securities of the issuer is not traded or quoted on a Canadian marketplace but is traded or quoted on a foreign marketplace, identify the foreign marketplace and the price ranges and volume traded or quoted on the foreign marketplace on which the greatest volume or quotation generally occurs.
- 9.4** Provide the information required under sections 9.2 and 9.3 on a monthly basis for each month or, if applicable, partial months of the 12-month period before the date of the Listing Statement.

### *Prior or Concurrent Financings*

- 9.5** In addition to the disclosure in section 9.1 above, where (i) the issuer is undertaking a financing which is to close concurrently with the securities proposed to be listed under this Listing Statement, or (ii) the issuer has completed a financing within the six month period preceding the date of this Listing Statement, provide, where applicable and in connection with the financing(s), the information required under sections 20.1, 20.2,



20.3, 20.4, 20.5, 20.6, 20.7, 20.10 and 20.12 of Form 41-101F1. Also include information required under sections 6.1, 6.2, 6.3, 6.4, 6.5, 6.6, 6.7, 6.8, 6.9, 6.10, 6.11 and 9 of Form 41-101F1.

**10. Escrowed securities and securities subject to contractual restriction on transfer**

**10.1** State as of a specified date within 30 days before the date of the Listing Statement, in substantially the following tabular form, the number of securities of each class of securities of the issuer held, to the knowledge of the issuer, in escrow or that are subject to a contractual restriction on transfer and the percentage that number represents of the outstanding securities of that class.

**ESCROWED SECURITIES AND SECURITIES  
SUBJECT TO CONTRACTUAL RESTRICTION ON TRANSFER**

Designation of class	Number of securities held in escrow or that are subject to a contractual restriction on transfer	Percentage of class

**10.2** In a note to the table disclose the name of the depository, if any, and the date of and conditions governing the release of the securities from escrow or the date the contractual restriction on transfer ends, as applicable.

**10.3** Describe any material change to the information required to be included in the Listing Statement under section 10.1 to the date of the Listing Statement.



## INSTRUCTIONS

- (1) *For purposes of this section, escrow includes securities subject to a pooling agreement.*
- (2) *For the purposes of this section, securities subject to contractual restrictions on transfer as a result of pledges made to lenders are not required to be disclosed.*

## 11. Principal securityholders

**11.1** Provide the following information for each principal securityholder of the issuer:

- (a) the name,
- (b) the number or amount of securities owned, controlled or directed of the class being listed,
- (c) the number or amount of securities of the class being listed for the account of the securityholder,
- (d) the number or amount of securities of the issuer of any class to be owned, controlled or directed after the listing, and the percentage that number or amount represents of the total outstanding,
- (e) whether the securities referred to in paragraph (b), (c) or (d) are owned both of record and beneficially, of record only, or beneficially only.



- 11.2** If securities are being listed in connection with a restructuring transaction, indicate, to the extent known, the holdings of each person or company described in section 11.1(a) that will exist after effect has been given to the transaction.
- 11.3** If, to the knowledge of the issuer or the underwriter of the securities being listed, more than 10% of any class of voting securities of the issuer is held, or is to be held, subject to any voting trust or other similar agreement, disclose, to the extent known, the designation of the securities, the number or amount of the securities held or to be held subject to the agreement and the duration of the agreement. State the names and addresses of the voting trustees and outline briefly their voting rights and other powers under the agreement.
- 11.4** If, to the knowledge of the issuer or the underwriter of the securities being listed, any principal securityholder is an associate or affiliate of another person or company named as a principal securityholder, disclose, to the extent known, the material facts of the relationship, including any basis for influence over the issuer held by the person or company other than the holding of voting securities of the issuer.
- 11.4** In addition to the above, include in a footnote to the table the required calculation(s) on a fully-diluted basis.
- 11.6** Describe any material change to the information required to be included in the Listing Statement under subsection 11.1 to the date of the Listing Statement.

#### **INSTRUCTION**

*If a company, partnership, trust or other unincorporated entity is a principal securityholder of an issuer, disclose, to the extent known, the name of each individual who, through ownership of or*



*control or direction over the securities of that company, trust or other unincorporated entity, or membership in the partnership, as the case may be, is a principal securityholder of that entity.*

## **12. Directors and Executive Officers**

*Name, occupation and security holding*

**12.1** Provide information for directors and executive officers of the issuer in accordance with section 10.1 of National Instrument 51-102 Form 51-102F2 as at the date of the Listing Statement. In addition, disclose each director and executive officer's experience as a director of any other reporting issuer within the past five years.

**12.2** If information similar to the information required under subsection 12.1 is provided for any director or executive officer, who is not serving in such capacity as at the date of the Listing Statement, clearly indicate this fact.

*Cease trade orders, bankruptcies, penalties or sanctions*

**12.3** Provide information for directors and executive officers of the issuer in accordance with section 10.2 of National Instrument 51-102 Form 51-102F2 as if the references in that section to "date of the AIF" read "date of the Listing Statement".

*Conflicts of interest*

**12.4** Disclose particulars of existing or potential material conflicts of interest between the issuer or a subsidiary of the issuer and a director or officer of the issuer or of a subsidiary of the issuer.



*Management of junior issuers*

**12.5** A junior issuer must provide the following information for each member of management

- (a) state the individual's name, age, position and responsibilities with the issuer and relevant educational background,
- (b) state whether the individual works full time for the issuer or what proportion of the individual's time will be devoted to the issuer,
- (c) state whether the individual is an employee or independent contractor of the issuer,
- (d) state the individual's principal occupations or employment during the five years before the date of the Listing Statement, disclosing with respect to each organization as of the time such occupation or employment was carried on
  - (i) its name and principal business,
  - (ii) if applicable, that the organization was an affiliate of the issuer,
  - (iii) positions held by the individual, and
  - (iv) whether it is still carrying on business, if known to the individual,
- (e) describe the individual's experience in the issuer's industry,



- (f) state whether the individual has entered into a non-competition or non-disclosure agreement with the issuer.

#### *INSTRUCTION*

*For purposes of this section, “management” means all directors, officers, employees and contractors whose expertise is critical to the issuer, its subsidiaries and proposed subsidiaries in providing the issuer with a reasonable opportunity to achieve its stated business objectives.*

### **13. Executive Compensation**

- 13.1** Include in the Listing Statement a Statement of Executive Compensation prepared in accordance with National Instrument 51-102 Form 51-102F6 and describe any intention to make any material changes to that compensation.

### **14. Indebtedness of Directors and Executive Officers**

#### *Aggregate indebtedness*

- 14.1** Provide information for the issuer in accordance with section 10.1 of National Instrument 51-102 Form 51-102F5 as if the reference in that section to “date of the information circular” read “date of the Listing Statement.”

#### *Indebtedness of directors and executive officers under securities purchase and other programs*





**14.2** Provide information for the issuer in accordance with section 10.2 of National Instrument 51-102 Form 51-102F5 as if the reference in this section to “date of the information circular” read “date of the Listing Statement”.

**14.3** Do not disclose the information required under section 14.2 for

- (a) any indebtedness that has been entirely repaid on or before the date of the Listing Statement, or
- (b) routine indebtedness (as defined in paragraph 10.3(c) of National Instrument 51-102 Form 51-102F5 as if reference in this paragraph to “the company” read “the issuer”).

## **15. Audit Committees and Corporate Governance**

### *Audit committees*

**15.1** Include in the Listing Statement the disclosure for the issuer in accordance with Form 52-110F1, as applicable.

**15.2** Include in the Listing Statement the disclosure for the issuer in accordance with Form 52-110F2, as applicable.



## *Corporate governance*

**15.3** Include in the Listing Statement the disclosure in accordance with Form 58-101F1, as applicable.

**15.4** Include in the Listing Statement the disclosure in accordance with Form 58-101F2, as applicable.

## **16. Risk Factors**

**16.1** Disclose risk factors relating to the issuer and its business, such as cash flow and liquidity problems, if any, experience of management, the general risks inherent in the business carried on by the issuer, environmental and health risks, reliance on key personnel, regulatory constraints, economic or political conditions and financial history and any other matter that would be likely to influence an investor's decision to purchase securities of the issuer.

**16.2** If there is a risk that securityholders of the issuer may become liable to make an additional contribution beyond the price of the security, disclose that risk.

**16.3** Describe any risk factors material to the issuer that a reasonable investor would consider relevant to an investment in the securities being listed and that are not otherwise described under section 16.1 or 16.2.

## *INSTRUCTIONS*

(1) *Disclose risks in the order of seriousness from the most serious to the least serious.*



- (2) *A risk factor must not be de-emphasized by including excessive caveats or conditions.*

## **17. Promoters**

**17.1** For a person or company that is, or has been within the two years immediately preceding the date of the Listing Statement, a promoter of the issuer or subsidiary of the issuer, state

- (a) the person or company's name,
- (b) the number and percentage of each class of voting securities and equity securities of the issuer or any of its subsidiaries beneficially owned, or controlled or directed, directly or indirectly, by the person or company,
- (c) the nature and amount of anything of value, including money, property, contracts, options or rights of any kind received or to be received by the promoter directly or indirectly from the issuer or from a subsidiary of the issuer, and the nature and amount of any assets, services or other consideration received or to be received by the issuer or a subsidiary of the issuer in return, and
- (d) for an asset acquired within the two years before the date of the Listing Statement, or to be acquired, by the issuer or by a subsidiary of the issuer from a promoter,
  - (i) the consideration paid or to be paid for the asset and the method by which the consideration has been or will be determined,



- (ii) the person or company making the determination referred to in subparagraph (i) and the person or company's relationship with the issuer or the promoter, or an affiliate of the issuer or the promoter, and
- (iii) the date that the asset was acquired by the promoter and the cost of the asset to the promoter.

**17.2** If a promoter referred to in section 17.1 is, as at the date of the Listing Statement, or was within 10 years before the date of the Listing Statement, a director, chief executive officer, or chief financial officer of any person or company, that

- (a) was subject to an order that was issued while the promoter was acting in the capacity as director, chief executive officer or chief financial officer, or
- (b) was subject to an order that was issued after the promoter ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while the promoter was acting in the capacity as director, chief executive officer or chief financial officer,

state the fact and describe the basis on which the order was made and whether the order is still in effect.

**17.3** For the purposes of section 17.2 "order" means

- (a) a cease trade order,
- (b) an order similar to a cease trade order, or
- (c) an order that denied the relevant person or company access to any exemption under securities legislation,

that was in effect for a period of more than 30 consecutive days.

**17.4** If a promoter referred to section 17.1



- (a) is, as at the date of the Listing Statement, or has been within the 10 years before the date of the Listing Statement, a director or executive officer of any person or company that, while the promoter was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets, state the fact, or
- (b) has, within the 10 years before the date of the Listing Statement, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the promoter, state the fact.

**17.5** Describe the penalties or sanctions imposed and the grounds on which they were imposed or the terms of the settlement agreement and the circumstances that gave rise to the settlement agreement, if a promoter referred to in section 17.1 has been subject to

- (a) any penalties or sanctions imposed by a court relating to provincial and territorial securities legislation or by a provincial and territorial securities regulatory authority or has entered into a settlement agreement with a provincial and territorial securities regulatory authority, or
- (b) any other penalties or sanctions imposed by a court or regulatory body that would be likely to be considered important to a reasonable investor in making an investment decision.

**17.6** Despite section 17.5, no disclosure is required of a settlement agreement entered into before December 31, 2000 unless the disclosure would likely be considered important to a reasonable investor in making an investment decision.

## *INSTRUCTIONS*



- (1) *The disclosure required by sections 17.2, 17.4 and 17.5 also applies to any personal holding companies of any of the persons referred to in sections 17.2, 17.4 and 17.5.*
- (2) *A management cease trade order which applies to a promoter referred to in section 17.1 is an “order” for the purposes of section 17.2(a) and must be disclosed, whether or not the director, chief executive officer or chief financial officer was named in the order.*
- (3) *For the purposes of this section, a late filing fee, such as a filing fee that applies to the late filing of an insider report, is not a “penalty or sanction.”*
- (4) *The disclosure in section 17.2(a) only applies if the promoter was a director, chief executive officer or chief financial officer when the order was issued against the person or company. The issuer does not have to provide disclosure if the promoter became a director, chief executive officer or chief financial officer after the order was issued.*

## **18. Legal Proceedings and Regulatory Actions**

### *Legal proceedings*

- 18.1** Describe any legal proceedings the issuer is or was a party to, or that any of its property is or was the subject of, since the beginning of the most recently completed financial year for which financial statements of the issuer are included in the Listing Statement.
- 18.2** Describe any such legal proceedings the issuer knows to be contemplated.



- 18.3** For each proceeding described in sections 18.1 and 18.2, include the name of the court or agency, the date instituted, the principal parties to the proceeding, the nature of the claim, the amount claimed, if any, whether the proceeding is being contested, and the present status of the proceeding.

#### *INSTRUCTION*

*Information with respect to any proceeding that involves a claim for damages if the amount involved, exclusive of interest and costs, does not exceed 10% of the current assets of the issuer may be omitted. However, if any proceeding presents in large degree the same legal and factual issues as other proceedings pending or known to be contemplated, include the amount involved in the other proceedings in computing the percentage.*

#### *Regulatory actions*

- 18.4** Describe any
- (a) penalties or sanctions imposed against the issuer by a court relating to provincial and territorial securities legislation or by a securities regulatory authority within the three years immediately preceding the date of the Listing Statement,
  - (b) any other penalties or sanctions imposed by a court or regulatory body against the issuer necessary for the Listing Statement to contain full, true and plain disclosure of all material facts relating to the securities being listed, and
  - (c) settlement agreements the issuer entered into before a court relating to provincial and territorial securities legislation or with a securities regulatory authority within the three years immediately preceding the date of the Listing Statement.



## **19. Interests of management and others in material transactions**

- 19.1** Provide information for the issuer for this section in accordance with section 13.1 of Form 51-102F2 as if the reference in that section to “within the three most recently completed financial years or during the current financial year that has materially affected or is reasonably expected to materially affect your company” read “within the three years before the date of the Listing Statement that has materially affected or is reasonably expected to materially affect the issuer or a subsidiary of the issuer”.

## **20. Auditors, Transfer Agents and Registrars and Investor Relations Arrangements**

### *Auditors*

- 20.1** State the name and address of the auditor of the issuer.

### *Transfer agents, registrars, trustees or other agents*

- 20.2** For each class of securities, state the name of any transfer agent, registrar, trustee, or other agent appointed by the issuer to maintain the securities register and the register of transfers for such securities and indicate the location (by municipality) of each of the offices of the issuer or transfer agent, registrar, trustee or other agent where the securities register and register of transfers are maintained or transfers of securities are recorded.

### *Investor Relations Arrangements*





**20.3** If any written or oral agreement or understanding has been reached with any person to provide any promotional or investor relations services for the issuer, disclose (i) the name, principal business and place of business of the person providing, and the nature of, the services; (ii) the background of the person providing the services; (iii) whether the person will have direct or indirect beneficial ownership of, control or direction over, or a combination of direct or indirect beneficial ownership of and of control or direction over, securities of the issuer; and (iv) the consideration both monetary and non-monetary to be paid by the issuer, including whether any payments will be made in advance of services being provided.

**21. Material contracts**

**21.1** Give particulars of any material contract entered into

- (a) since the beginning of the last financial year ending before the date of this Listing Statement; or
- (b) is otherwise in effect, other than contracts entered into in the ordinary course of business that are not
  - (i) contracts to which directors, officers or promoters are parties, other than employment contracts,
  - (ii) a continuing contract to sell the majority of the issuer's products or services or to purchase the majority of the issuer's requirements of goods, services or raw materials,
  - (iii) a franchise or licence or other agreement to use a patent, formula, trade secret, process or trade name,
  - (iv) a financing or credit agreement with terms that have a direct correlation with anticipated cash distributions,



(v) an external management or external administration agreement, or

(vi) a contract on which the issuer's business is substantially dependent.

## INSTRUCTIONS

- (1) *Set out a complete list of all contracts for which particulars must be given under this section, indicating those that are disclosed elsewhere in the Listing Statement. Particulars need only be provided for those contracts that do not have the particulars given elsewhere in the Listing Statement.*
- (2) *Particulars of contracts must include the dates of, parties to, consideration provided for in, and general nature and key terms of, the contracts.*
- (3) *Disclosure is not required of a provision of a contract if it may be omitted or made unreadable when filed pursuant to section 9.3 of National Instrument 41-101. However, if an issuer avails itself of this exemption then it must include a description of the type of information that has been omitted or marked to be unreadable immediately after the provision in the copy of the material contract filed by the issuer.*

## 22. Experts

*Names of experts*

### 22.1 Name each person or company



- (a) who is named as having prepared or certified a report, valuation, statement or opinion in any document filed as part of the Listing Statement, and
- (b) whose profession or business gives authority to the report, valuation, statement or opinion made by the person or company.

*Interest of experts*

**22.2** For each person or company referred to in section 22.1, provide the disclosure in accordance with section 16.2 of Form 51-102F2, as of the date of the Listing Statement, as if that person or company were a person or company referred to in section 16.1 of Form 51-102F2.

**23. Other material facts**

**23.1** Give particulars of any material facts about the securities being listed that are not disclosed under any other Items and are necessary in order for the Listing Statement to contain full, true and plain disclosure of all material facts relating to the securities to be distributed.

**24. Financial Statement Disclosure for Issuers**

*Interpretation of “issuer”*

**24.1** The financial statements of an issuer required under this Section to be included in a Listing Statement must include

- (a) the financial statements of any predecessor entity that formed, or will form, the basis of the business of the issuer, even though the predecessor entity is, or may have been, a different legal entity, if the issuer has not existed for three years,



- (b) the financial statements of a business or businesses acquired by the issuer within three years before the date of the Listing Statement or proposed to be acquired, if a reasonable investor reading the Listing Statement would regard the primary business of the issuer to be the business or businesses acquired, or proposed to be acquired, by the issuer, and
- (c) the restated combined financial statements of the issuer and any other entity with which the issuer completed a transaction within three years before the date of the prospectus or proposes to complete a transaction, if the issuer accounted for or will account for the transaction as a combination in which all of the combining entities or businesses ultimately are controlled by the same party or parties both before and after the combination, and that control is not temporary.

### **Annual financial statements**

**24.2** Subject to section 24.14 and 24.15, include audited, in accordance with NI 52-107, annual financial statements of the issuer consisting of

- (a) a statement of comprehensive income, a statement of changes in equity, and a statement of cash flows for each of the three most recently completed financial years ended more than 90 days before the date of the Listing Statement,
- (b) a statement of financial position as at the end of the two most recently completed financial years described in paragraph (a),
- (c) a statement of financial position as at the beginning of the earliest comparative period for which financial statements that are included in the Listing Statement comply with IFRS in the case of an issuer that
  - (i) discloses in its annual financial statements an unreserved statement of compliance with IFRS, and
  - (ii) does any of the following
    1. applies an accounting policy retrospectively in its annual financial statements,
    2. makes a retrospective restatement of items in its annual financial statements, or



3. reclassifies items in its annual financial statements,
  - (d) in the case of an issuer's first IFRS financial statements, the opening IFRS statement of financial position at the date of transition to IFRS, and
  - (e) notes to the annual financial statements.
- 24.3** If an issuer presents the components of profit or loss in a separate income statement, the separate income statement must be displayed immediately before the statement of comprehensive income filed under subsection 24.2.
- 24.4** If the issuer has not completed three financial years, include the financial statements described under subsection 24.2 for each completed financial year ended more than 90 days before the date of the Listing Statement.
- 24.5** If the issuer has not included in the Listing Statement financial statements for a completed financial year, include the financial statements described under subsection 24.2 or 24.4 for a period from the date the issuer was formed to a date not more than 90 days before the date of the Listing Statement.
- 24.6** If an issuer changed its financial year end during any of the financial years referred to in this section and the transition year is less than nine months, the transition year is deemed not to be a financial year for the purposes of the requirement to provide financial statements for a specified number of financial years in this section.
- 24.7** Despite subsection 24.6, all financial statements of the issuer for a transition year referred to in subsection 24.6 must be included in the Listing Statement.
- 24.8** Subject to section 24.14, if financial statements of any predecessor entity, business or businesses acquired by the issuer, or of any other entity are required under this section, then include
  - (a) statements of comprehensive income, statements of changes in equity, and statements of cash flow for the entities or businesses for as many periods before the acquisition as may be necessary so that when these periods are added to the periods for which the issuer's statements of comprehensive income, statements of changes in equity, and statements of cash flow are included in the prospectus, the results of the entities or businesses, either separately or on a consolidated basis, total three years,
  - (b) statements of financial position for the entities or businesses for as many periods before the acquisition as may be necessary so that when these periods are added to the periods for which the issuer's statements of financial position are included in the prospectus, the financial position of the entities or businesses, either separately or on a consolidated basis, total two years,



- (c) if the entities or businesses have not completed three financial years, the financial statements described under paragraphs (a) and (b) for each completed financial year of the entities or businesses for which the issuer's financial statements in the prospectus do not include the financial statements of the entities or businesses, either separately or on a consolidated basis, and ended more than 90 days before the date of the Listing Statement, or
- (d) if an entity's or business's first IFRS financial statements are included under paragraphs (a), (b) or (c), the opening IFRS statement of financial position at the date of transition to IFRS, and
- (e) a statement of financial position as at the beginning of the earliest comparative period for which financial statements that are included in the prospectus comply with IFRS in the case of an issuer that
  - (i) discloses in its annual financial statements an unreserved statement of compliance with IFRS, and
  - (ii) does any of the following
    1. applies an accounting policy retrospectively in its financial statements,
    2. makes a retrospective restatement of items in its financial statements, or
    3. reclassifies items in its financial statements.

### **Interim financial reports**

**24.9** Subject to section 24.14 and 24.15, include audited, in accordance with NI 52-107, comparative interim financial report of the issuer for the most recent interim period, if any, ended

- (a) subsequent to the most recent financial year in respect of which annual financial statements of the issuer are included in the Listing Statement, and
- (b) more than 45 days before the date of the Listing Statement.

**24.10** The interim financial report referred to in subsection 24.9 must include

- (a) a statement of financial position as at the end of the interim period and a statement of financial position as at the end of the immediately preceding financial year, if any,
- (b) a statement of comprehensive income, a statement of changes in equity, and a statement of cash flows, all for the year-to-date interim period, and comparative



- financial information for the corresponding interim period in the immediately preceding financial year, if any,
- (c) for interim periods other than the first interim period in an issuer's financial year, a statement of comprehensive income for the three month period ending on the last day of the interim period and comparative financial information for the corresponding period in the immediately preceding financial year, if any,
  - (d) a statement of financial position as at the beginning of the earliest comparative period for which financial statements that are included in the Listing Statement comply with IFRS in the case of an issuer that
    - (i) discloses in its interim financial report an unreserved statement of compliance with International Accounting Standard 34 *Interim Financial Reporting*, and
    - (ii) does any of the following
      1. applies an accounting policy retrospectively in its interim financial report,
      2. makes a retrospective restatement of items in its interim financial report, or
      3. reclassifies items in its interim financial report,
  - (e) in the case of the first interim financial report required to be filed in the year of adopting IFRS, the opening IFRS statement of financial position at the date of transition to IFRS, and
  - (f) notes to the interim financial report.

**24.11** If an issuer presents the components of profit or loss in a separate income statement, the separate income statement must be displayed immediately before the statement of comprehensive income filed under subsection 24.10.

**24.12** If the issuer is required to include under subsection 24.9, a comparative interim financial report of the issuer for the second or third interim period in the year of adopting IFRS, include

- (a) the issuer's first interim financial report in the year of adopting IFRS, or
- (b) both
  - (i) the opening IFRS statement of financial position at the date of transition to IFRS, and



- (ii) the annual and date of transition to IFRS reconciliations required by IFRS 1 *First time Adoption of International Financial Reporting Standards* to explain how the transition from previous GAAP to IFRS affected the issuer's reported financial position, financial performance and cash flows.

**24.13** Subsection 24.12 does not apply to an issuer that was a reporting issuer in at least one jurisdiction immediately before filing the Listing Statement.

*Exceptions to financial statement requirements*

**24.14** Despite section 24.2, an issuer is not required to include the following financial statements in a Listing Statement

- (a) the statement of comprehensive income, the statement of changes in equity, and the statement of cash flows for the third most recently completed financial year, if the issuer is a reporting issuer in at least one jurisdiction immediately before filing the Listing Statement,
- (b) the statement of comprehensive income, the statement of changes in equity, and the statement of cash flows for the third most recently completed financial year, and the financial statements for the second most recently completed financial year, if
  - (i) the issuer is a reporting issuer in at least one jurisdiction immediately before filing the Listing Statement, and
  - (ii) the issuer includes financial statements for a financial year ended less than 90 days before the date of the Listing Statement,
- (c) the statement of comprehensive income, the statement of changes in equity, and the statement of cash flows for the third most recently completed financial year, and the statement of financial position for the second most recently completed financial year, if the issuer includes financial statements for a financial year ended less than 90 days before the date of the Listing Statement,
- (d) the statement of comprehensive income, the statement of changes in equity, and the statement of cash flows for the third most recently completed financial year, and the financial statements for the second most recently completed financial year, if
  - (i) the issuer is a reporting issuer in at least one jurisdiction immediately before filing the Listing Statement,
  - (ii) the issuer includes audited financial statements for a period of at least nine months commencing the day after the most recently completed





- financial year for which financial statements are required under section 24.2,
- (iii) the business of the issuer is not seasonal, and
  - (iv) none of the financial statements required under section 24.2 are for a financial year that is less than nine months,
- (e) the statement of comprehensive income, the statement of changes in equity, and the statement of cash flows for the third most recently completed financial year, and the statement of financial position for the second most recently completed financial year, if
- (i) the issuer includes audited financial statements for a period of at least nine months commencing the day after the most recently completed financial year for which financial statements are required under section 24.2,
  - (ii) the business of the issuer is not seasonal, and
  - (iii) none of the financial statements required under section 24.2 are for a financial year that is less than nine months, or
- (f) the separate financial statements of the issuer and the other entity for periods prior to the date of the transaction, if the restated combined financial statements of the issuer and the other entity are included in the Listing Statement under paragraph 24.1(c).

### **Exceptions to audit requirement**

**24.15** The audit requirement in this Listing Statement does not apply to the following financial statements

- (a) any financial statements for the second and third most recently completed financial years required under section 24.2, if
  - (i) those financial statements were previously included in a final Listing Statement without an auditor's report pursuant to an exemption under applicable securities legislation, and



- (ii) an auditor has not issued an auditor's report on those financial statements,
- (b) any financial statements for the second and third most recently completed financial years required under section 24.2, if
  - (i) the issuer is a junior issuer, and
  - (ii) the financial statements for the most recently completed financial year required under section 24.2 is not less than 12 months in length, or
- (c) any interim financial reports required under section 24.9.

*Additional financial statements or financial information filed or released*

**24.16** If the issuer files financial statements for a more recent period than required under section 24.2 or 24.10 before the Listing Statement is filed, the issuer must include in the Listing Statement those more recent financial statements.

**24.17** If historical financial information about the issuer is publicly disseminated by, or on behalf of, the issuer through news release or otherwise for a more recent period than required under section 24.2, the issuer must include the content of the news release or public communication in the Listing Statement.

**25. Credit supporter disclosure, including financial statements**



**25.1** If a credit supporter has provided a guarantee or alternative credit support for all or substantially all of the payments to be made under the securities being listed, include statements by the credit supporter providing disclosure about the credit supporter that would be required under Items 2, 3, 5, 12, 16, 18, 20, 24 if the credit supporter were the issuer of the securities to be distributed and such other information about the credit supporter as is necessary to provide full, true and plain disclosure of all material facts relating to the securities to be distributed.

## **26. Exemptions for Certain Issues of Guaranteed Securities**

### **Definitions and interpretation**

**26.1** In this section

- (a) the impact of subsidiaries, on a combined basis, on the financial statements of the parent entity is “minor” if each item of the summary financial information of the subsidiaries, on a combined basis, represents less than three percent of the total consolidated amounts,
- (b) a parent entity has “limited independent operations” if each item of its summary financial information represents less than three percent of the total consolidated amounts,
- (c) a subsidiary is a “finance subsidiary” if it has minimal assets, operations, revenues or cash flows other than those related to the issuance, administration and repayment of the security being listed and any other securities guaranteed by its parent entity,



- (d) “parent credit supporter” means a credit supporter of which the issuer is a subsidiary,
- (e) “parent entity” means a parent credit supporter for the purposes of sections 26.2 and 26.3 and an issuer for the purpose of section 26.4,
- (f) “subsidiary credit supporter” means a credit supporter that is a subsidiary of the parent credit supporter, and
- (g) “summary financial information” includes the following line items:
  - (i) sales or revenues,
  - (ii) income from continuing operations,
  - (iii) net earnings or loss, and
  - (iv) unless the accounting principles used to prepare the financial statements of the entity permits the preparation of the entity’s statement of financial position without classifying assets and liabilities between current and non-current and the entity provides alternative meaningful financial information which is more appropriate to the industry,
    - (A) current assets,
    - (B) non-current assets,



(C) current liabilities, and

(D) non-current liabilities.

**26.2** For the purposes of this section, consolidating summary financial information must be prepared on the following basis

- (a) an entity's annual or interim summary financial information must be derived from the entity's financial information underlying the corresponding consolidated financial statements of the parent entity included in the Listing Statement,
- (b) the parent entity column must account for investments in all subsidiaries under the equity method, and
- (c) all subsidiary entity columns must account for investments in non-credit supporter subsidiaries under the equity method.

*Issuer is wholly-owned subsidiary of parent credit supporter*

**26.3** An issuer is not required to include the issuer disclosure required by Items 2, 3, 5, 16, 18, 20 and 24 if

- (a) a parent credit supporter has provided full and unconditional credit support for the securities being listed,



- (b) the securities being listed are non-convertible debt securities, non-convertible preferred shares, or convertible debt securities or convertible preferred shares that are convertible, in each case, into non-convertible securities of the parent credit supporter,
- (c) the parent credit supporter is the beneficial owner of all the issued and outstanding voting securities of the issuer,
- (d) no other subsidiary of the parent credit supporter has provided a guarantee or alternative credit support for all or substantially all of the payments to be made under the securities being listed, and
- (e) the issuer includes in the Listing Statement
  - (i) a statement that the financial results of the issuer are included in the consolidated financial results of the parent credit supporter, if
    - (A) the issuer is a finance subsidiary, and
    - (B) the impact of any subsidiaries of the parent credit supporter on a combined basis, excluding the issuer, on the consolidated financial statements of the parent credit supporter is minor, or
  - (ii) for the periods covered by the parent credit supporter's interim and annual consolidated financial statements included in the Listing Statement under Section 25, consolidating summary financial information for the parent credit supporter presented with a separate column for each of the following



- (A) the parent credit supporter;
- (B) the issuer;
- (C) any other subsidiaries of the parent credit supporter on a combined basis;
- (D) consolidating adjustments;
- (E) the total consolidated amounts.

*Issuer is wholly-owned subsidiary of, and one or more subsidiary credit supporters controlled by, parent credit supporter*

**26.4** An issuer is not required to include the issuer disclosure required by Items 2, 3, 5, 16, 18, 20 and 24, or the credit supporter disclosure of one or more subsidiary credit supporters required by section 25, if

- (a) a parent credit supporter and one or more subsidiary credit supporters have each provided full and unconditional credit support for the securities being listed,
- (b) the guarantees or alternative credit supports are joint and several,
- (c) the securities being listed are non-convertible debt securities, non-convertible preferred shares, or convertible debt securities or convertible preferred shares



that are convertible, in each case, into non-convertible securities of the parent credit supporter,

- (d) the parent credit supporter is the beneficial owner of all the issued and outstanding voting securities of the issuer,
- (e) the parent credit supporter controls each subsidiary credit supporter and the parent credit support has consolidated the financial statements of each subsidiary credit supporter into the parent credit supporter's financial statements that are included in the Listing Statement, and
- (f) the issuer includes in the Listing Statement, for the periods covered by the parent credit supporter's financial statements included in the Listing Statement under section 25, consolidating summary financial information for the parent credit supporter presented with a separate column for each of the following:
  - (i) the parent credit supporter;
  - (ii) the issuer;
  - (iii) each subsidiary credit supporter on a combined basis;
  - (iv) any other subsidiaries of the parent credit supporter on a combined basis;
  - (v) consolidating adjustments;





(vi) the total consolidated amounts.

**26.5** Despite Section 26.3(f), the information set out in a column in accordance with

- (a) Section 26.3(f)(iv) may be combined with the information set out in accordance with any of the other columns in Section 26.3(f) if the impact of any subsidiaries of the parent credit supporter on a combined basis, excluding the issuer and all subsidiary credit supporters, on the consolidated financial statements of the parent credit supporter is minor, and
- (b) Section 26.3(f)(ii), may be combined with the information set out in accordance with any of the other columns in Section 26.3(f) if the issuer is a finance subsidiary.

*One or more credit supporters controlled by issuer*

**26.6** An issuer is not required to include the credit supporter disclosure for one or more credit supporters required by section 25, if

- (a) one or more credit supporters have each provided full and unconditional credit support for the securities being listed,
- (b) there is more than one credit supporter, the guarantee or alternative credit supports are joint and several,
- (c) the securities being listed are non-convertible debt securities, non-convertible preferred shares, or convertible debt securities or convertible preferred shares that are convertible, in each case, into non-convertible securities of the issuer,



- (d) the issuer controls each credit supporter and the issuer has consolidated the financial statements of each credit supporter into the issuer's financial statements that are included in the Listing Statement, and
- (e) the issuer includes in the Listing Statement
  - (i) a statement that the financial results of the credit supporter(s) are included in the consolidated financial results of the issuer, if
    - (A) the issuer has limited independent operations, and
    - (B) the impact of any subsidiaries of the issuer on a combined basis, excluding the credit supporter(s) but including any subsidiaries of the credit supporter(s) that are not themselves credit supporters, on the consolidated financial statements of the issuer is minor, or
  - (ii) for the periods covered by the issuer's financial statements included in the Listing Statement under section 24, consolidating summary financial information for the issuer, presented with a separate column for each of the following:
    - (A) the issuer,
    - (B) the credit supporters on a combined basis,
    - (C) any other subsidiaries of the issuer on a combined basis,



(D) consolidating adjustments,

(E) the total consolidated amounts.

## 27. Significant Acquisitions

### *Application and definitions*

**27.1** This Section does not apply to a completed or proposed transaction by the issuer that was or will be accounted for as a reverse takeover or a transaction that is a proposed reverse takeover that has progressed to a state where a reasonable person would believe that the likelihood of the reverse takeover being completed is high.

**27.2** As applicable to this Listing Statement, the audit requirement in section 4.2 of National Instrument 41-101 does not apply to any financial statements or other information included in the Listing Statement under this Section, other than the financial statements or other information for the most recently completed financial year of a business or related businesses acquired, or proposed to be acquired, by the issuer.

**27.3** In this Section, “**significant acquisition**” means an acquisition of a business or related businesses that,

- (a) if the issuer was a reporting issuer in at least one jurisdiction on the date of the acquisition, is determined to be a significant acquisition under section 8.3 of National Instrument 51-102, or



- (b) if the issuer was not a reporting issuer in any jurisdiction on the date of the acquisition, would be determined to be a significant acquisition under section 8.3 of National Instrument 51-102, as if
- (i) the issuer was a reporting issuer on the date of the acquisition,
  - (ii) the references to a “venture issuer” were read as an “IPO venture issuer” if the issuer is an IPO venture issuer,
  - (iii) for the purposes of the optional tests, the issuer used its financial statements for the most recently completed interim period or financial year that is included in the Listing Statement,
  - (iv) for the purposes of the optional profit or loss test, the most recently completed financial year of the business or related businesses were the financial year of the business ended before the date of the Listing Statement, and the 12 months ended on the last day of the most recently completed interim period of the business or related businesses were the 12 months ended on the last day of the most recently completed interim period before the date of the Listing Statement,
  - (v) subsection 8.3(11.1) of National Instrument 51-102 did not apply,
  - (vi) references to “annual audited statements filed” meant “audited annual financial statements included in the Listing Statement,” and
  - (vii) in subsection 8.3(15) of National Instrument 51-102, the reference to “been required to file, and has not filed,” meant “been required to include, and has not included, in the Listing Statement.”



*Completed acquisitions for which issuer has filed business acquisition report*

- 27.4** If an issuer completed an acquisition of a business or related businesses since the beginning of its most recently completed financial year for which financial statements are included in the Listing Statement, and it has filed a business acquisition report under Part 8 of National Instrument 51-102 for the acquisition, include all of the disclosure included in, or incorporated by reference into, that business acquisition report.

*Completed acquisitions for which issuer has not filed business acquisition report because issuer was not reporting issuer on date of acquisition*

- 27.5** An issuer must include the disclosure required under section 27.6, if
- (a) the issuer completed an acquisition of a business or related businesses since the beginning of the issuer's most recently completed financial year for which financial statements of the issuer are included in the Listing Statement,
  - (b) the issuer was not a reporting issuer in any jurisdiction on the date of the acquisition,
  - (c) the acquisition is a significant acquisition, and
  - (d) the acquisition was completed more than
    - (i) 90 days before the date of the Listing Statement, if the financial year of the acquired business ended 45 days or less before the acquisition, or



- (ii) 75 days before the date of the Listing Statement.

**27.6** For an acquisition to which section 27.5 applies, include all the disclosure that would be required to be included in, or incorporated by reference into, a business acquisition report filed under Part 8 of National Instrument 51-102, as if

- (a) the issuer was a reporting issuer in at least one jurisdiction on the date of the acquisition,
- (b) the business acquisition report was filed as at the date of the Listing Statement,
- (c) the issuer was a venture issuer at the date of the acquisition, if the issuer is an IPO venture issuer,
- (d) subsections 8.4(4) and 8.4(6) of National Instrument 51-102 did not apply, and
- (e) references to financial statements filed or required to be filed meant financial statements included in the Listing Statement.

*Results consolidated in financial statements of issuer*

**27.7** Despite section 27.4 and subsection 27.5, an issuer may omit the financial statements or other information of a business required to be included in the Listing Statement, if at least nine months of the acquired business or related businesses financial performance have been reflected in the issuer's most recent audited financial statements included in the Listing Statement.



*Recently completed acquisitions*

**27.8** Include the information required under subsection 27.9 for any significant acquisition completed by the issuer

- (a) since the beginning of the issuer's most recently completed financial year for which financial statements of the issuer are included in the Listing Statement, and
- (b) for which the issuer has not included any disclosure under section 27.4 or section 27.6.

**27.9** For a significant acquisition to which section 27.8 applies, include the following

- (a) the information required by sections 2.1 through 2.6 of National Instrument 51-102 Form 51-102F4, and
- (b) the financial statements of or other information about the acquisition under section 27.10 for the acquired business or related businesses, if
  - (i) the issuer was not a reporting issuer in any jurisdiction immediately before filing the Listing Statement, or
  - (ii) the issuer was a reporting issuer in at least one jurisdiction immediately before filing the Listing Statement, and the inclusion of the financial statements or other information is necessary for the Listing Statement to contain full, true and plain disclosure of all material facts relating to the securities to be distributed.



**27.10** The requirement to include financial statements or other information under paragraph 27.9(b) must be satisfied by including

- (a) if the issuer was a reporting issuer in at least one jurisdiction on the date of acquisition, the financial statements or other information that will be required to be included in, or incorporated by reference into, a business acquisition report filed under Part 8 of National Instrument 51-102,
- (b) if the issuer was not a reporting issuer in any jurisdiction on the date of acquisition, the financial statements or other information that would be required by section 27.6, or
- (c) satisfactory alternative financial statements or other information.

*Probable acquisitions*

**27.11** Include the information required under subsection 27.12 for any proposed acquisition of a business or related businesses by an issuer that has progressed to a state where a reasonable person would believe that the likelihood of the issuer completing the acquisition is high, and that, if completed by the issuer at the date of the Listing Statement, would be a significant acquisition.

**27.12** For a proposed acquisition of a business or related businesses by the issuer that has progressed to a state where a reasonable person would believe that the likelihood of the issuer completing the acquisition is high and to which subsection 27.11 applies, include

- (a) the information required by sections 2.1 through 2.6 of National Instrument 51-102 Form 51-102F4, modified as necessary to convey that the acquisition has not been completed, and





- (b) the financial statements or other information of the probable acquisition under subsection 27.13 for the acquired business or related businesses, if
  - (i) the issuer was not a reporting issuer in any jurisdiction immediately before filing the Listing Statement, or
  - (ii) the issuer was a reporting issuer in at least one jurisdiction immediately before filing the Listing Statement, and the inclusion of the financial statements or other information is necessary for the Listing Statement to contain full, true and plain disclosure of all material facts relating to the securities to be distributed.

**27.13** For a proposed acquisition of a business or related businesses by the issuer that has progressed to a state where a reasonable person would believe that the likelihood of the issuer completing the acquisition is high and to which subsection 27.12 applies, the requirement to include financial statements or other information under subsection 27.12(b) must be satisfied by including

- (a) if the issuer was a reporting issuer in at least one jurisdiction immediately before filing the Listing Statement, the financial statements or other information that would be required to be included in, or incorporated by reference into, a business acquisition report filed under Part 8 of National Instrument 51-102, as if the date of the acquisition were the date of the Listing Statement,
- (b) if the issuer was not a reporting issuer in any jurisdiction immediately before filing the Listing Statement, the financial statements or other information that would be required to be included by subsection 27.6, as if the acquisition had been completed before the filing of the Listing Statement and the date of the acquisition were the date of the Listing Statement, or



- (c) satisfactory alternative financial statements or other information.

*Pro forma financial statements for multiple acquisitions*

**27.14** Despite sections 27.4, 27.5, 27.6, 27.8, 27.9, 27.10, 27.11, 27.12 and 27.13, an issuer is not required to include in its Listing Statement the pro forma financial statements otherwise required for each acquisition, if the issuer includes in its Listing Statement one set of pro forma financial statements that

- (a) reflects the results of each acquisition since the beginning of the issuer's most recently completed financial year for which financial statements of the issuer are included in the Listing Statement,
- (b) is prepared as if each acquisition had occurred at the beginning of the most recently completed financial year of the issuer for which financial statements of the issuer are included in the Listing Statement, and
- (c) is prepared in accordance with
  - (i) if no disclosure is otherwise required for a probable acquisition under sections 27.11, 27.12 and 27.13, the section in this Section that applies to the most recently completed acquisition; or
  - (ii) sections 27.11, 27.12 and 27.13.

*Additional financial statements or financial information of business filed or released*



- 27.15** An issuer must include in its Listing Statement annual financial statements and interim financial reports of a business or related businesses for a financial period that ended before the date of the acquisition and is more recent than the periods for which financial statements are required under section 27.8, 27.9 and 27.10 or sections 27.11, 27.12 and 27.13 if, before the Listing Statement is filed, the financial statements of the business for the more recent period have been filed.
- 27.16** If, before the Listing Statement is filed, historical financial information of a business or related businesses for a period more recent than the period for which financial statements are required under section 27.8, 27.9 and 27.10 or sections 27.11, 27.12 and 27.13, is publicly disseminated by news release or otherwise by or on behalf of the issuer, the issuer shall include in the Listing Statement the content of the news release or public communication.



**CERTIFICATE**

The undersigned solemnly declare that:

1. Each of the undersigned is an officer or director of the issuer and has been duly authorized to sign this form;
  
2. This Listing Statement contains full, true and plain disclosure of all material information relating to [full legal name of issuer] and 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 prevent a statement that is made from being false or misleading in light of the circumstances in which it was made; and
  
3. They are making this solemn declaration believing it to be true and knowing it is of the same force and effect as if made under the *Canada Evidence Act*.

Dated at \_\_\_\_\_ this \_\_\_ day of \_\_\_\_\_, 20\_\_.

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Signature of CEO

Name

NOTARIAL SEAL

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Signature of CFO

Name



NOTARIAL SEAL

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Signature of Director

Name

NOTARIAL SEAL

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Signature of Director

Name

NOTARIAL SEAL

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Signature of Promoter (if applicable)

Name

NOTARIAL SEAL



**FORM 2A  
LISTING STATEMENT FOR SPECIAL PURPOSE ISSUERS**

Initial Public Offering

Supplemental Listing

**GENERAL INSTRUCTIONS**

- (1) *An issuer doing an initial public offering may file the preliminary and final prospectus for Investment Funds(in the form of Form 41-101F2) in lieu of this Listing Statement.*
- (2) *In determining the degree of detail required, a standard of materiality must be applied. Materiality is a matter of judgment in the particular circumstance, and is determined in relation to an item’s significance to investors, analysts and other users of the information. An item of information, or an aggregate of items, is considered material if it is probable that its omission or misstatement would influence or change an investment decision with respect to the issuer’s securities. In determining whether information is material, take into account both quantitative and qualitative factors. The potential significance of items must be considered individually rather than on a net basis, if the items have an offsetting effect. This concept of materiality is consistent with the financial reporting notion of materiality contained in the Alpha Main Handbook.*
- (3) *The disclosure must be understandable to readers and presented in an easy-to-read format. If technical terms are required, clear and concise explanations should be included.*
- (4) *No reference need be made to inapplicable items and, unless otherwise required in this form, negative answers to items may be omitted.*
- (5) *The term “issuer” includes the applicant issuer and any of its subsidiaries.*
- (6) *A special purpose issuer may have to modify the disclosure items to reflect the special purpose nature of its business.*
- (7) *If an issuer discloses financial information in a Listing Statement or Listing Statement in a currency other than the Canadian dollar, prominently disclose the currency in which the financial information is disclosed.*



- (8) *For issuers applying for approval following a backdoor listing, provide current and historic information for*
- (i) *the issuer;*
  - (ii) *all other companies or businesses involved in the backdoor listing (the “target”), and*
  - (iii) *the entity that will result from the backdoor listing.*

*Information in the issuer’s most recent Listing Statement may be incorporated by reference, but this statement must indicate if any of that information has changed or is no longer relevant. Information concerning assets or lines of business that will not be part of the new entity’s business should not be disclosed.*

- (9) *Please indicate on the cover of this Listing Statement if this statement is being drafted for the purposes of an initial public offering or a supplemental listing.*
- (10) *Terms not defined in this Form have the meaning ascribed to them in National Instrument 41-101 - General Prospectus Requirements (“NI 41-101”) or in Form 41-101F1 - Information Required in a Prospectus (“Form 41-101F1”).*

**1. Table of Contents**

Include a table of contents

**2. Overview of the Structure of the Investment Fund**

**2.1 Legal Structure**

(1) Under the heading “Overview of the Legal Structure of the Fund”, state the full corporate name of the investment fund or, if the investment fund is an unincorporated entity, the full name under which it exists and carries on business and the address(es) of the investment fund’s head and registered office.

(2) State the statute under which the investment fund is incorporated or continued or organized or, if the investment fund is an unincorporated entity, the laws of the jurisdiction or foreign jurisdiction under which the investment fund is established and



exists. Describe the substance of any material amendments to the articles or other constituting or establishing documents of the investment fund.

(3) State whether the investment fund would be considered a mutual fund under securities legislation.

### **3. Investment Objectives**

#### *3.1 Investment Objectives*

(1) Set out under the heading "Investment Objectives" the fundamental investment objectives of the investment fund, including information that describes the fundamental nature of the investment fund, or the fundamental features of the investment fund, that distinguish it from other investment funds.

(2) If the investment fund purports to arrange a guarantee or insurance in order to protect all or some of the principal amount of an investment in the investment fund, include this fact as a fundamental investment objective of the investment fund and

(a) identify the person or company providing the guarantee or insurance,

(b) provide the material terms of the guarantee or insurance, including the maturity date of the guarantee or insurance,

(c) if applicable, state that the guarantee or insurance does not apply to the amount of any redemptions before the maturity date of the guarantee or before the death of the securityholder and that redemptions before that date would be based on the net asset value of the investment fund at the time, and

(d) modify any other disclosure required by this section appropriately.

#### **INSTRUCTIONS**

*(1) State the type or types of securities, such as money market instruments, bonds or equity securities, in which the investment fund will primarily invest under normal market conditions.*

*(2) If the investment fund primarily invests, or intends to primarily invest, or if its name implies that it will primarily invest*





*(a) in a particular type of issuer, such as foreign issuers, small capitalization issuers or issuers located in emerging market countries,*

*(b) in a particular geographic location or industry segment, or*

*(c) in portfolio assets other than securities,*

*the investment fund's fundamental investment objectives must so indicate.*

*(3) If a particular investment strategy is an essential aspect of the investment fund, as evidenced by the name of the investment fund or the manner in which the investment fund is marketed, disclose this strategy as an investment objective. This instruction would be applicable, for example, to an investment fund that described itself as an "investment fund that invests primarily through the use of derivatives."*

#### **4. Investment Strategies**

##### *4.1 Investment Strategies*

(1) Describe under the heading "Investment Strategies"

(a) the principal investment strategies that the investment fund intends to use in achieving its investment objectives,

(b) the use of leverage, including any restrictions and the maximum amount of leverage the fund can use, expressed as a ratio as follows: (total long positions including leveraged positions plus total short positions) divided by the net assets of the investment fund, and

(c) the process by which the investment fund's portfolio adviser selects securities for the fund's portfolio, including any investment approach, philosophy, practices or techniques used by the portfolio adviser or any particular style of portfolio management that the portfolio adviser intends to follow.

(2) Indicate what types of securities, other than those held by the investment fund in accordance with its fundamental investment objectives, may form part of the investment fund's portfolio assets under normal market conditions.

(3) If the investment fund intends to use derivatives



(a) for hedging purposes only, state that the investment fund may use derivatives for hedging purposes only, or

(b) for non-hedging purposes, or for hedging and non-hedging purposes, briefly describe

(i) how derivatives are or will be used in conjunction with other securities to achieve the investment fund's investment objectives,

(ii) the types of derivatives expected to be used and give a brief description of the nature of each type, and

(iii) the limits of the investment fund's use of derivatives.

(4) If the investment fund may depart temporarily from its fundamental investment objectives as a result of adverse market, economic, political or other considerations, disclose any temporary defensive tactics the investment fund's portfolio adviser may use or intends to use in response to such conditions.

(5) If the investment fund intends to enter into securities lending, repurchase or reverse repurchase transactions, briefly describe

(a) how those transactions are or will be entered into in conjunction with other strategies and investments of the investment fund to achieve the investment fund's investment objectives,

(b) the types of those transactions to be entered into and give a brief description of the nature of each type, and

(c) the limits of the investment fund's entering into those transactions.

#### *4.2 Overview of the Investment Structure*

(1) Under the sub-heading, "Overview of the Investment Structure", describe, including a diagram for complex structures, the overall structure of the underlying investment or investments made or to be made by the investment fund, including any direct or indirect investment exposure. Include in the description and the diagram any counterparties under a forward or swap agreement entered into with the investment fund or its manager, the nature of the portfolio of securities being purchased by the investment fund, any indirect investment exposure that is related to the return of the investment



fund and any collateral or guarantees given as part of the overall structure of the underlying investment or investments made by the investment fund.

**5. Overview of the Sector(s) that the Fund Invests in**

*5.1 Sector(s) that the Fund Invests in*

(1) Under the heading “Overview of the Sector(s) that the Fund Invests in”, if the investment fund invests or intends to invest in a specific sector(s), briefly describe the sector(s) that the investment fund has been or will be investing in.

(2) Include in the description known material trends, events or uncertainties in the sector(s) that the investment fund invests or intends to invest in that might reasonably be expected to affect the investment fund.

*5.2 Significant Holdings in Other Entities*

(1) For a labour sponsored or venture capital fund, include in substantially the tabular form below, the following information as at a date within 30 days of the date of the Listing Statement with respect to each entity, 5 percent or more of whose securities of any class are beneficially owned directly or indirectly by the fund.

<b>Significant Holdings of the</b> [name of the labour sponsored or venture capital fund]		
<b>Name and Address of Entity</b>	<b>Nature of Entities' Principal Business</b>	<b>Percentage of Securities of each Class Owned by Fund</b>

**6. Investment Restrictions**

*6.1 Investment Restrictions*

(1) Under the heading “Investment Restrictions”, describe any restrictions on investments adopted by the investment fund, beyond what is required under securities legislation.

(2) If the investment fund has received the approval of the securities regulatory authorities to vary any of the investment restrictions and practices contained in securities legislation, provide details of the permitted variations.



(3) Describe the nature of any securityholder or other approval that may be required in order to change the fundamental investment objectives and any of the material investment strategies to be used to achieve the investment objectives.

(4) Describe the nature of any approval of the independent review committee to vary any of the investment restrictions and practices.

## **7. Management Discussion of Fund Performance**

### *7.1 Management Discussion of Fund Performance*

(1) Provide, under the heading “Management Discussion of Fund Performance”, management’s discussion of fund performance in accordance with sections 2.3, 2.4, 2.5, 3, 4, 5 and 6 of Part B of Form 81-106F1 for the period covered by the financial statements required under section 30.

## **8. Fees and Expenses**

### *8.1 Fees and Expenses*

(1) Under the heading “Fees and Expenses”, set out information about all of the fees and expenses payable by the investment fund and by investors in the investment fund.

(2) The information required by this section must be a summary of the fees, charges and expenses of the investment fund and investors presented in the form of the following table, appropriately completed, and introduced using substantially the following words:

"This table lists the fees and expenses that you may have to pay if you invest in the [insert the name of the investment fund]. You may have to pay some of these fees and expenses directly. The Fund may have to pay some of these fees and expenses, which will therefore reduce the value of your investment in the Fund.

#### **Fees and Expenses Payable by the Fund** [Fees and Expenses payable by Subscribers’ Deposits]

<u>Type of Fee</u>	<u>Amount and Description</u>
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#### **Fees and Expenses Payable Directly by You**

<u>Type of Fee</u>	<u>Amount and Description</u>
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(3) Describe the following fees and expenses in the table referred to in subsection (2):

**Fees and Expenses Payable by the Fund or by Subscribers' Deposits (for scholarship plans)**

- (a) Expenses of the Issue
- (b) Management Fees [*See Instruction (1)*]
- (c) Incentive or Performance Fees
- (d) Portfolio Adviser Fees
- (e) Counterparty Fees (if any)
- (f) Operating Expenses [*See Instructions (2) and (3)*]
- (g) Other Fees and Expenses [*specify type*] [*specify amount*]

**Fees and Expenses Payable Directly by You**

- (a) Sales Charges [*specify percentage, as a percentage of \_\_\_\_\_*]
- (b) Service Fees [*specify percentage, as a percentage of \_\_\_\_\_*]
- (c) Redemption Fees [*specify percentage, as a percentage of \_\_\_\_\_, or specify amount*]
- (d) Registered Tax Plan Fees [*include this disclosure and specify the type of fees if the registered tax plan is sponsored by the investment fund and is described in the Listing Statement*][*specify amount*]
- (m) Other Fees and Expenses [*specify type*] [*specify amount*].

**INSTRUCTIONS**

(1) *List the amount of the management fee, including any performance or incentive fee, for each investment fund separately.*

(2) *Under "Operating Expenses", state whether the investment fund pays all of its operating expenses and lists the main components of those expenses. If the investment fund pays only certain operating expenses and is not responsible for payment of all such expenses, adjust the statement in the table to reflect the proper contractual responsibility of the investment fund and indicate who is responsible for the payment of these expenses.*

(3) *Show all fees or expenses payable by the investment fund (e.g. brokerage) and investors in the investment fund. The description of fees must also include sales and trailing commissions paid either by the investment fund or the investor.*



(4) Describe each fee paid by the investment fund and by the investor in this section separately. The description of fees must also include sales and trailing commissions paid either by the investment fund or the investor.

## 9. Annual Returns and Management Expense Ratio

### 9.1 Annual Returns and Management Expense Ratio

Under the sub-heading “Annual Returns and Management Expense Ratio”, provide, in the following table, returns for each of the past five years and the management expense ratio for each of the past five years as disclosed in the most recently filed annual management report of fund performance of the investment fund:

	[specify year]	[specify year]	[specify year]	[specify year]	[specify year]
<b>Annual Returns</b>					
<b>MER</b>					

“MER” means management expense ratio.

## 10. Risk Factors

### 10.1 Risk Factors

(1) Under the heading “Risk Factors”, describe the risk factors material to the investment fund that a reasonable investor would consider relevant to an investment in the fund’s securities, such as the risks associated with any particular aspect of the fundamental investment objectives and investment strategies.

(2) Include a discussion of general market, political, market sector, liquidity, interest rate, foreign currency, diversification, leverage, credit, legal and operational risks, as appropriate.

(3) Include a brief discussion of general investment risks applicable to the investment fund, such as specific company developments, stock market conditions and general economic and financial conditions in those countries where the investments of the investment fund are listed for trading.



(4) If derivatives are to be used by the investment fund for non-hedging purposes, describe the risks associated with any use or intended use by the investment fund of derivatives.

(5) If there is a risk that purchasers of the securities distributed may become liable to make an additional contribution beyond the price of the security, disclose the risk.

### **INSTRUCTIONS**

*(1) Describe risks in the order of seriousness from the most serious to the least serious.*

*(2) A risk factor must not be de-emphasized by including excessive caveats or conditions.*

## **11 Distribution Policy**

### *11.1 Distribution Policy*

Under the heading “Distribution Policy”, describe the distribution policy, including

- (a) whether distributions are made by the investment fund in cash or reinvested in securities of the investment fund,
- (b) the targeted amount of any distributions,
- (c) whether the distributions are guaranteed or not, and
- (d) when the distributions are made.

## **12. Purchases of Securities**

### *12.1 Purchases of Securities*

(1) Under the heading “Purchases of Securities”, describe the procedure followed or to be followed by investors who desire to purchase securities of the investment fund or switch them for securities of other investment funds.

(2) If applicable, state that the issue price of securities is based on the net asset value of a security of that class, or series of a class, next determined after the receipt by the investment fund of the purchase order.



(3) Describe how the securities of the investment fund are distributed. If sales are effected through a principal distributor, give brief details of any arrangements with the principal distributor.

(4) Describe all available purchase options and state, if applicable, that the choice of different purchase options requires the investor to pay different fees and expenses and if applicable, that the choice of different purchase options affects the amount of compensation paid to a dealer.

(5) If applicable, disclose that a dealer may make provision in arrangements that it has with an investor that will require the investor to compensate the dealer for any losses suffered by the dealer in connection with a failed settlement of a purchase of securities of the investment fund caused by the investor.

(6) If applicable, for an investment fund that is being sold on a best efforts basis, state whether the issue price will be fixed during the initial distribution period, and state when the investment fund will begin issuing securities at the net asset value of a security of the investment fund.

### **13. Redemption of Securities**

#### *13.1 Redemption of Securities*

(1) Under the heading “Redemption of Securities”, describe how investors may redeem securities of the investment fund, including

(a) the procedures followed, or to be followed, by an investor who desires to redeem securities of the investment fund and specifying the procedures to be followed and the documents to be delivered before a redemption order pertaining to securities of the investment fund will be accepted by the investment fund for processing and before payment of the proceeds of redemption will be made by the investment fund,

(b) how the redemption price of the securities is determined and, if applicable, state that the redemption price of the securities is based on the net asset value of a security of that class, or series of a class, next determined after the receipt by the investment fund of the redemption order, and

(c) the circumstances under which the investment fund may suspend redemptions of the securities of the investment fund.





### *13.2 Short-term Trading*

(1) For an investment fund (other than exchange listed investment funds) in continuous distribution, under the sub-heading “Short-Term Trading”

(a) describe the adverse effects, if any, that short-term trades in securities of the investment fund by an investor may have on other investors in the investment fund,

(b) describe the restrictions, if any, that may be imposed by the investment fund to deter short-term trades, including the circumstances, if any, under which such restrictions may not apply,

(c) where the investment fund does not impose restrictions on short-term trades, state the specific basis for the view of the manager that it is appropriate for the investment fund not to do so, and

(d) describe any arrangements, whether formal or informal, with any person or company, to permit short-term trades in securities of the investment fund, including the name of such person or company and the terms of such arrangements, including any restrictions imposed on the short-term trades and any compensation or other consideration received by the manager, the investment fund or any other party pursuant to such arrangements.

### **INSTRUCTION**

*For the disclosure required by section 13.2, include a brief description of the short-term trading activities in the investment fund that are considered by the manager to be inappropriate or excessive. If the manager imposes a short-term trading fee, include a cross-reference to the disclosure provided under section 8 of this Listing Statement.*

## **14. Consolidated Capitalization**

### *14.1 Consolidated Capitalization*

(1) This section does not apply to an investment fund in continuous distribution.



(2) Under the heading “Consolidated Capitalization”, describe any material change in, and the effect of the material change on, the share and loan capital of the investment fund, on a consolidated basis, since the date of the investment fund’s financial statements for its most recently completed financial period included in the Listing Statement, including any material change that will result from any issuance of securities in an ongoing or recently-completed prospectus distribution.

## **15. Prior Sales**

### *15.1 Prior Sales*

(1) This section does not apply to an investment fund in continuous distribution.

(2) Under the heading “Prior Sales”, for each class of securities of the investment fund distributed under the Listing Statement and for securities that are convertible into those classes of securities, state, for the 12-month period before the date of the Listing Statement,

(a) the price at which the securities have been issued or are to be issued by the investment fund,

(b) the number of securities issued or sold at that price, and

(c) the date on which the securities were issued or sold.

### **15.2 Trading Price and Volume**

(1) For each class of securities of the investment fund that is traded or quoted on a Canadian marketplace, identify the marketplace and the price ranges and volume traded or quoted on the Canadian marketplace on which the greatest volume of trading or quotation generally occurs.

(2) If a class of securities of the investment fund is not traded or quoted on a Canadian marketplace but is traded or quoted on a foreign marketplace, identify the foreign marketplace and the price ranges and volume traded or quoted on the foreign marketplace on which the greatest volume or quotation generally occurs.

(3) Provide the information required under subsections (1) and (2) on a monthly basis for each month or, if applicable, partial months of the 12-month period before the date of the Listing Statement.



## **16. Organization and Management Details of the Investment Fund**

### *16.1 Management of the Investment Fund*

(1) Under the heading “Organization and Management Details of the Investment Fund” and under the sub-heading “Officers and Directors of the Investment Fund”,

(a) list the name and municipality of residence of each director and executive officer of the investment fund and indicate their respective positions and offices held with the investment fund and their respective principal occupations during the five preceding years,

(b) state the period or periods during which each director has served as a director and when his or her term of office will expire,

(c) state the number and percentage of securities of each class of voting securities of the investment fund or any of its subsidiaries beneficially owned, or controlled or directed, directly or indirectly, by all directors and executive officers of the investment fund as a group,

(d) disclose the board committees of the investment fund and identify the members of each committee,

(e) if the principal occupation of a director or executive officer of the investment fund is acting as an executive officer of a person or company other than the investment fund, disclose that fact and state the principal business of the person or company, and

(f) for an investment fund that is a limited partnership, provide the information required by this subsection for the general partner of the investment fund, modified as appropriate.

(2) Under the sub-heading “Cease Trade Orders and Bankruptcies”, if a director or executive officer of the investment fund is, as at the date of the Listing Statement or was within 10 years before the date of the Listing Statement a director, chief executive officer or chief financial officer of any other investment fund, that:

(a) was subject to an order that was issued while the director or executive officer was acting in the capacity as director, chief executive officer or chief financial officer, or



(b) was subject to an order that was issued after the director or executive officer ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer, state the fact and describe the basis on which the order was made and whether the order is still in effect.

(3) For the purposes of subsection (2), “order” means

(a) a cease trade order,

(b) an order similar to a cease trade order, or

(c) an order that denied the relevant investment fund access to any exemption under securities legislation,

that was in effect for a period of more than 30 consecutive days.

(4) If a director or executive officer of the investment fund

(a) is, as at the date of the Listing Statement or pro forma Listing Statement, as applicable, or has been within the 10 years before the date of the Listing Statement as applicable, a director or executive officer of any investment fund that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets, state the fact, or

(b) has, within the 10 years before the date of the Listing Statement or pro forma Listing Statement, as applicable, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the director or executive officer, state the fact.

(5) Under the heading “Organization and Management Details of the Investment Fund” and under the sub-heading “Manager of the Investment Fund”, provide the complete municipal address of the manager and details of the manager of the investment fund, including the history and background of the manager and any overall investment strategy or approach used by the manager in connection with the investment fund.



(6) Under the sub-heading “Duties and Services to be Provided by the Manager”, provide a description of the duties and services that the manager will be providing to the investment fund.

(7) Under the sub-heading “Details of the Management Agreement”, provide a brief description of the essential details of any management agreement that the manager has entered into or will be entering into with the investment fund, including any termination rights.

(8) Under the sub-heading “Officers and Directors of the Manager of the Investment Fund”,

(a) list the name and municipality of residence of each partner, director and executive officer of the manager of the investment fund and indicate their respective positions and offices held with the manager and their respective principal occupations within the five preceding years,

(b) if a partner, director or executive officer of the manager has held more than one office with the manager within the past five years, state only the current office held, and

(c) if the principal occupation of a partner, director or executive officer of the manager is with an organization other than the manager of the investment fund, state the principal business in which the organization is engaged.

(9) Under the sub-heading “Cease Trade Orders and Bankruptcies of the Manager”, provide the information required under subsections (2) and (4) for the directors and executive officers of the manager of the investment fund, modified as appropriate.

#### **INSTRUCTIONS**

*(1) The disclosure required by subsections (2) and (4) also applies to any personal holding companies of any of the persons referred to in subsections (2) and (4).*

*(2) A management cease trade order which applies to directors and executive officers of the investment fund is an “order” for the purposes of paragraph (2)(a) and must be disclosed, whether or not the director, chief executive officer or chief financial officer was named in the order.*

*(3) For the purposes of this section, a late filing fee, such as a filing fee that applies to the late filing of an insider report, is not a “penalty or sanction”.*



*(4) The disclosure in paragraph (2)(a) only applies if the director or executive officer of the investment fund was a director, chief executive officer or chief financial officer when the order was issued against the relevant investment fund. The investment fund does not have to provide disclosure if the director or executive officer became a director, chief executive officer or chief financial officer after the order was issued.*

## *16.2 Portfolio Adviser*

(1) Under the sub-heading “Portfolio Adviser”

(a) state the municipality and the province or country where the portfolio adviser principally provides its services to the investment fund and give details of the portfolio adviser of the investment fund, including the history and background of the portfolio adviser,

(b) state the extent to which investment decisions are made by certain individuals employed by the portfolio adviser and whether those decisions are subject to the oversight, approval or ratification of a committee, and

(c) state the name, title, and length of time of service of the person or persons employed by or associated with the portfolio adviser of the investment fund who is or are principally responsible for the day-to-day management of a material portion of the portfolio of the investment fund, implementing a particular material strategy or managing a particular segment of the portfolio of the investment fund, and each person’s business experience in the last five years.

(2) Under the sub-heading “Details of the Portfolio Advisory Agreement”, provide a brief description of the essential details of any portfolio advisory agreement that the portfolio adviser has entered into or will be entering into with the investment fund or the manager of the investment fund, including any termination rights.

## *16.3 Conflicts of Interest*

(1) Under the sub-heading “Conflicts of Interest”, disclose particulars of existing or potential material conflicts of interest between

(a) the investment fund and a director or executive officer of the investment fund,

(b) the investment fund and the manager or any director or executive officer of the manager of the investment fund, and



(c) the investment fund and the portfolio adviser or any director or executive officer of the portfolio adviser of the investment fund.

#### *16.4 Independent Review Committee*

(1) Under the sub-heading “Independent Review Committee”, provide a description of the independent review committee of the investment fund, including

(a) the mandate and responsibilities of the independent review committee,

(b) the composition of the independent review committee (including the names of its members), and the reasons for any change in its composition since the date of the most recently filed annual information form or Listing Statement of the investment fund, as applicable,

(c) that the independent review committee prepares a report at least annually of its activities for securityholders which is available on the [investment fund’s/investment fund family’s] Internet site at [insert investment fund’s Internet site address], or at the securityholder’s request at no cost, by contacting the [investment fund/investment fund family] at [investment fund’s/investment fund family’s email address], and

(d) the amount of fees and expenses payable in connection with the independent review committee by the investment fund, including any amounts payable for committee participation or special assignments, and state whether the investment fund pays all of the fees payable to the independent review committee.

#### *16.5 Trustee*

(1) Under the sub-heading “Trustee”, provide details of the trustee of the investment fund, including the municipality and the province or country where the trustee principally provides its services to the investment fund.

#### *16.6 Custodian*

(1) Under the sub-heading “Custodian”, state the name, municipality of the principal or head office, and nature of business of the custodian and any principal sub-custodian of the investment fund.



(2) Describe generally the sub-custodial arrangements of the investment fund.

#### **INSTRUCTION**

*A "principal sub-custodian" is a sub-custodian to whom custodial authority has been delegated in respect of a material portion or segment of the portfolio assets of the investment fund.*

#### **16.7 Auditor**

(1) Under the sub-heading "Auditor", state the name and address of the auditor of the investment fund.

#### **16.8 Transfer Agent and Registrar**

(1) Under the sub-heading, "Transfer Agent and Registrar", for each class of securities, state the name of the investment fund's transfer agent(s), registrar(s), trustee, or other agent appointed by the investment fund to maintain the securities register and the register of transfers for such securities and indicate the location (by municipalities) of each of the offices of the investment fund or transfer agent, registrar, trustee or other agent where the securities, register and register of transfers are maintained or transfers of securities are recorded.

#### **16.9 Promoters**

(1) For a person or company that is, or has been within the two years immediately preceding the date of the Listing Statement, a promoter of the investment fund or of a subsidiary of the investment fund, state under the sub-heading "Promoter"

(a) the person or company's name and municipality and the province or country of residence,

(b) the number and percentage of each class of voting securities and equity securities of the investment fund or any of its subsidiaries beneficially owned, or controlled or directed, directly or indirectly, by the person or company,

(c) the nature and amount of anything of value, including money, property, contracts, options or rights of any kind received or to be received by the promoter directly or indirectly from the investment fund or from a subsidiary of the investment fund, and the nature and amount of any assets, services or other





consideration received or to be received by the investment fund or a subsidiary of the investment fund in return, and

(d) for an asset acquired within the two years before the date of the Listing Statement, or to be acquired, by the investment fund or by a subsidiary of the investment fund from a promoter,

(i) the consideration paid or to be paid for the asset and the method by which the consideration has been or will be determined,

(ii) the person or company making the determination referred to in subparagraph (i) and the person or company's relationship with the investment fund, the promoter, or an affiliate of the investment fund or of the promoter, and

(iii) the date that the asset was acquired by the promoter and the cost of the asset to the promoter.

(2) If a promoter referred to in subsection (1) is, as at the date of the Listing Statement or pro forma Listing Statement, as applicable, or was within 10 years before the date of the Listing Statement a director, chief executive officer or chief financial officer of any person or company, that

(a) was subject to an order that was issued while the promoter was acting in the capacity as director, chief executive officer or chief financial officer, or

(b) was subject to an order that was issued after the promoter ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while the promoter was acting in the capacity as director, chief executive officer or chief financial officer, state the fact and describe the basis on which the order was made and whether the order is still in effect.

(3) For the purposes of subsection (2), "order" means:

(a) a cease trade order,

(b) an order similar to a cease trade order, or

(c) an order that denied the relevant person or company access to any exemption under securities legislation that was in effect for a period of more than 30 consecutive days.



(4) If a promoter referred to in subsection (1)

(a) is, as at the date of the Listing Statement or pro forma Listing Statement, as applicable, or has been within the 10 years before the date of the Listing Statement, a director or executive officer of any person or company that, while the promoter was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets, state the fact, or

(b) has, within the 10 years before the date of the Listing Statement or pro forma Listing Statement, as applicable, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the promoter, state the fact.

(5) Describe the penalties or sanctions imposed and the grounds on which they were imposed or the terms of the settlement agreement and the circumstances that gave rise to the settlement agreement, if a promoter referred to in subsection (1) has been subject to

(a) any penalties or sanctions imposed by a court relating to provincial and territorial securities legislation or by a provincial and territorial securities regulatory authority or has entered into a settlement agreement with a provincial and territorial securities regulatory authority, or

(b) any other penalties or sanctions imposed by a court or regulatory body that would be likely to be considered important to a reasonable investor in making an investment decision.

(6) Despite subsection (5), no disclosure is required of a settlement agreement entered into before December 31, 2000 unless the disclosure would likely be considered to be important to a reasonable investor in making an investment decision.

## **INSTRUCTIONS**

*(1) The disclosure required by subsections (2), (4) and (5) also applies to any personal holding companies of any of the persons referred to in subsections (2), (4), and (5).*



*(2) A management cease trade order which applies to a promoter referred to in subsection (1) is an “order” for the purposes of paragraph (2)(a) and must be disclosed, whether or not the director, chief executive officer or chief financial officer was named in the order.*

*(3) For the purposes of this section, a late filing fee, such as a filing fee that applies to the late filing of an insider report, is not a “penalty or sanction”.*

*(4) The disclosure in paragraph (2)(a) only applies if the promoter was a director, chief executive officer or chief financial officer when the order was issued against the person or company. The investment fund does not have to provide disclosure if the promoter became a director, chief executive officer or chief financial officer after the order was issued.*

## **17. Calculation of Net Asset Value**

### *17.1 Calculation of Net Asset Value*

(1) Under the heading “Calculation of Net Asset Value”,

(a) describe how the net asset value of the investment fund is calculated, and

(b) state the frequency at which the net asset value is calculated and the date and time of day at which it is calculated.

### *17.2 Valuation Policies and Procedures*

(1) Under the sub-heading “Valuation Policies and Procedures of the Investment Fund”,

(a) describe the methods used to value the various types or classes of assets of the investment fund and its liabilities for the purpose of calculating net asset value,

(b) If the valuation principles and practices established by the manager differ from Canadian GAAP, describe the differences, and

(c) if the manager has discretion to deviate from the investment fund's valuation practices described in paragraph (a), disclose when and to what extent that discretion may be exercised and, if it has been exercised in the past three years,



provide an example of how it has been exercised or, if it has not been exercised in the past three years, so state.

### *17.3 Reporting of Net Asset Value*

(1) Under the sub-heading “Reporting of Net Asset Value”, describe

- (a) how the net asset value of the investment fund will be made available at no cost (e.g. website, toll-free telephone line, etc.), and
- (b) the frequency at which the net asset value is disclosed.

## **18. Description of the Securities Distributed**

### *Equity Securities*

(1) State the description of the securities or class a series of securities of the investment fund are being listed, under the heading “Attributes of the Securities” and under the sub-heading “Description of the Securities Distributed” state the description or the designation of the class of equity securities distributed and describe all material attributes and characteristics, including

- (a) dividend or distribution rights,
- (b) voting rights,
- (c) rights upon dissolution, termination or winding-up,
- (d) pre-emptive rights,
- (e) conversion or exchange rights,
- (f) redemption, retraction, purchase for cancellation or surrender provisions,
- (g) sinking or purchase fund provisions,
- (h) provisions permitting or restricting the issuance of additional securities and any other material restrictions, and
- (i) provisions requiring a securityholder to contribute additional capital.



### *18.1 Debt Securities*

(1) If debt securities are being listed, under the heading “Attributes of the Securities” and under the sub-heading “Description of the Securities Distributed”, describe all material attributes and characteristics of the indebtedness and the security, if any, for the debt, including

- (a) provisions for interest rate, maturity and premium, if any,
- (b) conversion or exchange rights,
- (c) redemption, retraction, purchase for cancellation or surrender provisions,
- (d) sinking or purchase fund provisions,
- (e) the nature and priority of any security for the debt securities, briefly identifying the principal properties subject to lien or charge,
- (f) provisions permitting or restricting the issuance of additional securities, the incurring of additional indebtedness and other material negative covenants, including restrictions against payment of dividends and restrictions against giving security on the assets of the investment fund or its subsidiaries, and provisions as to the release or substitution of assets securing the debt securities,
- (g) the name of the trustee under any indenture relating to the debt securities and the nature of any material relationship between the trustee or any of its affiliates and the investment fund or any of its affiliates, and
- (h) any financial arrangements between the investment fund and any of its affiliates or among its affiliates that could affect the security for the indebtedness.

### *18.2 Derivatives*

(1) If derivatives are being listed, under the heading “Attributes of the Securities” and under the sub-heading “Description of the Securities Distributed”, describe fully the material attributes and characteristics of the derivatives, including

- (a) the calculation of the value or payment obligations under the derivatives,



- (b) the exercise of the derivatives,
- (c) settlements that are the result of the exercise of the derivatives,
- (d) the underlying interest of the derivatives,
- (e) the role of a calculation expert in connection with the derivatives,
- (f) the role of any credit supporter of the derivatives, and
- (g) the risk factors associated with the derivatives.

### **18.3 Other Securities**

(1) If securities other than the securities mentioned above are being listed, under the heading "Attributes of the Securities" and under the sub-heading "Description of the Securities Distributed", describe fully the material attributes and characteristics of those securities.

### **18.4 Restricted Securities**

(1) If the investment fund has outstanding, or proposes to distribute restricted securities, subject securities or securities that are, directly or indirectly, convertible into or exercisable or exchangeable for restricted securities or subject securities, provide a detailed description of

(a) the voting rights attached to the restricted securities that are the subject of the listing or that will result from the listing, either directly or following a conversion, exchange or exercise, and the voting rights, if any, attached to the securities of any other class of securities of the investment fund that are the same as or greater than, on a per security basis, those attached to the restricted securities,

(b) any significant provisions under applicable corporate and securities law that do not apply to the holders of the restricted securities that are the subject of the listing or that will result from the listing, either directly or following a conversion, exchange or exercise, but do apply to the holders of another class of equity securities, and the extent of any rights provided in the constating documents or otherwise for the protection of holders of the restricted securities,

(c) any rights under applicable corporate law, in the constating documents or otherwise, of holders of restricted securities that are the subject of the listing or



that will result from the listing, either directly or following a conversion, exchange or exercise, to attend, in person or by proxy, meetings of holders of equity securities of the investment fund and to speak at the meetings to the same extent that holders of equity securities are entitled, and

(d) how the investment fund complied with, or the basis upon which it was exempt from, the requirements of Part 12 of National Instrument 41-101.

(2) If holders of restricted securities do not have all of the rights referred to in subsection.

(3) The detailed description referred to in that subsection must include, in boldface type, a statement of the rights the holders do not have.

(4) If the investment fund is required to include the disclosure referred to in subsection.

(5), state the percentage of the aggregate voting rights attached to the investment fund's securities that will be represented by restricted securities after effect has been given to the issuance of the securities being offered.

### *18.5 Modification of Terms*

(1) Describe provisions about the modification, amendment or variation of any rights attached to the issuer's listed securities.

(2) If the rights of holders of securities may be modified otherwise than in accordance with the provisions attached to the securities or the provisions of the governing statute relating to the securities, explain briefly.

### **18.6 Ratings**

(1) If the investment fund has asked for and received a stability rating, or if the investment fund is aware that it has received any other kind of rating, including provisional rating, from one or more approved rating organizations for the securities being listed and the rating or ratings continue in effect, disclose

(a) each security rating, including a provisional rating or stability rating, received from an approved rating organization,

(b) the name of each approved rating organization that has assigned a rating for the securities to be distributed,



(c) a definition or description of the category in which each approved rating organization rated the securities to be distributed and the relative rank of each rating within the organization's overall classification system,

(d) an explanation of what the rating addresses and what attributes, if any, of the securities to be distributed are not addressed by the rating,

(e) any factors or considerations identified by the approved rating organization as giving rise to unusual risks associated with the securities to be distributed,

(f) a statement that a security rating or a stability rating is not a recommendation to buy, sell or hold securities and may be subject to revision or withdrawal at any time by the rating organization, and

(g) any announcement made by, or any proposed announcement known to the investment fund that is to be made by, an approved rating organization to the effect that the organization is reviewing or intends to revise or withdraw a rating previously assigned and required to be disclosed under this section.

### *18.7 Other Attributes*

(1) If the rights attaching to the securities being listed are materially limited or qualified by the rights of any other class of securities, or if any other class of securities ranks ahead of or equally with the securities being listed, include information about the other securities that will enable investors to understand the rights attaching to the securities being listed.

(2) If securities of the class being listed may be partially redeemed or repurchased, state the manner of selecting the securities to be redeemed or repurchased.

#### **INSTRUCTION**

*This section requires only a brief summary of the provisions that are material from an investment standpoint. The provisions attaching to the securities being listed or any other class of securities do not need to be set out in full. They may, in the investment fund's discretion, be attached as a schedule to the Listing Statement.*

## **19. Securityholder Matters**

### *19.1 Meetings of Securityholders*





(1) Under the heading “Securityholder Matters” and under the sub-heading “Meetings of Securityholders”, describe the circumstances, processes and procedures for holding any securityholder meeting and for any extraordinary resolution.

### *19.2 Matters Requiring Securityholder Approval*

(1) Under the sub-heading “Matters Requiring Securityholder Approval”, describe the matters that require securityholder approval.

### *19.3 Amendments to Declaration of Trust*

(1) For an investment fund established pursuant to a declaration of trust, under the sub-heading “Amendments to the Declaration of Trust”, describe the circumstances, processes and procedures required to amend the declaration of trust.

### *19.4 Reporting to Securityholders*

(1) Under the sub-heading “Reporting to Securityholders” describe the information or reports that will be delivered or made available to securityholders and the frequency with which such information or reports will be delivered or made available to securityholders, including any requirements under securities legislation.

## **20. Termination of the Fund**

### *20.1 Termination of the Fund*

(1) Under the heading “Termination of the Fund”, describe the circumstances in which the investment fund will be terminated, including:

(a) the date of termination,

(b) how the value of the securities of the investment fund at termination will be determined,

(c) whether securityholders will receive cash or any other type of payment upon termination,



(d) the details of any rollover transaction, if securityholders will receive securities of another investment fund as part of a rollover transaction upon termination,

(e) how the assets of the investment fund will be distributed upon termination, and

(f) if the investment fund is a commodity pool, disclose whether the investment fund will be wound up without the approval of securityholders if the net asset value per security falls below a certain predetermined level, and, if so, the net asset value per security at which this will occur.

## **21. Options to Purchase Securities**

### *21.1 Options to Purchase Securities*

(1) Under the heading “Options to Purchase Securities”, state, in tabular form, as at a specified date within 30 days before the date of the Listing Statement or pro forma Listing Statement, information about options to purchase securities of the investment fund, or a subsidiary of the investment fund, that are held or will be held upon completion of the listing by

(a) all executive officers and past executive officers of the investment fund, as a group, and all directors and past directors of the investment fund who are not also executive officers, as a group, indicating the aggregate number of executive officers and the aggregate number of directors to whom the information applies,

(b) all executive officers and past executive officers of all subsidiaries of the investment fund, as a group, and all directors and past directors of those subsidiaries who are not also executive officers of the subsidiary, as a group, excluding, in each case, individuals referred to in paragraph (a), indicating the aggregate number of executive officers and the aggregate number of directors to whom the information applies,

(c) all other employees and past employees of the investment fund as a group,

(d) all other employees and past employees of subsidiaries of the investment fund as a group,

(e) all consultants of the investment fund as a group, and



(f) any other person or company, other than the underwriter(s), naming each person or company.

(2) Describe any material change to the information required to be included in the Listing Statement under subsection (1) to the date of the Listing Statement.

### **INSTRUCTIONS**

*(1) Describe the options, warrants, or other similar securities stating the material provisions of each class or type of option, including:*

*(a) the designation and number of the securities under option;*

*(b) the purchase price of the securities under option or the formula by which the purchase price will be determined, and the expiration dates of the options;*

*(c) if reasonably ascertainable, the market value of the securities under option on the date of grant;*

*(d) if reasonably ascertainable, the market value of the securities under option on the specified date; and*

*(e) with respect to options referred to in paragraph (1)(f), the particulars of the grant including the consideration for the grant.*

*(2) For the purposes of paragraph (1)(f), provide the information required for all options except warrants and special warrants.*

## **22. Principal Holders of Securities of the Investment Fund and Selling Securityholders**

### *22.1 Principal Holders of Securities of the Investment Fund and Selling Securityholders*

(1) Under the heading “Principal Holders of Securities of the Investment Fund [and Selling Securityholders]”, provide the following information for each principal securityholder of the investment fund and, if any securities are being listed for the account of a securityholder, for each selling securityholder, as of a specified date not more than 30 days before the date of the Listing Statement:

(a) the name,



(b) the number or amount of securities of the investment fund of any class to be owned, controlled or directed after the listing, and the percentage that number or amount represents of the total outstanding, and

(c) whether the securities referred to in paragraphs (b) are owned both of record and beneficially, of record only, or beneficially only.

(2) If, to the knowledge of the investment fund more than 10 percent of any class of voting securities of the investment fund is held, or is to be held, subject to any voting trust or other similar agreement, disclose, to the extent known, the designation of the securities, the number or amount of the securities held or to be held subject to the agreement and the duration of the agreement. State the names and addresses of the voting trustees and outline briefly their voting rights and other powers under the agreement.

(3) If, to the knowledge of the investment fund, any principal securityholder is an associate or affiliate of another person or company named as a principal securityholder, disclose, to the extent known, the material facts of the relationship, including any basis for influence over the investment fund held by the person or company other than the holding of voting securities of the investment fund.

(4) In addition to the above, include in a footnote to the table the required calculation(s) on a fully-diluted basis.

(5) Describe any material change to the information required to be included in the Listing Statement under subsection (1) to the date of the Listing Statement.

#### **INSTRUCTION**

*If a company, partnership, trust or other unincorporated entity is a principal securityholder of an investment fund, disclose, to the extent known, the name of each individual who, through ownership of or control or direction over the securities of the company, trust or other unincorporated entity, or membership in the partnership, as the case may be, is a principal securityholder of that entity.*

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### **23. Interests of Management and Others in Material Transactions**

#### **23.1 Interests of Management and Others in Material Transactions**

(1) Under the heading “Interests of Management and Others in Material Transactions”, describe, and state the approximate amount of, any material interest, direct or indirect,



of any of the following persons or companies in any transaction within the three years before the date of the Listing Statement or pro forma Listing Statement that has materially affected or is reasonably expected to materially affect the investment fund:

- (a) a director or executive officer of the investment fund or the investment fund manager,
- (b) a person or company that beneficially owns, or controls or directs, directly or indirectly, more than 10 percent of any class or series of the outstanding voting securities of the investment fund or the investment fund manager, and
- (c) an associate or affiliate of any of the persons or companies referred to in paragraphs (a) or (b).

#### **INSTRUCTIONS**

*(1) The materiality of an interest is to be determined on the basis of the significance of the information to investors in light of all the circumstances of the particular case. The importance of the interest to the person having the interest, the relationship of the parties to the transaction with each other and the amount involved are among the factors to be considered in determining the significance of the information to investors.*

*(2) Give a brief description of the material transaction. Include the name of each person or company whose interest in any transaction is described and the nature of the relationship to the investment fund.*

*(3) For any transaction involving the purchase of assets by or sale of assets to the investment fund, state the cost of the assets to the purchaser, and the cost of the assets to the seller if acquired by the seller within three years before the transaction.*

*(4) This Section does not apply to any interest arising from the ownership of securities of the investment fund if the securityholder receives no extra or special benefit or advantage not shared on an equal basis by all other holders of the same class of securities or all other holders of the same class of securities who are resident in Canada.*

*(5) No information need be given under this Section for a transaction if*

- (a) the rates or charges involved in the transaction are fixed by law or determined by competitive bids,*



*(b) the interest of a specified person or company in the transaction is solely that of a director of another company that is a party to the transaction,*

*(c) the transaction involves services as a bank or other depository of funds, a transfer agent, registrar, trustee under a trust indenture or other similar services,*

*(d) the transaction does not involve remuneration for services and the interest of the specified person or company arose from the beneficial ownership, direct or indirect, of less than ten percent of any class of equity securities of another company that is party to the transaction and the transaction is in the ordinary course of business of the investment fund or its subsidiaries.*

*(6) Describe all transactions not excluded above that involve remuneration (including an issuance of securities), directly or indirectly, to any of the specified persons or companies for services in any capacity unless the interest of the person or company arises solely from the beneficial ownership, direct or indirect, of less than ten percent of any class of equity securities of another company furnishing the services to the investment fund.*

## **24. Proxy Voting Disclosure**

### *24.1 Proxy Voting Disclosure for Portfolio Securities Held*

(1) Under the heading “Proxy Voting Disclosure for Portfolio Securities Held”, include the disclosure required by subsection 10.2(3) of National Instrument 81-106.

## **25. Material Contracts**

### *25.1 Material Contracts*

(1) Under the heading “Material Contracts”, list and provide particulars of

(a) the articles of incorporation, the declaration of trust or trust agreement of the investment fund or any other constating document, if any,

(b) any agreement of the investment fund or trustee with the manager of the investment fund,

(c) any agreement of the investment fund, the manager or trustee with the portfolio adviser of the investment fund,



- (d) any agreement of the investment fund, the manager or trustee with the custodian of the investment fund,
- (e) any agreement of the investment fund, the manager or trustee with the underwriters or agents of the investment fund,
- (f) any swap or forward agreement of the investment fund, the manager or trustee with a counterparty that is material to the investment fund fulfilling its investment objectives,
- (g) any agreement of the investment fund, the manager or trustee with the principal distributor of the investment fund, and
- (h) any other contract or agreement that can reasonably be regarded as material to an investor in the securities of the investment fund.

## **INSTRUCTIONS**

*(1) Set out a complete list of all contracts for which particulars must be given under this section, indicating those that are disclosed elsewhere in the Listing Statement. Particulars need only be provided for those contracts that do not have the particulars given elsewhere in the Listing Statement.*

*(2) Particulars of contracts must include the dates of, parties to, consideration provided for in, termination provisions, general nature and key terms of, the contracts.*

## **26. Legal and Administrative Proceedings**

### ***26.1 Legal and Administrative Proceedings***

(1) Under the heading “Legal and Administrative Proceedings”, describe briefly any ongoing legal and administrative proceedings material to the investment fund, to which the investment fund, its manager or principal distributor is a party.

### ***26.2 Particulars of the Proceedings***

(1) For all matters disclosed under section 26.1, disclose

- (a) the name of the court or agency having jurisdiction,
- (b) the date on which the proceeding was instituted,



- (c) the principal parties to the proceeding,
- (d) the nature of the proceeding and, if applicable, the amount claimed, and
- (e) whether the proceeding is being contested and the present status of the proceeding.

(2) Provide similar disclosure about any proceedings known to be contemplated.

### *26.3 Penalties and Sanctions*

(1) Describe the penalties or sanctions imposed and the grounds on which they were imposed or the terms of any settlement agreement and the circumstances that gave rise to the settlement agreement, if, within the 10 years before the date of the Listing Statement or pro forma Listing Statement, the manager of the investment fund, a director or executive officer of the investment fund or a partner, director or executive officer of the manager of the investment fund has

(a) been subject to any penalties or sanctions imposed by a court or a securities regulatory authority relating to Canadian securities legislation, promotion or management of an investment fund, theft or fraud or has entered into a settlement agreement before a court or with a regulatory body in relation to any of these matters, or

(b) been subject to any other penalties or sanctions imposed by a court or regulatory body or has entered into any other settlement agreement before a court or with a regulatory body that would likely be considered important to a reasonable investor in determining whether to purchase securities of the investment fund.

## **27. Experts**

### *27.1 Names of Experts*

(1) Under the heading “Experts”, name each person or company

(a) who is named as having prepared or certified a report, valuation, statement or opinion in any document filed as part of the listing application , and





(b) whose profession or business gives authority to the report, valuation, statement or opinion made by the person or company.

### *27.2 Interests of Experts*

(1) Disclose all registered or beneficial interests, direct or indirect, in any securities or other property of the investment fund or of an associate or affiliate of the investment fund received or to be received by a person or company whose profession or business gives authority to a statement made by the person or company and who is named as having prepared or certified a part of the Listing Statement or prepared or certified a report or valuation described or included in the Listing Statement.

(2) For the purpose of subsection (1), if the ownership is less than one percent, a general statement to that effect is sufficient.

(3) If a person, or a director, officer or employee of a person or company referred to in subsection (1) is or is expected to be elected, appointed or employed as a director, officer or employee of the investment fund or of any associate or affiliate of the investment fund, disclose the fact or expectation.

### *INSTRUCTIONS*

*(1) Section 27.2 does not apply to the investment fund's predecessor auditors, if any, for those periods when they were not the investment fund's auditor.*

*(2) Section 27.2 does not apply to registered or beneficial interests, direct or indirect, held through mutual funds.*

## **28. Exemptions and Approvals**

### *28.1 Exemptions and Approvals*

(1) Under the heading "Exemptions and Approvals", describe all exemptions from or approvals under securities legislation obtained by the investment fund or the manager of the investment fund that continue to be relied upon by the investment fund or the manager, including all exemptions to be evidenced by the issuance of a receipt for the Listing Statement pursuant to section 19.3 of the National Instrument 41-101.

## **29. Other Material Facts**

### *29.1 Other Material Facts*



(1) Under the heading “Other Material Facts”, using sub-headings as appropriate, give particulars of any material facts about the securities being listed that are not disclosed under any other section and are necessary in order for the Listing Statement to contain full, true and plain disclosure of all material facts relating to the securities to be distributed.

### **30. Financial Disclosure**

#### *30.1 Financial Statements*

(1) Include in the Listing Statement the comparative annual financial statements and the auditor’s report prepared in accordance with National Instrument 81-106 for the investment fund’s most recently completed financial year.

(2) If an investment fund’s most recent financial year ended within 90 days of the date of the Listing Statement referred to in subsection (1), the investment fund may treat the previous year as the most recently completed financial year under subsection (1).

(3) If the investment fund has not completed its first financial year, the fund must include in the Listing Statement audited financial statements and the auditor’s report prepared in accordance with NI 81-106 for the period from the date of the fund’s formation to a date not more than 90 days before the date of the Listing Statement and as at a date not more than 90 days before the date of the Listing Statement, as applicable.

(4) Despite subsections (1) and (3), if the investment fund is a newly established fund, include in the Listing Statement the opening statement of financial position of the investment fund, accompanied by the auditor’s report prepared in accordance with National Instrument 81-106.

#### *30.2 Interim financial reports*

(1) Include in the Listing Statement financial statements for the investment fund prepared in accordance with National Instrument 81-106 for the interim period that began immediately after the financial year to which the annual financial statements required to be included in the Listing Statement under section 30.1 relate, if the Listing Statement is filed 60 days or more after the end of that interim period.

#### *30.3 Management Reports of Fund Performance*



(1) Include in the Listing Statement the most recently filed interim management report of fund performance, if filed after the most recently filed annual management report of fund performance and include the most recently filed annual management report of fund performance.



## CERTIFICATE

The undersigned solemnly declare that:

1. Each of the undersigned is an officer or director of the issuer and has been duly authorized to sign this form;
2. This Listing Statement contains full, true and plain disclosure of all material information relating to [full legal name of issuer] and 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 prevent a statement that is made from being false or misleading in light of the circumstances in which it was made; and
3. They are making this solemn declaration believing it to be true and knowing it is of the same force and effect as if made under the *Canada Evidence Act*.

Dated at \_\_\_\_\_ this \_\_\_ day of \_\_\_\_\_, 20\_\_.

Signature of CEO	Name	NOTARIAL SEAL
Signature of CFO	Name	NOTARIAL SEAL
Signature of Director	Name	NOTARIAL SEAL
Signature of Director	Name	NOTARIAL SEAL
Signature of Promoter (if applicable)	Name	NOTARIAL SEAL

**FORM 3**  
**PERSONAL INFORMATION FORM FOR RELATED PERSONS**

**General Instructions**

1. All terms defined in Alpha Main Requirements have the same meaning in this form.
2. This form is to be completed by
  - (a) every individual who is or proposed to become a Related Person of an Issuer; and
  - (b) any person required by the Exchange to complete this form.
3. If you have submitted a completed form to the Exchange within the past 36 months and the information on the previously submitted form has not changed, you may provide a sworn declaration (Form 3A) to that effect in lieu of completing a new form.
4. This form must be sworn before a notary public in the jurisdiction in which it is sworn. If the jurisdiction does not have notary publics, it must be sworn before a person who meets the requirements of the *Canada Evidence Act*. All attachments must be initialled by you and the notary public.
5. The Exchange will only accept originally-executed copies of this form.
6. All questions must have a response. The response of "N/A" or "Not Applicable" will not be accepted for any questions, except Questions 1(B), 2(iii) and (v) and 5.
7. For the purposes of answering the questions in this form, the term "issuer" includes an investment fund manager.
8. An individual who makes a false statement by statutory declaration commits an offence under applicable securities legislation and an indictable offence under the *Criminal Code* (Canada). The Exchange may verify the information contained in this form, including verification of any previous criminal record. If incomplete or misleading information is provided, the Exchange may disqualify the individual from association with the issuer and/or other issuers.
9. Please place a checkmark (✓) in the appropriate space provided. If your answer to any of questions 6 to 10 is "YES", you must, in an attachment, provide complete details, including the circumstances, relevant dates, names of the parties involved and final disposition, if known. Any attachment must be initialled by the person completing this Form. Responses must consider all time periods.

**DEFINITIONS**

**"Offence"** An offence includes:

- (a) a summary conviction or indictable offence under the *Criminal Code* (Canada);

- (b) a quasi-criminal offence (for example under the *Income Tax Act* (Canada), the *Immigration Act* (Canada) or the tax, immigration, drugs, firearms, money laundering or securities legislation of any Canadian or foreign jurisdiction);
- (c) a misdemeanour or felony under the criminal legislation of the United States of America, or any state or territory therein; or
- (d) an offence under the criminal legislation of any other foreign jurisdiction;

**NOTE: If you have received a pardon under the *Criminal Records Act* (Canada) for an Offence that relates to fraud (including any type of fraudulent activity), misappropriation of money or other property, theft, forgery, falsification of books or documents or similar Offences, you must disclose the pardoned Offence in this Form. In such circumstances:**

**(a) the appropriate written response would be “Yes, pardon granted on (date)”;** and

**(b) you must provide complete details in an attachment to this Form.**

**“Proceedings”** means:

- (a) a civil or criminal proceeding or inquiry which is currently before a court;
- (b) a proceeding before an arbitrator or umpire or a person or group of persons authorized by law to make an inquiry and take evidence under oath in the matter;
- (c) a proceeding before a tribunal in the exercise of a statutory power of decision making where the tribunal is required by law to hold or afford the parties to the proceeding an opportunity for a hearing before making a decision; or
- (d) a proceeding before a self-regulatory entity authorized by law to regulate the operations and the standards of practice and business conduct of its members (including where applicable, issuers listed on a stock exchange) and individuals associated with those members and issuers, in which the self-regulatory entity is required under its by-laws, rules or policies to hold or afford the parties the opportunity to be heard before making a decision, but does not apply to a proceeding in which one or more persons are required to make an investigation and to make a report, with or without recommendations, if the report is for the information or advice of the person to whom it is made and does not in any way bind or limit that person in any decision the person may have the power to make;

**“securities regulatory authority” or “SRA”** means a body created by statute in any Canadian or foreign jurisdiction to administer securities law, regulation and policy (e.g. securities commission), but does not include an exchange or other self regulatory entity;

**“self regulatory entity” or “SRE”** means:

- (a) a stock, derivatives, commodities, futures or options exchange;

- (b) an association of investment, securities, mutual fund, commodities, or future dealers;
- (c) an association of investment counsel or portfolio managers;
- (d) an association of other professionals (e.g. legal, accounting, engineering); and
- (e) any other group, institution or self-regulatory organization, recognized by a securities regulatory authority, that is responsible for the enforcement of rules, policies, disciplines or codes under any applicable legislation, or considered an SRE in another country.

**1. A. IDENTIFICATION OF INDIVIDUAL COMPLETING FORM**

Attach a legible photocopy of a piece of identification issued in the past 5 years from a government authority (such as a driver's licence or passport) containing a recognizable photograph of you and your signature. If the piece of identification is not a passport, it must contain your full first and last names, date of birth, sex and current mailing address.

I have attached a copy of the identification required above:  Yes  No

LAST NAME(S)	FIRST NAME(S)	FULL MIDDLE NAME(S) (No initials. If none, please state)			
NAME(S) MOST COMMONLY KNOWN BY:					
NAME OF ISSUER					
PRESENT or PROPOSED POSITION(S) WITH THE ISSUER – check (√) all positions below that are applicable.	(√)	IF DIRECTOR / OFFICER DISCLOSE THE DATE ELECTED / APPOINTED			IF OFFICER – PROVIDE TITLE  IF OTHER – PROVIDE DETAILS
		Month	Day	Year	
Director					
Officer					
Other					

<b>B.</b>	Other than the name given in Question 1A above, provide any legal names, assumed names or nicknames under which you have carried on business or have otherwise been known, including information regarding any name change(s) resulting from marriage, divorce, court order or any other process. Use an attachment if necessary.	<b>FROM</b>		<b>TO</b>	
		<b>MM</b>	<b>YY</b>	<b>MM</b>	<b>YY</b>

<b>C.</b>	<b>GENDER</b>		<b>DATE OF BIRTH</b>			<b>PLACE OF BIRTH</b>		
			<b>Month</b>	<b>Day</b>	<b>Year</b>	<b>City</b>	<b>Province/State</b>	<b>Country</b>
	Male							
	Female							

<b>D.</b>	<b>MARITAL STATUS</b>	<b>FULL NAME OF SPOUSE – include common-law</b>	<b>OCCUPATION OF SPOUSE</b>

<b>E. TELEPHONE AND FACSIMILE NUMBERS AND E-MAIL ADDRESS</b>			
<b>RESIDENTIAL</b>	( )	<b>FACSIMILE</b>	( )
<b>BUSINESS</b>	( )	<b>E-MAIL*</b>	

\* Please provide an email address that Alpha Exchange may use to contact you regarding this PIF. This email address may be used to exchange personal information relating to you.



**F. RESIDENTIAL HISTORY – Provide all residential addresses for the past 10 YEARS starting with your current principal residential address. If you are unable to recall the complete residential address for a period which is beyond five years from the date of completion of this Form, the municipality and province or state and country must be identified. Alpha Exchange reserves the right to require the full address.**

STREET ADDRESS, CITY, PROVINCE/STATE, COUNTRY & POSTAL/ZIP CODE	FROM		TO	
	MM	YY	MM	YY

## 2. CITIZENSHIP

	YES	NO
(i) Are you a Canadian citizen?		
(ii) Are you a person lawfully in Canada as an immigrant but are not yet a Canadian citizen?		
(iii) If “Yes” to Question 2(ii), the number of years of continuous residence in Canada:		
(iv) Do you hold citizenship in any country other than Canada?		
(v) If “Yes” to Question 2(iv), the name of the country(ies):		
(vi) Provide your Canadian social insurance number: (If none, state “none”)		
(vii) Provide your U.S. social security number: (If none, state “none”)		

## 3. EMPLOYMENT HISTORY

Provide your complete employment history for the **5 YEARS** immediately prior to the date of this Form starting with your current employment. Use an attachment if necessary. If you were unemployed during this period of time, please state this and identify the period of unemployment.

EMPLOYER NAME	EMPLOYER ADDRESS	POSITION HELD	FROM		TO	
			MM	YY	MM	YY

**4. INVOLVEMENT WITH ISSUERS**

YES		NO
A.	Are you or have you during the last 10 years ever been a director, officer, promoter, insider or control person for any reporting issuer?	

**B. If "YES" to 4A above, provide the names of each reporting issuer. State the position(s) held and the period(s) during which you held the position(s). Use an attachment if necessary.**

NAME OF REPORTING ISSUER	POSITION(S) HELD	MARKET TRADED ON	FROM		TO	
			MM	YY	MM	YY

C.	While you were a director, officer or insider of an issuer, did any exchange or other self-regulatory entity ever refuse approval for listing or quotation of the issuer, including (i) a listing resulting from a business combination, reverse take-over or similar transaction involving the issuer that is regulated by an SRE or SRA, (ii) a backdoor listing or qualifying acquisition involving the issuer (either on Alpha Exchange or another exchange) or (iii) a qualifying transaction, reverse takeover or Change of Business involving the issuer (either on Alpha Exchange or another exchange)? If yes, attach full particulars.	
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**5. EDUCATIONAL HISTORY**

**A. PROFESSIONAL DESIGNATION(S) – Identify any professional designation held and professional associations to which you belong, for example, Barrister & Solicitor, C.A., C.M.A., C.G.A., P.Eng., P.Geol., CFA, etc. and indicate which organization and the date the designations were granted.**

PROFESSIONAL DESIGNATION And MEMBERSHIP NUMBER	GRANTOR OF DESIGNATION And CANADIAN OR FOREIGN JURISDICTION	DATE GRANTED	
		MM	YY

**Describe the current status of any designation and/or association (e.g. active, retired, non-practicing, suspended)**

**B. Provide your post-secondary educational history starting with the most recent.**

SCHOOL	LOCATION	DEGREE OR DIPLOMA	DATE OBTAINED		
			MM	DD	YY

**6. OFFENCES – If you answer “YES” to any item in Question 6, you must provide complete details in an attachment. If you have received a pardon under the Criminal Records Act (Canada) for an Offence that relates to fraud (including any type of fraudulent activity), misappropriation of money or**

**other property, theft, forgery, falsification of books or documents or similar Offences, you must disclose the pardoned Offence in this Form.**

YES		NO
A.	Have you ever, in any Canadian or foreign jurisdiction, pled guilty to or been found guilty of an Offence?	
B.	Are you the subject of any current charge, indictment or proceeding for an Offence, in any Canadian or foreign jurisdiction?	
C.	To the best of your knowledge, are you currently or have you <b>ever</b> been a director, officer, promoter, insider or control person of an issuer, in any Canadian or foreign jurisdiction, at the time of events, where the issuer:	
(i)	pled guilty to or was found guilty of an Offence?	
(ii)	is now the subject of any charge, indictment or proceeding for an Offence?	

**7. BANKRUPTCY** – If you answer “YES” to any item in Question 7, you must provide complete details in an attachment and attach a copy of any discharge, release or other applicable document. You must answer “YES” or “NO” for EACH of (A), (B) and (C), below.

YES		NO
A.	Have <u>you</u> , in any Canadian or foreign jurisdiction, within the past <b>10 years</b> had a petition in bankruptcy issued against you, made a voluntary assignment in bankruptcy, made a proposal under any bankruptcy or insolvency legislation, been subject to any proceeding, arrangement or compromise with creditors, or had a receiver, receiver-manager or trustee appointed to manage your assets?	
B.	Are you now an undischarged bankrupt?	

<b>C.</b>	To the best of your knowledge, are you currently or have you <b>ever</b> been a director, officer, promoter, insider or control person of an <b>issuer</b> , in any Canadian or foreign jurisdiction, at the time of events, or for a period of 12 months preceding the time of events, where the <b>issuer</b> :		
(i)	has made a petition in bankruptcy, a voluntary assignment in bankruptcy, a proposal under any bankruptcy or insolvency legislation, been subject to any proceeding, arrangement or compromise with creditors or had a receiver, receiver-manager or trustee appointed to manage the issuer's assets?		
(ii)	is now an undischarged bankrupt?		

**8. PROCEEDINGS** – If you answer “YES” to any item in Question 8, you must provide complete details in an attachment.

YES		NO
<b>A.</b>	<b>CURRENT PROCEEDINGS BY SECURITIES REGULATORY AUTHORITY OR SELF REGULATORY ENTITY. Are you now, in any Canadian or foreign jurisdiction, the subject of:</b>	
(i)	a notice of hearing or similar notice issued by an SRA or SRE?	
(ii)	a proceeding or to your knowledge, under investigation, by an SRA or SRE?	
(iii)	settlement discussions or negotiations for settlement of any nature or kind whatsoever with an SRA or SRE?	

YES		NO
<b>B.</b>	<b>PRIOR PROCEEDINGS BY SECURITIES REGULATORY AUTHORITY OR SELF REGULATORY ENTITY. Have you <u>ever</u>:</b>	
(i)	been reprimanded, suspended, fined, been the subject of an administrative penalty, or been the subject of any proceedings of any kind whatsoever, in any Canadian or foreign jurisdiction, by an SRA or SRE?	
(ii)	had a registration or licence for the trading of securities, exchange or commodity futures contracts, real estate, insurance or mutual fund products cancelled, refused, restricted or suspended, by an SRA or SRE?	

(iii)	been prohibited or disqualified by an SRA or SRE under securities, corporate or any other legislation from acting as a director or officer of a reporting issuer or been prohibited or restricted by an SRA or SRE from acting as a director, officer or employee of, or an agent or consultant to, a reporting issuer?		
(iv)	had a cease trading or similar order issued against you or an order issued against you by an SRA or SRE that denied you the right to use any statutory prospectus or registration exemption?		
(v)	had any other proceeding of any nature or kind taken against you by an SRA or SRE?		

**C. SETTLEMENT AGREEMENT(S)**

Have you ever entered into a settlement agreement with an SRA, SRE, attorney general or comparable official or body, in any Canadian or foreign jurisdiction, in a matter that involved actual or alleged fraud, theft, deceit, misrepresentation, conspiracy, breach of trust, breach of fiduciary duty, insider trading, unregistered trading in securities or exchange or commodity futures contracts, illegal distributions, failure to disclose material facts or changes or similar conduct, or any other settlement agreement with respect to any other violation of securities legislation in a Canadian or foreign jurisdiction or the rules, by-laws or policies of any SRE?			
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**D. To the best of your knowledge, are you now or have you ever been a director, officer, promoter, insider, or control person of an issuer at the time of such event, in any Canadian or foreign jurisdiction, for which a securities regulatory authority or self regulatory entity has:**

(i)	refused, restricted, suspended or cancelled the registration or licensing of an issuer to trade securities, exchange or commodity futures contracts, or to sell or trade real estate, insurance or mutual fund products?		
(ii)	issued a cease trade or similar order or imposed an administrative penalty of any nature or kind whatsoever against the issuer, other than an order for failure to file financial statements that was revoked within 30 days of its issuance?		

(iii)	refused a receipt for a prospectus or other offering document, denied any application for listing or quotation or any other similar application, or issued an order that denied the issuer the right to use any statutory prospectus or registration exemptions?		
(iv)	issued a notice of hearing, notice as to a proceeding or similar notice against the issuer?		
(v)	commenced any other proceeding of any nature or kind against the issuer, including a trading halt, suspension or delisting of the issuer, in connection with an alleged or actual contravention of an SRA's or SRE's rules, regulations, policies or other requirements, but excluding halts imposed (i) in the normal course for proper dissemination of information, or (ii) pursuant to a business combination, reverse take-over or similar transaction involving the issuer that is regulated by an SRE or SRA, including a qualifying transaction, reverse takeover or Change of Business involving the issuer (either on Alpha Exchange or another exchange)?		
(vi)	entered into a settlement agreement with the issuer in a matter that involved actual or alleged fraud, theft, deceit, misrepresentation, conspiracy, breach of trust, breach of fiduciary duty, insider trading, unregistered trading in securities or exchange or commodity futures contracts, illegal distributions, failure to disclose material facts or changes or similar conduct by the issuer, or any other violation of securities legislation or the rules, by-laws or policies of an SRE?		

**9. CIVIL PROCEEDINGS** – If you answer “YES” to any item in Question 9, you must provide complete details in an attachment.

YES		NO
<b>A.</b>	<b>JUDGMENT, GARNISHMENT AND INJUNCTIONS</b>	
(i)	Has a court in any Canadian or foreign jurisdiction rendered a judgment, ordered garnishment or issued an injunction or similar ban (whether by consent or otherwise) against <u>you</u> in a claim based in whole or in part on fraud, theft, deceit, misrepresentation, conspiracy, breach of trust, breach of fiduciary duty, insider trading, unregistered trading, illegal distributions, failure to disclose material facts or changes, or allegations of similar conduct?	

<p>(ii) rendered a judgment, ordered garnishment or issued an injunction or similar ban (whether by consent or otherwise) against <u>an issuer</u> of which you are currently or have ever been a director, officer, promoter, insider or control person in a claim based in whole or in part on fraud, theft, deceit, misrepresentation, conspiracy, breach of trust, breach of fiduciary duty, insider trading, unregistered trading, illegal distributions, failure to disclose material facts or changes, or allegations of similar conduct?</p>		
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**B. CURRENT CLAIMS**

<p>(i) Are <u>you</u> now subject, in any Canadian or foreign jurisdiction, to a claim that is based in whole or in part on actual or alleged fraud, theft, deceit, misrepresentation, conspiracy, breach of trust, breach of fiduciary duty, insider trading, unregistered trading, illegal distributions, failure to disclose material facts or changes, or allegations of similar conduct?</p>		
<p>(ii) To the best of your knowledge, are you currently or have you ever been a director, officer, promoter, insider or control person of <u>an issuer</u> that is now subject, in any Canadian or foreign jurisdiction, to a claim that is based in whole or in part on actual or alleged fraud, theft, deceit, misrepresentation, conspiracy, breach of trust, breach of fiduciary duty, insider trading, unregistered trading, illegal distributions, failure to disclose material facts or changes, or allegations of similar conduct?</p>		

**C. SETTLEMENT AGREEMENT**

<p>(i) Have <u>you</u> ever entered into a settlement agreement, in any Canadian or foreign jurisdiction, in a civil action that involved actual or alleged fraud, theft, deceit, misrepresentation, conspiracy, breach of trust, breach of fiduciary duty, insider trading, unregistered trading, illegal distributions, failure to disclose material facts or changes, or allegations of similar conduct?</p>		
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(ii) To the best of your knowledge, are you currently or have you ever been a director, officer, promoter, insider or control person of <u>an issuer</u> that has entered into a settlement agreement, in any Canadian or foreign jurisdiction, in a civil action that involved actual or alleged fraud, theft, deceit, misrepresentation, conspiracy, breach of trust, breach of fiduciary duty, insider trading, unregistered trading, illegal distributions, failure to disclose material facts or changes, or allegations of similar conduct?		
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**10. INVOLVEMENT WITH OTHER ENTITIES**

YES		NO
<b>A.</b> Has your employment in a sales, investment or advisory capacity with any employer engaged in the sale of real estate, insurance or mutual funds ever been suspended or terminated for cause? If yes, attach full particulars.		
<b>B.</b> Has your employment with a firm or company registered under the securities laws of any Canadian or foreign jurisdiction as a securities dealer, broker, investment advisor or underwriter, ever been suspended or terminated for cause? If yes, attach full particulars.		
<b>C.</b> Has your employment as an officer of an issuer ever been suspended or terminated for cause? If yes, attach full particulars.		

## **Acknowledgement and Consent to Collection and Use of Personal Information**

I HAVE READ AND UNDERSTOOD THE PERSONAL INFORMATION COLLECTION POLICY ("PRIVACY POLICY") OF ALPHA EXCHANGE INC. I HEREBY AUTHORIZE AND CONSENT TO THE COLLECTION AND USE BY ANY OF ALPHA EXCHANGE AND ITS SUBSIDIARIES, AFFILIATES, REGULATORS AND AGENTS OF ANY INFORMATION WHATSOEVER (WHICH MAY INCLUDE PERSONAL, CREDIT, OR OTHER INFORMATION) FROM ANY SOURCE, INCLUDING WITHOUT LIMITATION AN INVESTIGATIVE AGENCY OR A RETAIL CREDIT AGENCY AS PERMITTED BY LAW IN ANY JURISDICTION IN CANADA OR ELSEWHERE. I ACKNOWLEDGE AND AGREE THAT SUCH INFORMATION MAY BE SHARED WITH AND RETAINED BY ALPHA EXCHANGE INC. AND ITS SUBSIDIARIES, AFFILIATES, REGULATORS AND AGENTS INDEFINITELY.

**Date:** \_\_\_\_\_

**Signature:** \_\_\_\_\_

## Statutory Declaration

I, \_\_\_\_\_ (Name of Person Completing this Form) Do Solemnly Declare  
That:

- (a) I have read and understand the questions, cautions and acknowledgements in this Form;
- (b) I agree that should any of my responses to any of the questions set forth in 6, 7, 8, 9 and 10 of this PF cease to be true and correct, I will immediately file a new PIF with the Exchange;
- (c) I acknowledge and agree that this PIF may be assigned or transferred by the Exchange to any person without providing me with notice or obtaining my consent and that this PIF shall thereafter continue to be binding on me and may be enforced against me by any such assignee or transferee. I understand that I am prohibited from transferring or assigning this PIF or any acceptance, approval or other right granted by the Exchange;
- (d) The answers I have given to the questions in this Form and in any attachments to the Form are true and correct except where stated to be to the best of my knowledge in which case I believe the answers to be true; and
- (e) I make this solemn declaration conscientiously believing it to be true and knowing that it is of the same force and effect as if made under oath and by virtue of the Canada *Evidence Act*.

SWORN/DECLARED before me at the This \_\_\_ day of \_\_\_\_\_, 20\_\_  
City of \_\_\_\_\_ in the Province (or  
State) of \_\_\_\_\_

This \_\_\_ day of \_\_\_\_\_, 20\_\_

\_\_\_\_\_  
Notary Public

\_\_\_\_\_  
NOTARY'S SEAL

\_\_\_\_\_  
Signature of person completing this form

(the date of execution must not be more than 30 days prior to filing with the Exchange)



## **PERSONAL INFORMATION COLLECTION POLICY**

### **Collection Use and Disclosure**

Alpha Exchange Inc. and its affiliates, their authorized agents, subsidiaries and divisions, (collectively referred to as “Alpha”) collects the information (which may include personal, confidential, non-public, criminal or other information) in the Personal Information Form and in other forms that are submitted by you and/or by the Listed Issuer or an entity applying to be an Issuer and use it for the following purposes:

- to conduct background checks,
- to verify the information that has been provided about you,
- to consider your suitability to act as an officer, director, insider, promoter, investor relations provider or, as applicable, an employee or consultant, of an entity applying to be an Issuer or an Issuer,
- to consider the eligibility of an applicant to be an issuer,
- to detect and prevent fraud,
- to conduct enforcement proceedings, and
- to perform other investigations as required by and to ensure compliance with Alpha Main Requirements, securities legislation and other legal and regulatory requirements governing the conduct and protection of the public markets in Canada.

As part of this process, Alpha also collects additional information about you from other sources, including but not limited to, securities regulatory authorities in Canada or elsewhere, investigative, law enforcement or self-regulatory organizations, regulations services providers and each of their subsidiaries, affiliates, regulators and authorized agents, to ensure that the purposes set out above can be accomplished.

The information Alpha collects about you may also be disclosed to these agencies and organizations or as otherwise permitted or required by law, and they may use it in their own investigations for the purposes described above.

Alpha may from time to time use third parties to process information and/or provide other administrative services. In this regard, we may share the information with our carefully selected service providers.

If you fail to accurately complete the Personal Information Form or to consent to this Personal Information Form Collection Policy, we may (i) refuse to allow you to act as an officer, director, insider, promoter, investor relations provider or, as applicable, an employee or consultant of an issuer, (ii) refuse to allow an applicant to be listed as an issuer, and/or (iii) refuse to accept a transaction proposed by an issuer.

### **Security**

The personal information that is retained by Alpha is kept in a secure environment and is updated from time to time. Only those employees of Alpha who require access to your information in order to accomplish the purposes identified above, will be given

access to your file. Employees of Alpha who have access to your information are made aware of how to keep it confidential.

### **Accuracy**

Information about you maintained by Alpha that is identified by you as inaccurate or obsolete will be replaced or removed, as applicable.

### **Questions**

If you have any questions or enquiries with respect to the privacy principles outlined above or about our practices, please send a written request to: Head of Legal and Operations, Alpha Exchange Inc., 70 York Street, Suite 1501, Toronto, ON M5J 1S9.

**FORM 3A  
DECLARATION**

This Declaration Form (the "Declaration") is to be completed only if (i) the individual has submitted a Personal Information Form to Alpha Exchange Inc. (the "Exchange") within 36 months preceding the signing of this Declaration and (ii) the information disclosed in that Personal Information Form has not changed. **In all cases, Exhibit 1 – Release and Discharge Relating to Consent to Disclosure of Criminal Record Information, must be completed and a photocopy of a piece of identification issued by a government authority (such as a driver's license or passport) that is acceptable to the Exchange, is legible and contains a recognizable photograph of the individual taken within the last 5 years, must be attached. If the piece of identification is not a passport, it must contain the individual's full given name, surname, date of birth, gender and current mailing address.**

Individual's Name (Please Print):

Name of Issuer (State the name of the issuer for which this Declaration is being provided):

**STATUTORY DECLARATION**

I, \_\_\_\_\_ hereby solemnly declare that:

\_\_\_\_\_  
(Please Print - Name of Individual )

- a) The information contained in the Personal Information Form that was submitted to the Exchange with respect to \_\_\_\_\_ [legal name of Issuer] (the "Issuer") on \_\_\_\_\_, 20\_\_\_\_ [date of PIF] (the "PIF") and any attachments to it, continues to be true and correct, except where stated in the PIF to be to the best of my knowledge, in which case I continue to believe the answers to be true;
- b) I have read the PIF Personal Information Collection Policy of the Exchange attached hereto as Exhibit 2 as well as the Notice of Collection, Use and Disclosure of Personal Information by Securities Regulatory Authorities ("SRA") attached hereto as Exhibit 3 (Exhibit 3 relates to the use of this PIF and collection of information for the sole purposes of the SRAs (collectively, the "PIF Collection Policy");
- c) I consent to the collection, use and disclosure of the information in the PIF, and any further information collected, used and disclosed, as set out in the PIF Collection Policy;
- d) I hereby agree to (i) submit to the jurisdiction of the Exchange and to Market Regulation Services Inc. and any successor or assignee of either of them, and wherever applicable, the directors and committees thereof, and (ii) be bound by and comply with all applicable rules,

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policies, rulings and regulations of the Exchange (collectively, the "Exchange Requirements");

- e) I agree that any acceptance, approval or other right granted by the Exchange may be revoked, terminated, or suspended at any time in accordance with the then applicable Exchange Requirements. In the event of any revocation, termination, or suspension, I agree to immediately terminate my association or involvement with any issuer to the extent required by the Exchange. I agree not to resume my association or involvement, except with the prior written approval of the Exchange;
- f) This declaration and the rights and powers of the Exchange pursuant to the Exchange Requirements shall be governed by the laws of the Province of Ontario and the laws of Canada applicable therein, without regard to conflict of law principles;
- g) I acknowledge and agree that this declaration may be assigned or transferred by the Exchange to any person without providing me with notice or obtaining my consent and that this declaration shall thereafter continue to be binding on me and may be enforced against me by any such assignee or transferee. I understand that I am prohibited from transferring or assigning this declaration or any acceptance, approval or other right granted by the Exchange;
- h) I understand that where I am providing this form to a SRA, I am under the jurisdiction of the SRA to which I submit this form, and it is a breach of securities legislation to provide false or misleading information to the SRA;
- i) I make this solemn declaration conscientiously believing it to be true and knowing it is of the same legal force and effect as if made under oath and under the *Canada Evidence Act*.

(the date of execution must not be more than 30 days prior to filing with the Exchange)

---

**Signature of Person Completing this Form**

DECLARED before me at City of \_\_\_\_\_

in the Province (or State) of \_\_\_\_\_

This day of \_\_\_\_\_,

\_\_\_\_\_  
(Day)

\_\_\_\_\_  
(Month)

\_\_\_\_\_  
(Year)

**Signature of Notary Public**

**Seal or Stamp of Notary Public**

My Appointment Expires: \_\_\_\_\_

\*Note:

THIS DECLARATION MUST BE DECLARED BEFORE A PERSON WHO IS A NOTARY PUBLIC IN AND FOR THE JURISDICTION IN WHICH IT IS DECLARED UNLESS THAT JURISDICTION DOES NOT HAVE NOTARIES, IN WHICH CASE THIS DECLARATION MUST BE DECLARED BEFORE A LAWYER IN THAT JURISDICTION, OR OTHER PERSON THAT SATISFIES THE REQUIREMENTS SET OUT IN THE CANADA EVIDENCE ACT.





<b>EXHIBIT 2</b> <b>PIF PERSONAL INFORMATION COLLECTION POLICY</b>
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### **Collection, Use and Disclosure**

Alpha Exchange Inc. and its affiliates, their authorized agents, subsidiaries and divisions, (collectively referred to as “Alpha”) collects the information (which may include personal, confidential, non-public, criminal or other information) in the Personal Information Form and in other forms that are submitted by you and/or by the Listed Issuer or an entity applying to be an Issuer and use it for the following purposes:

- to conduct background checks,
- to verify the information that has been provided about you,
- to consider your suitability to act as an officer, director, insider, promoter, investor relations provider or, as applicable, an employee or consultant, of an entity applying to be an Issuer or an Issuer,
- to consider the eligibility of an applicant to be an issuer,
- to detect and prevent fraud,
- to conduct enforcement proceedings, and
- to perform other investigations as required by and to ensure compliance with Alpha Main Requirements, securities legislation and other legal and regulatory requirements governing the conduct and protection of the public markets in Canada.

As part of this process, Alpha also collects additional information about you from other sources, including but not limited to, securities regulatory authorities in Canada or elsewhere, investigative, law enforcement or self-regulatory organizations, regulations services providers and each of their subsidiaries, affiliates, regulators and authorized agents, to ensure that the purposes set out above can be accomplished.

The information Alpha collects about you may also be disclosed to these agencies and organizations or as otherwise permitted or required by law, and they may use it in their own investigations for the purposes described above.

Alpha may from time to time use third parties to process information and/or provide other administrative services. In this regard, we may share the information with our carefully selected service providers.

If you fail to accurately complete the Personal Information Form or to consent to this Personal Information Form Collection Policy, we may (i) refuse to allow you to act as an officer, director, insider, promoter, investor relations provider or, as applicable, an employee or consultant of an issuer, (ii) refuse to allow an applicant to be listed as an issuer, and/or (iii) refuse to accept a transaction proposed by an issuer.

### **Security**

The personal information that is retained by Alpha is kept in a secure environment and is updated from time to time. Only those employees of Alpha who require access to your information in order to accomplish the purposes identified above, will be given access to your file. Employees of Alpha who have access to your information are made aware of how to keep it confidential.

**Accuracy**

Information about you maintained by Alpha that is identified by you as inaccurate or obsolete will be replaced or removed, as applicable.

**Questions**

If you have any questions or enquiries with respect to the privacy principles outlined above or about our practices, please send a written request to: Head of Legal and Operations, Alpha Exchange Inc., 70 York Street, Suite 1501, Toronto, ON M5J 1S9.

**FORM 3B  
OTHER TRADED ISSUER DECLARATION**

This Declaration Form (the "Declaration") is to be completed only if (i) the individual has submitted a Personal Information Form to another Canadian exchange within 18 months preceding the signing of this Declaration and (ii) the information disclosed in that Personal Information Form has not changed. **In all cases, Exhibit 1 – Release and Discharge Relating to Consent to Disclosure of Criminal Record Information, must be completed and a photocopy of a piece of identification issued by a government authority (such as a driver's license or passport) that is acceptable to Alpha Exchange Inc. (the "Exchange"), is legible and contains a recognizable photograph of the individual taken within the last 5 years, must be attached. If the piece of identification is not a passport, it must contain the individual's full given name, surname, date of birth, gender and current mailing address. An individual must include a copy of the personal information form submitted to another exchange that this declaration is based upon.**

Individual's Name (Please Print):

Name of Other Traded Issuer (State the name of the issuer for which this Declaration is being provided):

**STATUTORY DECLARATION**

I, \_\_\_\_\_ hereby solemnly declare that:

\_\_\_\_\_  
(Please Print - Name of Individual )

- a) The information contained in the Personal Information Form that was submitted to the \_\_\_\_\_ [*name of the other Canadian exchange*] (the "Other Exchange") with respect to \_\_\_\_\_ [*legal name of the Other Traded Issuer*] (the "Issuer") on \_\_\_\_\_, 20\_\_\_\_ [*date of PIF*] (the "PIF") and any attachments to it, continues to be true and correct, except where stated in the PIF to be to the best of my knowledge, in which case I continue to believe the answers to be true;
- b) The Other Exchange has not notified me of any issues in respect of my involvement with an issuer listed on their exchange and I have not been requested to cease to be a Related Person of an Issuer by the Other Exchange;

- 
- c) I have read the PIF Personal Information Collection Policy of the Exchange attached hereto as Exhibit 2 as well as the Notice of Collection, Use and Disclosure of Personal Information by Securities Regulatory Authorities (“SRA”) attached hereto as Exhibit 3 (Exhibit 3 relates to the use of this PIF and collection of information for the sole purposes of the SRAs (collectively, the “PIF Collection Policy”);
  - d) I hereby agree to (i) submit to the jurisdiction of the Exchange and to Market Regulation Services Inc. and any successor or assignee of either of them, and wherever applicable, the directors and committees thereof, and (ii) be bound by and comply with all applicable rules, policies, rulings and regulations of the Exchange (collectively, the “Exchange Requirements”);
  - e) I consent to the collection, use and disclosure of the information in the PIF, and any further information collected, used and disclosed, as set out in the PIF Collection Policy;
  - f) I agree that any acceptance, approval or other right granted by the Exchange may be revoked, terminated, or suspended at any time in accordance with the then applicable Exchange Requirements. In the event of any revocation, termination, or suspension, I agree to immediately terminate my association or involvement with any issuer to the extent required by the Exchange. I agree not to resume my association or involvement, except with the prior written approval of the Exchange;
  - g) I acknowledge and agree that this declaration may be assigned or transferred by the Exchange to any person without providing me with notice or obtaining my consent and that this declaration shall thereafter continue to be binding on me and may be enforced against me by any such assignee or transferee. I understand that I am prohibited from transferring or assigning this declaration or any acceptance, approval or other right granted by the Exchange;
  - h) This declaration and the rights and powers of the Exchange pursuant to the Exchange Requirements shall be governed by the laws of the Province of Ontario and the laws of Canada applicable therein, without regard to conflict of law principles;
  - i) I understand that where I am providing this form to a SRA, I am under the jurisdiction of the SRA to which I submit this form, and it is a breach of securities legislation to provide false or misleading information to the SRA;
  - j) I make this solemn declaration conscientiously believing it to be true and knowing it is of the same legal force and effect as if made under oath and under the *Canada Evidence Act*.

(the date of execution must not be more than 30 days prior to filing with the Exchange)

---

**Signature of Person Completing this Form**

DECLARED before me at City of \_\_\_\_\_

in the Province (or State) of \_\_\_\_\_

This day of \_\_\_\_\_,

\_\_\_\_\_  
(Day)

\_\_\_\_\_  
(Month)

\_\_\_\_\_  
(Year)

**Signature of Notary Public**

**Seal or Stamp of Notary Public**

My Appointment Expires: \_\_\_\_\_

\*Note:

THIS DECLARATION MUST BE DECLARED BEFORE A PERSON WHO IS A NOTARY PUBLIC IN AND FOR THE JURISDICTION IN WHICH IT IS DECLARED UNLESS THAT JURISDICTION DOES NOT HAVE NOTARIES, IN WHICH CASE THIS DECLARATION MUST BE DECLARED BEFORE A LAWYER IN THAT JURISDICTION, OR OTHER PERSON THAT SATISFIES THE REQUIREMENTS SET OUT IN THE CANADA EVIDENCE ACT.



<b>PIF PERSONAL INFORMATION COLLECTION POLICY</b>
---

### **Collection, Use and Disclosure**

Alpha Exchange Inc. and its affiliates, their authorized agents, subsidiaries and divisions, (collectively referred to as "Alpha") collects the information (which may include personal, confidential, non-public, criminal or other information) in the Personal Information Form and in other forms that are submitted by you and/or by the Listed Issuer or an entity applying to be an Issuer and use it for the following purposes:

- to conduct background checks,
- to verify the information that has been provided about you,
- to consider your suitability to act as an officer, director, insider, promoter, investor relations provider or, as applicable, an employee or consultant, of an entity applying to be an Issuer or an Issuer,
- to consider the eligibility of an applicant to be an issuer,
- to detect and prevent fraud,
- to conduct enforcement proceedings, and
- to perform other investigations as required by and to ensure compliance with Alpha Main Requirements, securities legislation and other legal and regulatory requirements governing the conduct and protection of the public markets in Canada.

As part of this process, Alpha also collects additional information about you from other sources, including but not limited to, securities regulatory authorities in Canada or elsewhere, investigative, law enforcement or self-regulatory organizations, regulations services providers and each of their subsidiaries, affiliates, regulators and authorized agents,

to ensure that the purposes set out above can be accomplished.

The information Alpha collects about you may also be disclosed to these agencies and organizations or as otherwise permitted or required by law, and they may use it in their own investigations for the purposes described above.

Alpha may from time to time use third parties to process information and/or provide other administrative services. In this regard, we may share the information with our carefully selected service providers.

If you fail to accurately complete the Personal Information Form or to consent to this Personal Information Form Collection Policy, we may (i) refuse to allow you to act as an officer, director, insider, promoter, investor relations provider or, as applicable, an employee or consultant of an issuer, (ii) refuse to allow an applicant to be listed as an issuer, and/or (iii) refuse to accept a transaction proposed by an issuer.

### **Security**

The personal information that is retained by Alpha is kept in a secure environment and is updated from time to time. Only those employees of Alpha who require access to your information in order to accomplish the purposes identified above, will be given access to your file. Employees of Alpha who have access to your information are made aware of how to keep it confidential.

### **Accuracy**

Information about you maintained by Alpha that is identified by you as inaccurate or obsolete will be replaced or removed, as applicable.

### **Questions**

If you have any questions or enquiries with respect to the privacy principles outlined above or about our practices, please send a



written request to: Head of Legal and  
Operations, Alpha Exchange Inc., 70 York

Street, Suite 1501, Toronto, ON M5J 1S9.

**FORM 4**  
**LISTING AGREEMENT FOR ALL LISTED ISSUERS**

**IN CONSIDERATION** for the listing of its securities on Alpha Main, the undersigned (the “Alpha Main Listed Issuer”) agrees with Alpha Exchange Inc. (“Exchange”) as follows:

1. The Alpha Main Listed Issuer will comply with all relevant Alpha Main Requirements applicable to Alpha Main Listed Issuers, including Exchange policies and procedural requirements which may be in effect from time to time for all securities listed on the Exchange.
2. Without limiting the generality of the preceding section, the Alpha Main Listed Issuer will
  - a) promptly provide the Exchange and its regulator all such information or documentation concerning the Alpha Main Listed Issuer as the Exchange or its regulator may require;
  - b) not undergo a material change in its business and affairs without notifying the Exchange prior to the close of such change;
  - c) notify the Exchange at least seven trading days (or such less time as specified in the Alpha Main Handbook) in advance of any dividend or distribution record date;
  - d) maintain transfer and registration facilities in the City of Toronto (except for certain Foreign Issuers to the extent that such Foreign Issuer’s registrar and transfer agent can settle trades with the Clearing Corporation) where all listed securities are directly transferable and registerable, with no fee for transfer or registration other than government stock transfer taxes;
  - e) post all forms, notices, particulars, reports, statements and information required by the Exchange as required;
  - f) not change the provisions attaching to any warrants, convertible debentures, rights or other securities outstanding from time to time (other than debt securities that are not convertible into equity securities) without the consent of the Exchange;
  - g) comply with Canadian securities laws applicable to non-venture issuers and if the Exchange becomes aware of failure of an Alpha

Main Issuer to comply with securities laws applicable to it, the Exchange may take any remedial actions available to it;

- h) ensure that all references to a listing market the Alpha Main Listed Issuer should refer to Alpha Main;
- i) remove or cause the resignation of any Related Person of an Issuer the Exchange deems unacceptable; and
- j) pay when due, all applicable fees or charges, established by the Exchange. The current fees and charges are set out in Form 4A and may be amended from time to time.

3. The Listed Issuer acknowledges that the Exchange has the right, at any time and without notice, to halt or suspend trading in any of the Listed Issuer's securities without giving any reason for such action, or to delist the securities provided that the Exchange will not delist the securities without given the Listed Issuer an opportunity to be heard.

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Signature of Authorized Person	Name
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Position	Date
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Signature of Authorized Person	Name
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Position	Date
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**FORM 4A**  
**Alpha Listing Fees Schedule**

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## A. Original Listing Fees

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### 1. Corporate Issuers

Listing Capitalization		Base Fee	+ Variable Fee Rate for Listing Capitalization in Excess of Base Listing Capitalization
Base Listing Capitalization			
\$0	up to \$5M	\$5,000	0.070%
\$5M	up to \$10M	\$ 8,500	0.069%
\$10M	up to \$50M	\$ 11,950	0.067%
\$50M	up to \$100M	\$ 38,750	0.064%
\$100M	and above	\$ 70,750	0.060%
The maximum fee is \$100,000.			

The Listing Application must be accompanied by a non-refundable fee of \$5,000 which shall be applied to the Original Listing Fee.

If a Foreign Issuer is dual-listed on an Accepted Foreign Exchange, the corresponding total Corporate Issuer fee as calculated above shall be discounted by 25% subject to a minimum base fee of \$5,000. If the Foreign Issuer is undertaking an initial public offering exclusively on the Exchange then the Original Listing Fee will apply without a discount.

If an Other Listed Issuer is undertaking an original listing at the Exchange then the corresponding fees are the Additional Listing Fees as set in section C.1 below.

A Corporate Issuer that graduates from Alpha Venture Plus will be subject to the fees applicable to an Additional Listing.

### 2. Special Purpose Issuers (SPIs) – Exchange-Traded Funds (ETFs)

The issuer shall pay an Original Listing Fee of \$4,000 for each ETF prospectus posted with Alpha Main. The Listing Application must be accompanied by a non-refundable fee of \$2,500 which shall be applied to the Original Listing Fee.

### 3. SPIs - Investment Funds

Net Asset Value (NAV)		Base Fee	+ Variable Fee Rate for NAV in Excess of Base NAV
Base NAV			

\$0	up to \$5M	\$3,000	0.020%
\$5M	up to \$10M	\$4,000	0.018%
\$10M	up to \$50M	\$4,900	0.017%
\$50M	up to \$100M	\$11,700	0.016%
\$100M	and above	\$19,700	0.015%
The maximum fee is \$25,000.			

The Listing Application of a Special Purpose Issuer – Investment Fund must be accompanied by a non-refundable fee of \$3,000 which shall be applied to the Original Listing Fee.

#### 4. SPIs – Other (Asset Linked Securities)

Listing Securities		Flat Fee
Number of Listed Securities		
0	up to 200,000	\$2,500
200,000	up to 1,000,000	\$5,000
1,000,000	and above	\$10,000

The Listing Application of a Special Purpose Issuer – Other (Asset Linked Securities) must be accompanied by a non-refundable fee of \$1,500 which shall be applied to the Original Listing Fee.

#### 5. SPIs – Other (Certificates, Exotic Warrants, Other Non-Standard Securities)

Cost Per Issuance	Maximum Fee per year
\$300	\$30,000

The issuer shall pay a non-refundable one-time application fee of \$4,000 (subsequent issuances will not have to pay an additional \$4,000) for the first time it will issue SPIs-Other securities at Alpha Main.

The \$300 fee per issuance applies each time an issuer lists a new class of securities of this category. The Exchange treats each securities class issuance that has a distinct ISIN as a separate issue requiring an additional \$300 fee. No fees will be charge for subsequent listing of additional securities of the same class (having the same ISIN).

The issuer will pay a maximum aggregate listing fee of \$30,000 in any one calendar year.

## 6. Non-Convertible Debt

If an issuer who wishes to list non-convertible debt on the Exchange already has securities listed at Alpha Main then the fees for such issuances will be the same as SPIs-Other securities noted in item A. 4 above. However, an issuer who wishes to list non-convertible debt on the Exchange does not already have securities listed at Alpha Main then the fees for such issuances will be the same as a Corporate Issuer as noted in item A. 1 above.

## B. Annual Sustaining Fees

---

### 1. Corporate Issuers

Market Capitalization		Base Fee	+ Variable Fee Rate for Market Capitalization in Excess of Base Listing Capitalization
Base Listing Capitalization			
\$0	up to \$100M	\$7,000	0.0036%
\$100M	up to \$500M	\$10,600	0.0035%
\$500M	and above	\$24,600	0.0032%
The maximum fee is \$48,000.			

The fee schedule above for a Corporate Issuer also applies to a Foreign Issuer.

### 2. SPIs - ETFs

NAV		Base Fee	+ Variable Fee Rate for NAV in Excess of Base NAV
Base NAV			
\$0	up to \$100M	\$3,500	0.0027%
\$100M	up to \$500M	\$6,200	0.0026%
\$500M	and above	\$16,600	0.0025%
The maximum fee is \$18,600			

The following ETF family discount applies where a fund family consists of ETF funds with a common sponsor, fund manager or investment advisers who are affiliated persons. The following ETF family discounts will be applied to the aggregate amount of

sustaining fees, based on the number of ETFs listed at the Exchange as at the last trading day of the preceding calendar year:

<b>Number of ETFs Listed</b>	<b>Discount to Aggregate Amount of Sustaining Fees</b>
Between 3 and 10	5%
Between 11 and 20	10%
More than 20	20%

The Annual Sustaining Fee for a Foreign Issuer with an ETF listed on an Accepted Foreign Exchange will be \$4,000 per ETF.

### 3. SPIs - Investment Funds

<b>NAV</b>		<b>Base Fee</b>	<b>+ Variable Fee Rate for NAV in Excess of Base NAV</b>
<b>Base NAV</b>			
\$0	up to \$100M	\$4,000	0.0050%
\$100M	up to \$500M	\$9,000	0.0040%
\$500M	and above	\$25,000	0.0030%
The maximum fee is \$30,000			

The following Investment Fund family discount applies where a fund family consists of Investment Funds with a common sponsor, fund manager or investment advisers who are affiliated persons. The discount will be applied to the aggregate amount of sustaining fees, based on the number of Investment Funds listed at the Exchange as at the last trading day of the preceding calendar year:

<b>Number of Investment Funds Listed</b>	<b>Discount to Aggregate Amount of Sustaining Fee</b>
More than 3 Funds	10%

### 4. SPIs – Other (Asset Linked Securities)

<b>Listing Securities</b>		<b>Fee</b>
<b>Base Number of Listed Securities</b>		
0	up to 1,000,000	\$5,000
1,000,000	up to 5,000,000	\$10,000



5,000,000	and above	\$15,000
The maximum fee is \$15,000.		

## 5. SPIs-Others (Certificates, Exotic Warrants, Other Non-Standard Securities)

Each SPIs-Others issuer shall pay a yearly fee of \$8,000 no matter the amount of outstanding SPI-Others (Certificates, Exotic Warrants, Other Non-Standard Securities) securities listed.

## 6. Non-Convertible Debt

If an issuer who wishes to list non-convertible debt on the Exchange already has securities listed at Alpha Main then the fees for such issuances will be the same as SPIs-Other securities noted in item B. 4 above. However, an issuer who wishes to list non-convertible debt on the Exchange does not already have securities listed at Alpha Main then the fees for such issuances will be the same as a Corporate Issuer as noted in item B. 1 above.

## C. Additional Listing Fees

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### 1. Corporate Issuers

Listing Capitalization		Base Fee	+ Variable Fee Rate for Listing Capitalization in Excess of Base Listing Capitalization
Base Listing Capitalization			
\$0	up to \$5M	\$ 3,000	0.075%
\$5M	up to \$10M	\$ 6,750	0.060%
\$10M	up to \$50M	\$9,750	0.055%
\$50M	up to \$100M	\$ 31,750	0.050%
\$100M	and above	\$ 56,750	0.045%
The maximum fee is \$80,000.			

The above fee is applicable to an additional listing of an existing class or series already listed on the Exchange, to a different class or series than those already listed on the Exchange, and to an original listing of a new class or series issued by an Other Listed Issuer. The aggregate additional listing fees (for an existing class or series already listed on the Exchange only) for a Listed Issuer in a year cannot exceed \$190,000.

A Foreign Issuer pays the same fees as a Corporate Issuer noted above.

## 2. SPIs -ETFs

There are no additional fees for an additional listing in respect of an ETF.

## 3. SPIs - Investment Funds

NAV		Base Fee	+ Variable Fee Rate for NAV in Excess of Base NAV
Base NAV			
\$0	up to \$10M	\$1,500	0.005%
\$10M	up to \$50M	\$2,000	0.004%
\$50M	Up to \$100	\$3,600	0.003%
\$100M	and above	\$5,100	0.002%
The maximum fee is \$26,000.			

A Special Purpose Issuer - Investment Fund shall pay the above fees for an additional listing.

## 4. SPIs – Other (Asset Linked Securities)

A SPI - Other (Asset Linked Securities) issuer shall pay the same fees for an additional listing as they did for the Original Listing – See A.4 above.

## 5. SPIs – Other (Certificates, Exotic Warrants, Other Non-Standard Securities)

A SPI - Other issuer shall pay no fees for an additional listing of securities of this category (being securities that have the same ISIN number of listed securities).

## 6. Non-Convertible Debt

A non-convertible debt securities issuer shall pay the same fees for an additional listing as they did for the Original Listing of SPIs-Other (Asset Linked Securities) – See A.4 above.

## **D. Supplemental Listing Fees**

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For all Listed Issuers the supplemental listing fee will be the Original Listing fee for each type of issuer as determined in this fee schedule, except for Corporate Issuers as set in section C.1 above.

## **E. Other Fees**

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### **1. Consolidations/Split**

After an Original Listing, if the securities are consolidated or split, the fee for the consolidation/split shall be \$5,000.

### **2. Name / Symbol / Classification Change**

If the name, stock symbol, or classification of a Listed Issuer is to be changed, without any change in the capital structure, the fee shall be \$2,500.

### **3. Corporate Reorganizations**

Corporate reorganizations occur when two or more Listed Issuers consolidate into one new issuer, the creation of a new issuer from a merger, amalgamation or consolidation of a Listed Issuer (not a backdoor listing), or the conversion from a trust into a corporate entity and other reorganizations where the operations of the issuer are transferred to a new entity, will be charged a flat fee of \$10,000.

### **4. Normal Course Issuer Bids**

Concurrently upon filing of a notice with the Exchange that a Listed Issuer wishes to undertake a normal course issuer bid, such issuer shall submit a fee of \$3,000 to the Exchange.

### **5. Security Holder Rights Plan and Amendment to Stock Option Plan**

A Listed Issuer shall pay a fee of \$3,000 to the Exchange upon the filing of a security holder rights plan or any material amendment thereto that requires security holder approval.

A Listed Issuer shall pay a fee of \$1,000 to the Exchange upon the filing of a stock option agreement amendment or stock option plan amendment.

### **6. Backdoor Listing & Change of Business**

A Listed Issuer shall pay the Original Listing Fee for the additional shares issued pursuant to a backdoor listing or change of business. The issuer shall pay a non-refundable fee of \$7,500, which shall be applied to the Original Listing Fee paid if additional shares are issued.

### **7. Personal Information Form (PIF)**

The Exchange will levy a charge to cover expenses that it has incurred relating to a review that the Exchange deems necessary, as to the suitability of any Person to be involved with a Listed Issuer or an associate or affiliate of an Issuer in the amount of

\$500 except for the cost for processing a PIF of a non-Canadian resident or Non-U.S. resident Related Person of an Issuer which will be determined base on the cost for such jurisdiction in addition to the \$500 PIF processing fee noted above.

## 8. Recovery of Certain Issuer Related Expenditures

The Exchange may levy a charge to cover expenses that it has incurred relating to:

- (i) due diligence, research or assessment procedures which the Exchange deems necessary in connection with any notice or application that has been filed or that, in the opinion of the Exchange, ought to have been filed; or
- (ii) any review or investigation that the Exchange deems necessary respecting the business or affairs of an Issuer or any Person involved or to be involved with an Issuer.

## 9. HST/GST

**The fee in this Listing Fee Schedule do not include the Canadian Goods and Services Tax (GST), Harmonized Sales Tax (HST) or any other taxes that may be applicable.** All fee in this Listing Fee Schedule are subject to the GST or HST as applicable which must be added to all fees, unless the issuer, prior to or at the time of payment of any fee, provides satisfactory evidence to the Exchange in accordance with Appendix A of this Listing Fee Schedule as prescribed under the *Excise Tax Act* (Canada), as to proof of non-residence and non-registration for GST/HST purposes. All fees in this Listing Fee Schedule may be subject to other taxes which will be added if applicable. All applicable taxes will be added to all fees in this Listing Fee Schedule.

## F. How to Calculate Fees

1. Refer to the appropriate fee schedule (Original Listing Fee or Annual Sustaining Fee or Additional Listing Fee).
2. Locate the Listing Capitalization band of the securities to be listed.
3. Multiply the corresponding Variable Fee Rate by the difference between the Listing Capitalization and the corresponding Base Listing Capitalization.
4. Add the result of the calculation in point 3 to the corresponding Base Fee.

In the event of an application being made whereby more than one class of security is being admitted, a separate fee will be charged for each class of security.

### Listing Fees Formula

$$[(\text{Listing (or Market) Capitalization} - \text{Base Listing (or Market) Capitalization}) * \text{Applicable Variable Rate}] + \text{Base Fee}$$

### Example

For a Corporate Issuer listing a \$40,000,000 IPO. Look for Corporate Issuer, under Original Listing Fee title.

$[\$40\text{M Listing Capitalization} - \$10\text{M Base Listing Capitalization}] \times .067\%$  variable fee rate = \$20,100 + \$11,950 base fee = \$32,050

### Example of a Foreign Issuer Dual-Listed on an Accepted Foreign Exchange

For a Corporate Issuer listing a \$40,000,000 IPO. Look for Corporate Issuer, under Original Listing Fee title

$[\$40\text{M Listing Capitalization} - \$10\text{M Base Listing Capitalization}] \times .067\%$  variable fee rate = \$20,100 + \$11,950 base fee = \$32,050

Less the discount of 25% ( $\$32,050 \times (1 - 0.25)$ ).

Final fee = \$24,038

## **G. General Information and Definitions relating to the fee schedule**

### **Original Listing Fees:**

The Original Listing Fee is a one-time fee payable for listing on the Exchange, based on the Listing Capitalization, and calculated separately for each class of Listed Securities.

For Corporate Issuers, a non-refundable amount of \$5,000 must be submitted at the time of the application. This amount will be credited as part of the Original Listing Fee. This \$5,000 initial payment is not required for Other Listed Issuer moving their listing exclusively to the Exchange or that will be dually listed on the TSX, TSXV or CNSX.

The Exchange will not charge an Original Listing Fee for any securities that are transferred from the TSX, TSXV or CNSX to list exclusively on the Exchange. Nor will the Exchange charge an Original Listing Fee for the securities of an issuer that is dually listed on the TSX, TSXV or CNSX.

### **Annual Sustaining Fees:**

The Annual Sustaining Fee is payable annually by all Listed Issuers for maintaining a listing on the Exchange. The Annual Sustaining Fee is calculated and billed at the end

of January of each year and is based on the Market Capitalization (or Net Asset Value) as at the last trading day of the preceding calendar year.

In the first year of listing, the Listed Issuer's annual fee will be pro-rated based on the date of listing and based on the Market Capitalization (or Net Asset Value) as reported in the Listed Issuer's latest filing on record with the Exchange as of the date of listing.

The Listed Issuer's Annual Sustaining Fee is calculated on the total securities outstanding for each Corporate Issuer, Investment Fund, security issued by a Structured Products Issuer-Other or shares issued by an ETF. Total securities outstanding means the aggregate number of shares or units for each series of a listed security as shown in the most recent periodic report required to be filed with the appropriate regulatory authority or in more recent information held by the Exchange.

Issuers transferring to Alpha Venture Plus during the calendar year will have their sustaining fees prorated between markets.

#### **Additional Listing Fees:**

After an Original Listing, if additional securities of the same class of a listed security are to be listed, Additional Listing Fees apply.

#### **Supplemental Listing Fees:**

If securities of a listed issuer are to be listed and those securities are not of a class already listed Supplemental Listing Fees apply.

#### **Definitions:**

"Accepted Foreign Exchange" means an exchange that is not located within Canada and for which an issuer listed on such exchange has demonstrated that such exchange and the jurisdiction's securities laws requirements are similar to that of Alpha Exchange and Ontario securities laws.

"Asset Linked Security" means a debt security that is linked for its performance on an underlying asset be it an index, basket or individual asset that is usually based on equity, commodity or currency, that may or may not provide for the repayment of the original principal investment amount (principal guarantee by issuer). For purposes of this definition Exchange-Traded-Notes and Equity-Linked-Notes are considered an Asset Linked Security. At the time of original listing approval, the Exchange, in its discretion, shall determine if an issuer will be deemed an Asset Linked Security.

"Certificate" means an exchange traded security that enables investors to benefit from the performance of an underlying instrument. The security uses a remuneration calculation method that is predetermined upon issue and is not leverage as warrants

are. Underlying instruments can be equities or indices, but also commodities, bonds or other securities. Certificates enable investors to speculate not only on rising or falling prices, but also to benefit from various stock market trends. Several different types of certificates exist: reverse convertibles, discount certificates, capital protected certificates, Call/Put spread certificates (plain or hybrid), bonus certificates, pure indexation certificates and other certificates.

“Corporate Issuer” means an issuer that is not an investment fund, ETF or a Structured Product Issuer.

“Exchange Traded Fund” or “ETF” is a type of an Investment Fund and is considered to be a Special Purpose Issuer (SPI) for the purposes of this Form (for example, an ETF can be an open-ended fund which allows an investor to replicate the performance of specific indices, sectors or commodities through a single security). At the time of original listing approval, the Exchange, in its discretion, shall determine if a fund will be deemed an ETF.

“Exotic Warrant” means a warrant that benefit from sideways movements or from certain events such as reaching a fixed price mark. The three categories are: (i) range warrants (specific price barriers determine whether the warrant gains a certain amount of value during its life or whether it depreciates by the same amount); (ii) digital warrants (when the underlying instrument reaches a certain price the issuer either pays a full amount or none at all); or (iii) other exotic warrants (warrants pay an above-average performance within certain barriers).

“Foreign Issuer” means a Corporate Issuer or ETF which is incorporated or organized outside of Canada and is or not already listed on another recognized exchange or marketplace.

“Investment Fund” has the meaning ascribed to it in the Ontario *Securities Act*.

“Issue Price Per Security” means the price at which the Listed Issuer’s securities are issued or issuable pursuant to a private placement or a prospectus offering, where this price is known at the time of calculating the fee. For securities where there is a varying exercise or conversion price, the Issue Price per Security is the exercise or conversion price of the first exercise or conversion period.

“Knock-Out Certificates” are leverage certificates also referred to as waves, mini futures, classic/unlimited/BEST products, smart turbos or simply turbos. The key difference of knock-out products vis-à-vis traditional warrants is their nearly linear participation in the performance of the relevant underlying instrument. In contrast to warrants, the influence of volatility on the price performance of many knock-out products

is negligible. Knock-out products expire as soon as the predefined knock-out barrier of the underlying instrument is hit or breached.

“Listing Capitalization” is calculated as: Issue Price Per Security or, if not known, the Market Price Per Security multiplied by the number of securities to be listed (number of securities issued, together with any securities which have been authorized for issuance for a specific purpose at a later date).

“Listed Issuer” is an issuer with one or more classes of securities listed on Alpha Main which meets the Alpha Main Listing Handbook requirements.

“Market Capitalization” is calculated as (for each class of Listed Securities) the number of Listed Securities issued and outstanding for each class multiplied by the closing price of such securities on the last trading day of the calendar year.

“Market Price Per Security” means: (i) for an Original Listing Fee, the VWAP for the five (5) trading days immediately after listing on the Exchange; or (ii) for an Additional Listing Fee, generally the VWAP for the five (5) trading days immediately preceding letter notice to the Exchange.

“Non-Standard Securities” can be a Certificate, Exotic Warrant, Knock-Out Certificates or a Warrant or similar products issued by a financial institution.

“Other Listed Issuer” means an Issuer which is at the time of applying for the listing of a security is listed on a Canadian exchange other than Alpha Exchange but does not include an Accepted Foreign Exchange.

“SPI” means a Structured Product Issuer such as an Exchange Traded Fund, investment fund, Split Share Corporation, or an issuer of warrants, certificates and other non-standard products.

“Structured Products Issuer-Other” means a SPI that is not an Investment Fund or ETF and that issues warrants, certificates and other non-standard products. At the time of Original Listing approval, the Exchange, in its discretion, shall determine if an issuer will be deemed a SPI-Other.

“VWAP” means: the volume weighted average trading price of the Listed Securities, calculated by dividing the total value by the total volume of securities traded for the relevant period.

“Warrant” means a financial product usually issued by a financial institution which conveys to its holder the right, but not the obligation, to buy (in the case of a call warrant) or sell (in the case of a put warrant) shares of the underlying asset (shares, index, currency, commodity, etc) at a specified price (the strike price) on or before a



given date (expiration day). After this given date, the right ceases to exist. To obtain this right, the holder pays a premium that is far lower than the underlying security's price.

**APPENDIX A**  
**SATISFACTORY EVIDENCE AS PROOF OF NON-RESIDENCE AND NON-REGISTRATION FOR GST/HST PURPOSES**

The following example of written documentation, to be kept on file, will generally be acceptable to the Minister of National Revenue as certification that the person to whom the supply is made is a non-resident in Canada and is not registered for GST/HST purposes:

(a) In the case of a non-resident, unregistered individual:

I, \_\_\_\_\_, (name and complete address of individual) certify that I am not resident in Canada for purposes of the *Excise Tax Act* and that I am not registered under that Act.

Where applicable, I agree to advise Alpha Exchange Inc. in the event there is any change to my residence status or should I become registered for the purposes of the *Excise Tax Act*.

\_\_\_\_\_  
Date

\_\_\_\_\_  
Signature of Individual

(b) In the case of a non-resident, unregistered person, other than an individual:

I, \_\_\_\_\_, (name and title of authorized individual) certify that (name of person, other than individual) is not resident in Canada for purposes of the *Excise Tax Act* and that (name of person, other than individual) is not registered under that Act.

Where applicable, I agree to advise Alpha Exchange Inc. in the event there is any change to the residence status of (name of person, other than individual) or should (name of person, other than individual) become registered for the purposes of the *Excise Tax Act*.

\_\_\_\_\_  
Date

\_\_\_\_\_  
Signature of Individual

\_\_\_\_\_  
Print name of individual

\_\_\_\_\_  
Title

**FORM 5  
QUARTERLY UPDATE - GENERAL**

**Name of Listed Issuer:** \_\_\_\_\_

**Trading symbol:** \_\_\_\_\_

**Please select the applicable quarter:**

- 1<sup>st</sup> Quarter      Date: \_\_\_\_\_
- 2<sup>nd</sup> Quarter      Date: \_\_\_\_\_
- 3<sup>rd</sup> Quarter      Date: \_\_\_\_\_
- 4<sup>th</sup> Quarter      Date: \_\_\_\_\_

**Initial Form**       **Amended Form**      **Date:** \_\_\_\_\_

Complete the following table for each class of Listed Securities for the period beginning on the date of the last quarterly update:

Class	Number of securities issued and outstanding at beginning of quarter (A)	Number of securities issued during the quarter (B)	Number of securities redeemed during the quarter (C)	Total securities issued and outstanding at the end of the quarter (A+B-C)	Number of securities reserved for issuance at beginning of quarter (D)	Number of new securities reserved for issuance during the quarter (E)	Number of securities previously but no longer reserved for issuance (F) <sup>1</sup>	Total number reserved for issuance at the end of quarter (D+E-F)

Provide the following information for securities listed in (B), (C), (E) and (F) (other than grants of Security Based Compensation Arrangements<sup>2</sup>) during the quarter:

Date of Issue or Reservation	Type of security	Type of transaction	Number issued or reserved <sup>3</sup>	Price	Consideration (cash, property, etc.)	Details of any related person involvement	Final Approval Number <sup>4</sup>

<sup>1</sup> For example, shares reserved for issuance on exercise of warrants that expired during the period.

<sup>2</sup> Include shares issued on exercise of Security Based Compensation Arrangements in this table.

<sup>3</sup> For redemptions or securities no longer reserved for issuance, put the amount in brackets.

<sup>4</sup> The Alpha Exchange final approval number given in the notice of Alpha Exchange approving original issuance of the security.


Give the following information for Security Based Compensation Arrangements granted during the quarter:

Date	Class of security	Name of Optionee and Relationship to Issuer	Number	Exercise Price	Expiry Date

Total number of securities reserved for issuance on exercise of options at the beginning of the quarter:

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Total number of securities reserved for issuance on exercise of options at the end of the quarter:

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## CERTIFICATE

The undersigned certifies that:

1. The undersigned is an officer or director of the Listed Issuer and has been duly authorized to sign this form;
2. To the best of the undersigned's knowledge after reasonable inquiry, the Listed Issuer is in compliance with applicable securities legislation and Alpha Main Requirements;<sup>5</sup> and
3. All information in this form is true and complete and the form contains no misrepresentations 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.

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Signature of Authorized Person

Name

---

Position

Date

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<sup>5</sup> If the Listed Issuer is not in compliance (e.g. has not filed required financial statements), add "except as follows:" and provide details.

**FORM 5A  
QUARTERLY UPDATE FOR SPECIAL PURPOSE ISSUERS**

Name of Listed Issuer: \_\_\_\_\_

Trading symbol: \_\_\_\_\_

Please select the applicable quarter:

- 1<sup>st</sup> Quarter      Date: \_\_\_\_\_
- 2<sup>nd</sup> Quarter      Date: \_\_\_\_\_
- 3<sup>rd</sup> Quarter      Date: \_\_\_\_\_
- 4<sup>th</sup> Quarter      Date: \_\_\_\_\_

Initial Form       Amended Form      Date: \_\_\_\_\_

Complete the following table, as applicable, for each class of Listed Securities for the period beginning on the date of the last quarterly update:

Class	Number of securities issued and outstanding at beginning of quarter (A)	Number of securities issued during the quarter (B)	Number of securities redeemed during the quarter (C)	Total securities issued and outstanding at the end of the quarter (A+B-C)	Number of securities reserved for issuance at beginning of quarter (D)	Number of new securities reserved for issuance during the quarter (E)	Number of securities previously but no longer reserved for issuance (F) <sup>6</sup>	Total number reserved for issuance at the end of quarter (D+E-F)

Provide the following information, as applicable, for securities listed in (B), (C), (E) and (F) (other than grants of Security Based Compensation Arrangements<sup>7</sup>) during the quarter:

Date of Issue or Reservation	Type of security	Type of transaction	Number issued or reserved <sup>8</sup>	Price	Consideration (cash, property, etc.)	Details of any related person involvement

<sup>6</sup> For example, shares reserved for issuance on exercise of warrants that expired during the period.

<sup>7</sup> Include shares issued on exercise of Security Based Compensation Arrangements in this table.


Give the following information, as applicable, for Security Based Compensation Arrangements granted during the quarter:

<b>Date</b>	<b>Class of security</b>	<b>Name of Optionee and Relationship to Issuer</b>	<b>Number</b>	<b>Exercise Price</b>	<b>Expiry Date</b>

Total number of securities reserved for issuance on exercise of options at the beginning of the quarter:

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Total number of securities reserved for issuance on exercise of options at the end of the quarter:

---

For Special Purpose Issuers who are classified as Other, please provide the Listed Issuer's market capitalization as of the date of this notice:

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For Special Purpose Issuers who are Investments Funds, please provide the Listed Issuer's net asset value as of the date of this notice and, if applicable, the net asset value of the group of Listed Issuers who are under the same management :

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<sup>8</sup> For redemptions or securities no longer reserved for issuance, put the amount in brackets.

## CERTIFICATE

The undersigned certifies that:

1. The undersigned is an officer or director of the Listed Issuer and has been duly authorized to sign this form;
2. To the best of the undersigned's knowledge after reasonable inquiry, the Listed Issuer is in compliance with applicable securities legislation and Alpha Main Requirements;<sup>9</sup> and
3. All information in this form is true and complete and the form contains no misrepresentations 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.

---

Signature of Authorized Person

Name

---

Position

Date

---

<sup>9</sup> If the Listed Issuer is not in compliance (e.g. has not filed required financial statements), add "except as follows:" and provide details.



**FORM 6  
NOTICE OF PROSPECTUS OFFERING**

**Notice type:**

Preliminary Notice  Final Notice

**Name of Listed Issuer:**

**Trading symbol:**

**Date:**

**If this is updating a prior notice, give date(s) of those notices:**

**Date of news release announcing the offering:**

**Date of preliminary prospectus:**

**Date of (final) prospectus:**

Provide the following information concerning the offering:

Type of security <sup>1</sup>	Number to be issued <sup>2</sup>	Price per security <sup>3</sup>	Conversion or exercise price (if applicable)	Net proceeds to the issuer per security

If securities other than currently-listed securities are sold in the offering, provide details of the security:<sup>4</sup>

<sup>1</sup> Describe the security to be offered (for example, unit of one share and ½ share purchase warrant, convertible debenture, etc.).

<sup>2</sup> If not determined, provide highest and lowest number contemplated.

<sup>3</sup> If not determined, provide a price range.

<sup>4</sup> For convertible securities, include the conversion or exercise price and terms, expiry date, number of listed securities issuable on conversion or exercise and any other significant terms. For debentures, include the interest rate, conversion price and terms and default provisions.

If the securities are Listed Securities with different particulars (e.g. flow through shares, special warrants), describe:

---

Describe the terms and conditions of the offering:

---

Summarize the intended use of proceeds:

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Give full particulars of any direct or indirect involvement by related persons in the offering (including purchases in the offering, receipt of any brokerage or finder's fees or receipt of any proceeds):

---

Disclose if the offering could result in a Person being in a position to materially affect control of the Alpha Main Listed Issuer:

---

Provide the following information with respect to any agent's or broker's or finder's fee, commission or other compensation paid in connection with the offering:

<b>Name</b>	<b>Relationship to Listed Issuer</b>	<b>Cash compensation</b>	<b>Securities compensation</b>	<b>Other compensation</b>	<b>Exercise price of any convertible security</b>	<b>Expiry date</b>

Describe the plan of distribution:

---

**CERTIFICATE**

The undersigned certifies that:

1. The undersigned is an officer or director of the Listed Issuer and has been duly authorized to sign this form;
2. To the best of the undersigned's knowledge after reasonable inquiry, the Listed Issuer is in compliance with applicable securities legislation and Alpha Main Requirements;<sup>5</sup> and
3. All information in this form is true and complete and the form contains no misrepresentations 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.

---

Signature of Authorized Person

Name

---

Position

Date

---

<sup>5</sup> If the Listed Issuer is not in compliance (e.g. has not filed required financial statements), add "except as follows:" and provide details.

## Acknowledgement - Personal Information

“Personal Information” means any information about an identifiable individual, and includes the information contained in any tables, as applicable, found in this Form.

The undersigned hereby acknowledges and agrees that it has obtained the express written consent of each individual to:

- (a) the disclosure of Personal Information by the undersigned to Alpha Exchange pursuant to this Form; and
- (b) the collection, use and disclosure of Personal Information by Alpha Exchange for the purposes described in Alpha Exchange’s Personal Information disclosure policies or as otherwise identified by Alpha Exchange, from time to time.

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Signature of Authorized Person	Name
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Position	Date
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**FORM 7  
NOTICE OF PRIVATE PLACEMENT**

**Notice type:**  Preliminary Notice  Final Notice

**Name of Listed Issuer:**

**Trading symbol:**

**Date:**

**Date of news release announcing the offering:**

**Date of request for price protection (if applicable):**

**Closing market price on the day prior to the earlier of the date of this notice or the date price protection was granted:**

**Number of securities issued and outstanding as of the date of this notice:**

**Was the pricing of the private placement determined when there was any materially undisclosed information**  Yes  No

Provide the following information concerning the offering:

Type of security <sup>1</sup>	Number to be issued <sup>2</sup>	Percentage of the number of listed securities outstanding prior to the placement <sup>3</sup>	Price per security <sup>4</sup>	Conversion or exercise price (if applicable)	Prospectus Exemption

<sup>1</sup> Describe the security to be offered (for example, unit of one share and ½ share purchase warrant, convertible debenture, flow through common shares, etc.). Indicate whether the securityholders have voting rights in all or certain circumstances.

<sup>2</sup> If not determined, provide highest and lowest number contemplated.

<sup>3</sup> Calculate on a partially diluted basis assuming all of the placees exercise any conversion or exercise rights attaching to the securities purchased, but no other holders of convertible securities.

<sup>4</sup> If not determined, provide a price range.

If securities other than currently-listed securities are sold in the offering, provide details of the security:<sup>5</sup>

---

If the securities are listed securities with different particulars (e.g. flow through shares, special warrants), describe:

---

Provide the following information with respect to direct or indirect participation by any related person or person who will become a Related Person of an Issuer on closing of the offering:<sup>6</sup>

<b>Name</b>	<b>Holding prior to offering<sup>7</sup></b>	<b>Percentage of outstanding prior to offering<sup>8</sup></b>	<b>Number of securities to be purchased</b>	<b>Holding following the offering<sup>9</sup></b>	<b>Percentage of outstanding following offering<sup>10</sup></b>

Describe the terms and conditions of the offering (including if this private placement is being undertaken to settle any debts):

---

Summarize the intended use of proceeds:

---

<sup>5</sup> For convertible securities, include the conversion or exercise price and terms, expiry date, number of listed securities issuable on conversion or exercise and any other significant terms. For debentures, include the interest rate, conversion price and terms and default provisions.

<sup>6</sup> If the offering will result in a new related person, the person must file a Personal Information Form (Form 3) with the Exchange and obtain Exchange approval prior to closing. The purchase by the person may close in escrow pending receipt of Exchange Approval.

<sup>7</sup> List separately securities held and securities to be issued on conversion of any securities held.

<sup>8</sup> Calculate on a partially diluted basis assuming the person converts or exercises all convertible securities held, but no other holders do.

<sup>9</sup> List separately securities held and securities to be issued on conversion of any securities held.

<sup>10</sup> Calculate on a partially diluted basis assuming the person converts or exercises all convertible securities held, but no other holders do.

Give full particulars of any direct or indirect involvement by related persons in the offering not disclosed above (including receipt of any brokerage or finder's fees or receipt of any proceeds):

---

Disclose details in respect of past private placements involving Related Persons of an Issuer within the past 12 months including the number and amount of securities issued to such related persons:

---

Disclose if the private placement could result in a placee being in a position to materially affect control of the Alpha Main Listed Issuer:

---

Provide the following information with respect to any agent's or broker's or finder's fee, commission or other compensation paid in connection with the offering:

Name	Relationship to Issuer	Cash compensation	Securities compensation	Other compensation	Exercise price of any convertible security	Expiry date

### **CERTIFICATE**

The undersigned certifies that:

1. The undersigned is an officer or director of the Listed Issuer and has been duly authorized to sign this form;



2. To the best of the undersigned's knowledge after reasonable inquiry, the Listed Issuer is in compliance with applicable securities legislation and Alpha Main Requirements;<sup>11</sup> and
3. All information in this form is true and complete and the form contains no misrepresentations 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.

---

Signature of Authorized Person

Name

---

Position

Date

### **Acknowledgement - Personal Information**

"Personal Information" means any information about an identifiable individual, and includes the information contained in any tables, as applicable, found in this Form.

The undersigned hereby acknowledges and agrees that it has obtained the express written consent of each individual to:

- (a) the disclosure of Personal Information by the undersigned to Alpha Exchange pursuant to this Form; and
- (b) the collection, use and disclosure of Personal Information by Alpha Exchange for the purposes described in Alpha Exchange's Personal Information disclosure policies or as otherwise identified by Alpha Exchange, from time to time.

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<sup>11</sup> If the Listed Issuer is not in compliance (e.g. has not filed required financial statements), add "except as follows:" and provide details.

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Signature of Authorized Person

Name

---

Position

Date

**FORM 7A  
PRICE RESERVATION FORM**

**Name of Listed Issuer:**

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**Trading symbol:**

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**Date:**

---

**If this is updating a prior notice, give date(s) of those notices:**

---

**Proposed Price:**

(please refer to Section 6.05(2) of the Alpha Main Handbook for details on the maximum discount permitted)

**Was this form submitted when there was any materially undisclosed information:**

Yes  No

(Alpha Exchange may deny the price reservation when materially undisclosed information existed)

If Insiders of the Issuer will be subscribing or otherwise obtaining securities under the transaction, disclose, on a fully diluted basis:

<b>Name of Insider</b>	<b>Number of Securities to be subscribed for/received by the Insider</b>	<b>Percentage of Securities to be issued pursuant to the transaction</b>	<b>Percentage of issued and outstanding Listed Shares on a post transaction basis</b>

*Note: For purposes of this item include any party that will be considered an Insider post-closing of the transaction on a fully diluted basis.*

Provide details as to the anticipated size and structure of the transaction, if known:

---

### CERTIFICATE

The undersigned certifies that:

1. The undersigned is an officer or director of the Listed Issuer and has been duly authorized to sign this form;
2. To the best of the undersigned's knowledge after reasonable inquiry, the Listed Issuer is in compliance with applicable securities legislation and Exchange requirements;<sup>12</sup> and
3. All information in this form is true and complete and the form contains no misrepresentations 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.

---

Signature of Authorized Person

Name

---

Position

Date

---

<sup>12</sup> If the Listed Issuer is not in compliance (e.g. has not filed required financial statements), add "except as follows:" and provide details.

**FORM 8  
NOTICE OF ACQUISITION**

**Notice type:**  Preliminary Notice  Final Notice

**Name of Listed Issuer:**

**Trading symbol:**

**Date:**

**If this is updating a prior notice, give date(s) of those notices:**

**Date of news release announcing the acquisition:**

**Closing market price on the day prior to the date of this notice:**

**Total number of securities issued and outstanding as of the date of this notice:**

**Is security holder approval required for this acquisition:**  Yes  No

Describe the assets to be acquired. The description must be sufficiently detailed that a reader will understand the transaction without reference to any other material:

---

Describe the acquisition, including the date, the parties and the terms of the transaction. The description must be sufficiently detailed that a reader will understand the transaction without reference to any other material:

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Describe how the purchase price was determined (e.g. arm's length negotiations, special committee of the Board, etc.):

---

Provide details of any valuation or appraisal of the subject of the acquisition known to the Listed Issuer:

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Provide the following information concerning the acquisition:

Type of security <sup>1</sup>	Number to be issued <sup>2</sup>	Percentage of the number of listed securities outstanding prior to the acquisition <sup>3</sup>	Price per security <sup>4</sup>	Conversion or exercise price (if applicable)	Prospectus Exemption

If securities other than currently-listed securities are sold in the offering, provide details of the security<sup>5</sup>:

---

If the securities are Listed Securities with different particulars (e.g. flow through shares, special warrants), describe:

---

---

<sup>1</sup> Describe the security to be offered (for example, unit of one share and ½ share purchase warrant, convertible debenture, flow through common shares, etc.). Indicate whether the securityholders have voting rights in all or certain circumstances.

<sup>2</sup> If not determined, provide highest and lowest number contemplated.

<sup>3</sup> Calculate on a partially diluted basis assuming all of the securities issued in connection with the acquisition are exercised or converted, but no other holders of convertible securities.

<sup>4</sup> If not determined, provide a price range.

<sup>5</sup> For convertible securities, include the conversion or exercise price and terms, expiry date, number of listed securities issuable on conversion or exercise and any other significant terms. For debentures, include the interest rate, conversion price and terms and default provisions.

Provide the following information with respect to direct or indirect participation by any related person or person who will become a related person on closing of the acquisition<sup>6</sup>:

<b>Name</b>	<b>Holding prior to acquisition<sup>7</sup></b>	<b>Percentage of outstanding<sup>8</sup> prior to acquisition</b>	<b>Number of securities to be acquired</b>	<b>Holding following the acquisition<sup>9</sup></b>	<b>Percentage of outstanding<sup>10</sup> following acquisition</b>

Give full particulars of any direct or indirect involvement by related persons in the offering not disclosed above (including receipt of any brokerage or finder's fees or receipt of any proceeds):

Provide the following information with respect to any agent's or broker's or finder's fee, commission or other compensation paid in connection with the offering:

<b>Name</b>	<b>Relationship to Issuer</b>	<b>Cash compensation</b>	<b>Securities compensation</b>	<b>Other compensation</b>	<b>Exercise price of any convertible security</b>	<b>Expiry date</b>

<sup>6</sup> If the offering will result in a new related person, the person must file a Personal Information Form (Form 3) with the Exchange and obtain Exchange approval prior to closing. The purchase by the person may close in escrow pending receipt of Exchange Approval.

<sup>7</sup> List separately securities held and securities to be issued on conversion of any securities held.

<sup>8</sup> Calculate on a partially diluted basis assuming the person converts or exercises all convertible securities held, but no other holders do.

<sup>9</sup> List separately securities held and securities to be issued on conversion of any securities held.

<sup>10</sup> Calculate on a partially diluted basis assuming the person converts or exercises all convertible securities held, but no other holders do.

If the securities to be issued are only partial consideration for the acquisition, describe the additional consideration. Include any future payments or expenditures the issuer may be required to make under the acquisition agreement:

---

Disclose if the acquisition could result in a Person being in a position to materially affect control of the Alpha Main Listed Issuer:

---

### CERTIFICATE

The undersigned certifies that:

1. The undersigned is an officer or director of the Listed Issuer and has been duly authorized to sign this form;
2. To the best of the undersigned's knowledge after reasonable inquiry, the Listed Issuer is in compliance with applicable securities legislation and Alpha Main Requirements;<sup>11</sup> and
3. All information in this form is true and complete and the form contains no misrepresentations 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.

---

Signature of Authorized Person

Name

---

Position

Date

---

<sup>11</sup> If the Listed Issuer is not in compliance (e.g. has not filed required financial statements), add "except as follows:" and provide details.



## Acknowledgement - Personal Information

“Personal Information” means any information about an identifiable individual, and includes the information contained in any tables, as applicable, found in this Form.

The undersigned hereby acknowledges and agrees that it has obtained the express written consent of each individual to:

- (a) the disclosure of Personal Information by the undersigned to Alpha Exchange pursuant to this Form; and
- (b) the collection, use and disclosure of Personal Information by Alpha Exchange for the purposes described in Alpha Exchange’s Personal Information disclosure policies or as otherwise identified by Alpha Exchange, from time to time.

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Signature of Authorized Person	Name
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Position	Date
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**FORM 9**  
**NOTICE OF SECURITY BASED COMPENSATION ARRANGEMENT GRANT OR**  
**AMENDMENT**

**Name of Listed Issuer:**

**Trading symbol:**

**Date:**

**Number of securities issued and outstanding as of the date of this notice:**

**1. SECURITY BASED COMPENSATION ARRANGEMENT GRANTS**

Provide the following information for each Security Based Compensation Arrangement grant:

<b>Name of Optionee</b>	<b>Position with Issuer</b>	<b>Date of Grant (YYYY-MM-DD)</b>	<b>No. of shares in option grant</b>	<b>Exercise price</b>	<b>Closing Market Price the day prior to the grant</b>	<b>Total number of options held</b>

Provide the following information for all outstanding grants under a Security Based Compensation Arrangement, including those listed above:

<b>Total number of granted securities</b>	<b>Percentage of the number of listed securities outstanding prior to the date of this notice<sup>1</sup></b>	<b>Exercise prices<sup>2</sup></b>	<b>Expiry dates<sup>3</sup></b>	<b>Number of shares remaining available for issuance under the plan</b>

<sup>1</sup> Calculate on a partially diluted basis assuming all of the optionees exercise their options, but no other holders of convertible securities do.

<sup>2</sup> Give the number exercisable at each price (e.g. 10,000 @ 10.25 and 5,000 @ 10.36)

<sup>3</sup> Give the number for each date (e.g. 10,000 on June 30, 2011 and 5,000 on June 30, 2012)

## 2. AMENDED GRANTS:

Name of Optionee	Number of Optioned Shares	Original Date of Grant	Original Exercise Price	Amended Exercise Price (if applicable)	Original Expiry Date	Amended Expiry Date (if applicable)

If amendments are proposed to directors or officers options, disclose the date shareholder approval was obtained for the amendment or if not required:

---

## 3. ADDITIONAL INFORMATION

If shareholder approval is required for the option grant, state when the approval was or is expected to be given:

---

## CERTIFICATE

The undersigned certifies that:

1. The undersigned is an officer or director of the Listed Issuer and has been duly authorized to sign this form;
2. To the best of the undersigned's knowledge after reasonable inquiry, the Listed Issuer is in compliance with applicable securities legislation and Alpha Main Requirements;<sup>4</sup> and
3. All information in this form is true and complete and the form contains no misrepresentations 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.

---

<sup>4</sup> If the Listed Issuer is not in compliance (e.g. has not filed required financial statements), add "except as follows:" and provide details.

Signature of Authorized Person

Name

---

Position

Date

**Acknowledgement - Personal Information**

“Personal Information” means any information about an identifiable individual, and includes the information contained in any tables, as applicable, found in this Form.

The undersigned hereby acknowledges and agrees that it has obtained the express written consent of each individual to:

- (a) the disclosure of Personal Information by the undersigned to Alpha Exchange pursuant to this Form; and
  
- (b) the collection, use and disclosure of Personal Information by Alpha Exchange for the purposes described in Alpha Exchange’s Personal Information disclosure policies or as otherwise identified by Alpha Exchange, from time to time.

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Signature of Authorized Person

Name

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Position

Date

**FORM 10  
NOTICE OF ISSUER BID**

**Name of Listed Issuer:**

**Trading symbol:**

**Date:**

**Date of news release announcing the issuer bid:**

**Number of securities issued and outstanding as of the date of this notice:**

**Describe the issuer bid:**

**Normal Course:**

Yes  No

*If "Yes" then please use Form 16A*

**Substantial Issuer Bid:**

Yes  No

(where a Listed Issuer repurchases more of its securities than the number permitted under the normal course issuer bid rules by making a formal bid under securities laws)

**Maximum number of shares to be acquired under the bid:**

**Percentage that number represents of the issued and outstanding securities as of the date of this notice:**

**Price<sup>5</sup>:**

**Expiry date of the bid:**

<sup>5</sup> If the securities are to be purchased at market price, state "market price [subject to a maximum of \$X]". If the price is to be determined by auction, describe the auction process.

**Describe any agreements to tender to the bid:**

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---

Give full particulars of any direct or indirect involvement by related persons in the bid (including receipt of any brokerage or finder's fees):

---

### **CERTIFICATE**

The undersigned certifies that:

1. The undersigned is an officer or director of the Listed Issuer and has been duly authorized to sign this form;
2. To the best of the undersigned's knowledge after reasonable inquiry, the Listed Issuer is in compliance with applicable securities legislation and Alpha Main Requirements and will conduct the issuer bid in compliance with applicable securities legislation;<sup>6</sup> and
3. All information in this form is true and complete and the form contains no misrepresentations 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.

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Signature of Authorized Person

Name

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Position

Date

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<sup>6</sup> If the Listed Issuer is not in compliance (e.g. has not filed required financial statements), add "except as follows:" and provide details.

**FORM 11**  
**NOTICE OF SECURITIES EXCHANGE TAKE-OVER BID**

**Name of Listed Issuer:**

**Trading symbol:**

**Date:**

**Date of news release announcing the take-over bid:**

**Number of securities issued and outstanding as of the date of this notice:**

**Describe the securities to be issued pursuant to bid:**

**Name the target and whether or not it is already listed on an exchange (if so state the exchange):**

**Maximum number of shares to be issued under the bid:**

**Percentage that number represents of the issued and outstanding securities as of the date of this notice:**

**Price:<sup>1</sup>**

**Expiry date of the bid:**

**Describe any agreements to tender to the bid:**

---

<sup>1</sup> If the securities are to be purchased at market price, state "market price [subject to a maximum of \$X]".

Give full particulars of any direct or indirect involvement by related persons in the bid (including holding shares of the bid target and receipt of any brokerage or finder's fees):

---

Disclose if the offering could result in a placee being in a position to materially affect control of the Alpha Main Listed Issuer:

---

### **CERTIFICATE**

The undersigned certifies that:

1. The undersigned is an officer or director of the Listed Issuer and has been duly authorized to sign this form;
2. To the best of the undersigned's knowledge after reasonable inquiry, the Listed Issuer is in compliance with applicable securities legislation and Alpha Main Requirements and will conduct the take-over bid in compliance with applicable securities legislation;<sup>2</sup> and
3. All information in this form is true and complete and the form contains no misrepresentations 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.

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Signature of Authorized Person

Name

---

Position

Date

---

<sup>2</sup> If the Listed Issuer is not in compliance (e.g. has not filed required financial statements), add "except as follows:" and provide details.





## Acknowledgement - Personal Information

“Personal Information” means any information about an identifiable individual, and includes the information contained in any tables, as applicable, found in this Form.

The undersigned hereby acknowledges and agrees that it has obtained the express written consent of each individual to:

- (a) the disclosure of Personal Information by the undersigned to Alpha Exchange pursuant to this Form; and
- (b) the collection, use and disclosure of Personal Information by Alpha Exchange for the purposes described in Alpha Exchange’s Personal Information disclosure policies or as otherwise identified by Alpha Exchange, from time to time.

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Signature of Authorized Person	Name
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Position	Date
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**FORM 12  
NOTICE OF ADDITIONAL LISTING**

**Notice type:**  Preliminary Notice  Final Notice

**Name of Listed Issuer:**

**Trading symbol:**

**Date:**

**If this is updating a prior notice, give date(s) of those notices:**

**Date of news release announcing the transaction that is the subject of this notice:**

**Closing market price on the day prior to the date of this notice:**

**Total number of securities issued and outstanding as of the date of this notice:**

**Does this listing require security holder approval:**  Yes  No

Describe the particulars of the issuance (e.g. stock dividend and include any record dates):

---

Provide the following information concerning the security issuance:

Type of security <sup>1</sup>	Number to be issued <sup>2</sup>	Percentage of the number of listed securities outstanding as of the date of this notice <sup>3</sup>	Price per security <sup>4</sup>	Conversion or exercise price (if applicable)	Prospectus Exemption

If the securities are listed securities with different particulars (e.g. flow through shares, special warrants), describe:

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Provide the following information with respect to direct or indirect participation by any related person or person who will become a related person on closing of the transaction:<sup>5</sup>

Name	Holding prior to transaction <sup>6</sup>	Percentage of outstanding prior to transaction <sup>7</sup>	Number of securities to be acquired	Holding following the transaction <sup>8</sup>	Percentage of outstanding following transaction <sup>9</sup>

Give full particulars of any direct or indirect involvement by related persons in the offering not disclosed above:

---

<sup>1</sup> Describe the security to be offered (for example, unit of one share and ½ share purchase warrant, convertible debenture, flow through common shares, etc.). Indicate whether the securityholders have voting rights in all or certain circumstances.

<sup>2</sup> If not determined, provide highest and lowest number contemplated.

<sup>3</sup> Calculate on a partially diluted basis assuming all of the securities issued in connection with the acquisition are exercised or converted, but no other holders of convertible securities.

<sup>4</sup> If not determined, provide a price range. If no consideration is received (e.g. for a stock dividend) enter "0."

<sup>5</sup> If the offering will result in a new related person, the person must file a Personal Information Form (Form 3) with the Exchange and obtain Exchange approval prior to closing. The purchase by the person may close in escrow pending receipt of Exchange Approval.

<sup>6</sup> List separately securities held and securities to be issued on conversion of any securities held.

<sup>7</sup> Calculate on a partially diluted basis assuming the person converts or exercises all convertible securities held, but no other holders do.

<sup>8</sup> List separately securities held and securities to be issued on conversion of any securities held.

<sup>9</sup> Calculate on a partially diluted basis assuming the person converts or exercises all convertible securities held, but no other holders do.

Disclose if the additional listing could result in a Person being in a position to materially affect control of the Alpha Main Listed Issuer:

---

### CERTIFICATE

The undersigned certifies that:

1. The undersigned is an officer or director of the Listed Issuer and has been duly authorized to sign this form;
2. To the best of the undersigned's knowledge after reasonable inquiry, the Listed Issuer is in compliance with applicable securities legislation and Alpha Main Requirements;<sup>10</sup> and
3. All information in this form is true and complete and the form contains no misrepresentations 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.

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Signature of Authorized Person

Name

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Position

Date

---

<sup>10</sup> If the Listed Issuer is not in compliance (e.g. has not filed required financial statements), add "except as follows:" and provide details.

## Acknowledgement - Personal Information

“Personal Information” means any information about an identifiable individual, and includes the information contained in any tables, as applicable, found in this Form.

The undersigned hereby acknowledges and agrees that it has obtained the express written consent of each individual to:

- (a) the disclosure of Personal Information by the undersigned to Alpha Exchange pursuant to this Form; and
- (b) the collection, use and disclosure of Personal Information by Alpha Exchange for the purposes described in Alpha Exchange’s Personal Information disclosure policies or as otherwise identified by Alpha Exchange, from time to time.

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Signature of Authorized Person	Name
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Position	Date
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**FORM 13**  
**NOTICE OF STOCK SUBDIVISION (Stock Split)**

**Name of Listed Issuer:**

**Trading symbol:**

**Date:**

**If this is updating a prior notice, give date(s) of those notices:**

**Date of news release announcing the subdivision:**

**Closing market price on the day prior to the date of this notice:**

**Total number of securities issued and outstanding as of the date of this notice:**

**Type of subdivision:**

Push-out     Call in

**Terms of the subdivision (e.g. 2 for 1, 1.5 for one, etc.):**

**If a push-out, record date for the subdivision:**

**If a push-out, expected date of mailing the share certificates:**

**If a call-in, expected date of mailing of letters of transmittal:**

**Date of securityholder approval to the subdivision (if applicable)**

**New CUSIP number (if applicable)**



**Is the subdivision made as part of a backdoor listing or Change of Business:**

Yes  No

**Declaration date:**

**Record date:**

**Distribution date (if applicable):**

### CERTIFICATE

The undersigned certifies that:

1. The undersigned is an officer or director of the Listed Issuer and has been duly authorized to sign this form;
2. To the best of the undersigned's knowledge after reasonable inquiry, the Listed Issuer is in compliance with applicable securities legislation and Alpha Main Requirements;<sup>11</sup> and
3. All information in this form is true and complete and the form contains no misrepresentations 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.

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Signature of Authorized Person

Name

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Position

Date

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<sup>11</sup> If the Listed Issuer is not in compliance (e.g. has not filed required financial statements), add "except as follows:" and provide details.

**FORM 14  
NOTICE OF STOCK CONSOLIDATION**

**Name of Listed Issuer:**

**Trading symbol:**

**Date:**

**If this is updating a prior notice, give date(s) of those notices:**

**Date of news release announcing the consolidation:**

**Total number of securities issued and outstanding as of the date of this notice:**

**Total number of securities outstanding after giving effect to the consolidation:**

**Terms of the consolidation (e.g. 1 for 10):**

**Describe the treatment of a holding less than required for a full share (e.g. rounding up, rounding down):**

**Date of security holders' meeting to approve the consolidation:**

**Record date for the consolidation:**

**New CUSIP (if applicable)**

**Provide a choice of three symbols if the Listed Issuer is wish to change their symbol along with this consolidation:**

**Will the Alpha Main Listed Issuer continue to meet the ongoing listings standards after the consolidation as well state the number of Board Lot**  Yes  No

holders after the consolidation:

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**CERTIFICATE**

The undersigned certifies that:

1. The undersigned is an officer or director of the Listed Issuer and has been duly authorized to sign this form;
2. To the best of the undersigned’s knowledge after reasonable inquiry, the Listed Issuer is in compliance with applicable securities legislation and Alpha Main Requirements;<sup>1</sup> and
3. All information in this form is true and complete and the form contains no misrepresentations 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.

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Signature of Authorized Person	Name
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Position	Date
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<sup>1</sup> If the Listed Issuer is not in compliance (e.g. has not filed required financial statements), add “except as follows:” and provide details.

**FORM 15**  
**NOTICE OF RECLASSIFICATION**  
**(Other than By Stock Split or Consolidation)**

**Name of Listed Issuer:**

**Trading symbol:**

**Date:**

**If this is updating a prior notice, give date(s) of those notices:**

**Date of news release announcing the reclassification:**

**Total number of securities issued and outstanding as of the date of this notice:**

**Total number of securities outstanding after giving effect to the reclassification:**

**Terms of the reclassification:**

**Describe the anticipated impact of the reclassification on the liquidity of the market for the listed security and on public security holders' voting rights and equity interest:**

**Date of security holders' meeting to approve the reclassification:**

**Record date for the reclassification:**

## CERTIFICATE

The undersigned certifies that:

1. The undersigned is an officer or director of the Listed Issuer and has been duly authorized to sign this form;
2. To the best of the undersigned's knowledge after reasonable inquiry, the Listed Issuer is in compliance with applicable securities legislation and Alpha Main Requirements;<sup>1</sup> and
3. All information in this form is true and complete and the form contains no misrepresentations 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.

---

Signature of Authorized Person

Name

---

Position

Date

---

<sup>1</sup> If the Listed Issuer is not in compliance (e.g. has not filed required financial statements), add "except as follows:" and provide details.

**FORM 16A  
NOTICE OF NORMAL COURSE ISSUER BID**

**Name of Listed Issuer:**

**Type of Notice**

Draft  Final

**Trading symbol for the securities that are the subject of the bid:<sup>1</sup>**

**Date:**

**If this is updating a prior notice, give date(s) of those notices:**

**Date of news release announcing the bid:**

**Number of securities that are the outstanding as of the date of this Form:**

**Number of securities that are the subject of the bid:**

**Percentage of Public Float that is the subject of the bid:**

**Name of purchasing member and any trader IDs:**

**Will the securities acquired be cancelled after their purchase:**

Yes  No

(if "No", state how they will be dealt with)

**Amount of securities that may be acquired under the bid:** If the issuer has determined a specific number of shares, state it here. If not, state the amount as a percentage of the outstanding or public float, as the case may be.

---

<sup>1</sup> This notice may cover acquisitions of more than one class of listed securities. If this is the case, provide the information for each class of securities that is the subject of the bid.

---

**Expiry:** Give the date on which the bid will terminate, which cannot be more than one year from the date of this Final notice.

---

**Method of acquisition:** State on which exchange(s) purchases will be made.

---

**Consideration:** Describe any restrictions on the price the issuer will pay for securities, such as price, specific funds available, method of purchasing, etc.

---

**Reasons for bid:** State the reason or business purpose for the bid.

---

**Valuation:** Include a summary of any appraisal or valuation<sup>2</sup> known to the directors or officers after reasonable inquiry of the issuer, its material assets or its securities in the previous two years, together with a statement of where and when a copy of the appraisal or valuation may be inspected.

---

**Previous Purchases:** Give details of any purchases by the Listed Issuer or persons acting jointly or in concert with the Listed Issuer of the securities that are the subject of the bid in the previous twelve months.

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<sup>2</sup> This includes independent and material non-independent valuations and appraisals.

**Identify any persons acting jointly or in concert with the Listed Issuer:**

---

**Participation by Related Persons:** State the name of every director or senior officer of the Listed Issuer who intends to sell shares of the Listed Issuer during the course of the bid. Where their intention is known after reasonable inquiry, state the name of every other Related Person of the Listed Issuer or person acting jointly or in concert with the Listed Issuer who intends to sell shares of the Listed Issuer during the course of the bid:

---

**Benefits to Related Persons:** State any direct or indirect benefits any person named in the previous section will receive from selling or not selling shares of the Listed Issuer during the bid. An answer is not required if the benefit will be the same as the benefit to any other shareholder who sells or does not sell during the bid.

---

**Restricted Securities:** Disclosure whether the Alpha Main Listed Issuer proposes to make the NCIB for all classes of voting and equity securities.

---

**Related Transaction Details:** Disclosure whether the Alpha Main Listed Issuer proposes to use any put options or forward purchase contracts in conjunctions with the NCIB. Also disclose whether there are any derivative components to the NCIB.

---

**CERTIFICATE**

The undersigned certifies that:

1. The undersigned is an officer or director of the Listed Issuer and has been duly authorized to sign this form;



2. To the best of the undersigned's knowledge after reasonable inquiry, the Listed Issuer is in compliance with applicable securities legislation and Exchange requirements;<sup>3</sup>
3. There is no material information concerning material changes or plans or proposals for material changes in the affairs of the Listed Issuer that have not been previously disclosed; and
4. All information in this form is true and complete and the form contains no misrepresentations 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.

---

Signature of Authorized Person

Name

---

Position

Date

---

<sup>3</sup> If the Listed Issuer is not in compliance (e.g. has not filed required financial statements), add "except as follows:" and provide details.



**FORM 16B**  
**NOTICE OF NORMAL COURSE ISSUER BID PURCHASES<sup>1</sup>**

**Name of Listed Issuer:**

**Trading symbol for the securities that are the subject of the bid:<sup>2</sup>**

**Date:**

**Date of filing of Form 16A in connection with the bid:**

**Listed Issuer's Broker:<sup>3</sup>**

**Number of securities purchased during the course of the bid:** State the total number of securities purchased under the bid to the end of the calendar month covered by this notice.

**State whether the securities were cancelled after their purchase:**

**Name of purchasing member and any trader IDs:**

**Number of securities purchased during the previous month:** State the total number of securities purchased daily and specify on which exchange(s) the purchases were made including the volume weighted average price paid. Specify whether purchases were made using the block purchase exemption.

Purchased Date	Exchange Purchased On	Block Purchase Exemptions Used (Yes or No)	Volume Weighted Average Purchase Price	Number of Securities Purchased

<sup>1</sup> This notice is used to report purchases in the previous calendar month.

<sup>2</sup> This notice may cover acquisitions of more than one class of listed securities. If this is the case, provide the information for each class of securities that is the subject of the bid.

<sup>3</sup> If the Listed Issuer changed brokers during the period covered by this notice, provide the names of both brokers and state the date on which the change occurred.

<b>Total Purchased This Month</b>				
<b>Number Remaining Eligible to Purchase</b>				

### CERTIFICATE

The undersigned certifies that:

1. The undersigned is an officer or director of the Listed Issuer and has been duly authorized to sign this form;
2. To the best of the undersigned’s knowledge after reasonable inquiry, the Listed Issuer is in compliance with applicable securities legislation and Exchange requirements;<sup>4</sup> and
3. All information in this form is true and complete and the form contains no misrepresentations 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.

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Signature of Authorized Person	Name
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Position	Date
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*Note: This certificate may be completed and signed by the Member making purchases on behalf of the Listed Issuer.*

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<sup>4</sup> If the Listed Issuer is not in compliance (e.g. has not filed required financial statements), add “except as follows:” and provide details.



**FORM 17  
NOTICE OF SIGNIFICANT TRANSACTION**

**Name of Listed Issuer:**

**Trading symbol:**

**Date:**

**If this is updating a prior notice, give date(s) of those notices:**

**Date of news release announcing acquisition:**

**Is security holder approval required for this transaction:**

Yes  No

(if "Yes", please state the date it was obtained or when it will be obtained)

**Is the issuer relying on an exemption from MI 61-101**

Yes  No

(if "Yes" then please state the exemption)

Describe the transaction. The description must be sufficiently detailed that a reader will understand the transaction without reference to any other material:

Describe the consideration. Include any future payments or expenditures the issuer may be required to make under the acquisition agreement or any number of shares:

Describe how the value of the consideration was determined (e.g. special committee of the Board, third party valuation, etc.):

If the transaction is an acquisition, provide details of any valuation or appraisal of the subject of the acquisition:

---

Disclose if the transaction could result in a Person being in a position to materially affect control of the Alpha Main Listed Issuer:

---

Give full particulars of any direct or indirect involvement by related persons in the transaction not disclosed above (including receipt of any brokerage or finder's fees or receipt of any proceeds):

---

Provide the following information with respect to any agent's or broker's or finder's fee, commission or other compensation paid in connection with the offering:

Name	Relationship to Issuer	Cash Compensation	Securities Compensation	Other Compensation	Exercise Price of any Convertible Security	Expiry Date of Convertible Securities

### CERTIFICATE

The undersigned certifies that:

1. The undersigned is an officer or director of the Listed Issuer and has been duly authorized to sign this form;
2. To the best of the undersigned's knowledge after reasonable inquiry, the Listed Issuer is in compliance with applicable securities legislation and Exchange requirements;<sup>1</sup> and

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<sup>1</sup> If the Listed Issuer is not in compliance (e.g. has not filed required financial statements), add "except as follows:" and provide details.

3. All information in this form is true and complete and the form contains no misrepresentations 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.

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Signature of Authorized Person	Name
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Position	Date
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## Acknowledgement - Personal Information

“Personal Information” means any information about an identifiable individual, and includes the information contained in any tables, as applicable, found in this Form.

The undersigned hereby acknowledges and agrees that it has obtained the express written consent of each individual to:

- (a) the disclosure of Personal Information by the undersigned to Alpha Exchange pursuant to this Form; and
- (b) the collection, use and disclosure of Personal Information by Alpha Exchange for the purposes described in Alpha Exchange’s Personal Information disclosure policies or as otherwise identified by Alpha Exchange, from time to time.

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Signature of Authorized Person	Name
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Position	Date
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**FORM 18  
NOTICE OF CASH DIVIDEND**

**Name of Listed Issuer:**

**Trading symbol:**

**Date:**

**If this is updating a prior notice, give date(s) of those notices:**

**Date of news release announcing the cash/asset dividend:**

**Symbol of Listed Securities in relation to the dividend declaration:**

**Amount per security:**

**Currency:**

**Declaration date:**

**Record date:**

**Payable date:**

Provide any further details about the dividend:

---

**CERTIFICATE**

The undersigned certifies that:

1. The undersigned is an officer or director of the Listed Issuer and has been duly authorized to sign this form;

2. To the best of the undersigned's knowledge after reasonable inquiry, the Listed Issuer is in compliance with applicable securities legislation and Exchange requirements;<sup>1</sup> and
3. All information in this form is true and complete and the form contains no misrepresentations 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.

---

Signature of Authorized Person

Name

---

Position

Date

---

<sup>1</sup> If the Listed Issuer is not in compliance (e.g. has not filed required financial statements), add "except as follows:" and provide details.

**FORM 19  
NOTICE OF SHAREHOLDER RIGHTS PLAN**

**Name of Listed Issuer:**

**Trading symbol:**

**Date:**

**If this is updating a prior notice, give date(s) of those notices:**

**Date of news release announcing the shareholder rights plan:**

**Is this an amendment to an existing shareholder rights plan:**  Yes  No

**Date that securityholder approval was or will be obtained for the shareholder rights plan (or an amendment thereto):**

Are you aware of any specific takeover bid for the List Issuer that has been made or is contemplated:

Yes  No

If yes, please provide with full details regarding any such bid:

Does the plan treat any existing securityholders differently from other securityholders:

Yes  No

If yes, please provide with full details:

Provide any further details about the plan (including whether the plan has a triggering

threshold of less than 20%, and if so, why):

---

## CERTIFICATE

The undersigned certifies that:

1. The undersigned is an officer or director of the Listed Issuer and has been duly authorized to sign this form;
2. To the best of the undersigned's knowledge after reasonable inquiry, the Listed Issuer is in compliance with applicable securities legislation and Exchange requirements;<sup>2</sup> and
3. All information in this form is true and complete and the form contains no misrepresentations 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.

---

Signature of Authorized Person

Name

---

Position

Date

---

<sup>2</sup> If the Listed Issuer is not in compliance (e.g. has not filed required financial statements), add "except as follows:" and provide details.

**FORM 20  
NOTICE OF CHANGE OF INFORMATION**

**Name of Listed Issuer:**

**Trading symbol:**

**Date:**

**If this is updating a prior notice, give date(s) of those notices:**

**Date of news release announcing the change giving rise to this notice (if applicable):**

**Is this a change of the general information regarding the Listed Issuer (if "Yes" please update as applicable)**     Yes     No

**Effective date of the change:**

**New name of the Listed Issuer:**

**Requested new symbols:**

**New head office address:**  
(include the new head office address, city, province/state, postal/zip code and country)

**New Listed Issuer telephone number:**

**Is this a change in the jurisdiction of organization (if "Yes" please update as applicable and provide the amended constating documents)**     Yes     No

**Effective date of the change:**

**New jurisdiction:**

**Is this a change in fiscal year-end**  Yes  No  
(if “Yes” please update as applicable)

**Effective date of the change:**

**New fiscal year-end:**

---

---

**Is this a change in the inter-listed status of the Listed Issuer on another market or exchange**  Yes  No  
(if “Yes” please update as applicable)

**Inter-listed market:**

**Trading symbol on the other exchange or market:**

---

---

**Listed/delisted/suspended:**  
(if different then above please describe the change in status)

---

---

**Effective date of the change:**

---

---

**Is this a change in registrar and transfer agent of the Listed Issuer**  Yes  No  
(if “Yes” please update as applicable)

**Name and address and contact information of the new registrar and transfer agent:**

**Effective date of the change:**

---

---

Provide any further details about the change not disclosed above:

---



## CERTIFICATE

The undersigned certifies that:

1. The undersigned is an officer or director of the Listed Issuer and has been duly authorized to sign this form;
2. To the best of the undersigned's knowledge after reasonable inquiry, the Listed Issuer is in compliance with applicable securities legislation and Exchange requirements;<sup>1</sup> and
3. All information in this form is true and complete and the form contains no misrepresentations 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.

---

Signature of Authorized Person

Name

---

Position

Date

---

<sup>1</sup> If the Listed Issuer is not in compliance (e.g. has not filed required financial statements), add "except as follows:" and provide details.

**FORM 21  
RIGHTS OFFERING**

**Name of Listed Issuer:**

**Trading symbol:**

**Date:**

**Number of securities issued and  
outstanding as of the date of this  
notice:**

**Is this form being submitted  
confidentially:**

Yes  No

**Maximum number of securities to be  
issued under the offering:**

**Percentage that number represents of  
the issued and outstanding securities  
as of the date of this notice:**

**Price:**  
(if known)

**Declaration date:**

**Record date:**

**Payable date:**

Give full particulars of the rights offering:

Give full particulars of any direct or indirect involvement by related persons in the bid (including receipt of any brokerage or finder's fees):

---

Disclose if the transaction could result in a Person being in a position to materially affect control of the Alpha Main Listed Issuer:

---

### CERTIFICATE

The undersigned certifies that:

1. The undersigned is an officer or director of the Listed Issuer and has been duly authorized to sign this form;
2. To the best of the undersigned's knowledge after reasonable inquiry, the Listed Issuer is in compliance with applicable securities legislation and Alpha Main Requirements and will conduct the issuer bid in compliance with applicable securities legislation;<sup>2</sup> and
3. All information in this form is true and complete and the form contains no misrepresentations 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.

---

Signature of Authorized Person

Name

---

Position

Date

---

<sup>2</sup> If the Listed Issuer is not in compliance (e.g. has not filed required financial statements), add "except as follows:" and provide details.

## Acknowledgement - Personal Information

“Personal Information” means any information about an identifiable individual, and includes the information contained in any tables, as applicable, found in this Form.

The undersigned hereby acknowledges and agrees that it has obtained the express written consent of each individual to:

- (a) the disclosure of Personal Information by the undersigned to Alpha Exchange pursuant to this Form; and
- (b) the collection, use and disclosure of Personal Information by Alpha Exchange for the purposes described in Alpha Exchange’s Personal Information disclosure policies or as otherwise identified by Alpha Exchange, from time to time.

---

Signature of Authorized Person	Name
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Position	Date
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**Appendix L**  
**Alpha Venture Plus Listing Handbook**



**ALPHA EXCHANGE INC.**  
**ALPHA VENTURE PLUS LISTING HANDBOOK**  
**(THE “ALPHA VENTURE PLUS**  
**LISTING HANDBOOK”)**



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## Part I. Definitions and Interpretation

### 1.01 Definitions

(1) Unless otherwise defined or interpreted or the subject matter or context otherwise requires, every term used in Alpha Exchange Requirements that is defined or interpreted in:

- (a) Ontario securities law;
- (b) Universal Market Integrity Rules (“UMIR”);
- (c) IIROC Rules; or
- (d) Alpha Exchange Trading Policies,

has the same meaning in this Alpha Venture Plus Listing Handbook.

(2) The following terms have the meanings set out when used in this Alpha Venture Plus Listing Handbook:

<b>Accepted Foreign Exchange</b>	An exchange that is not located within Canada and for which an issuer listed on such exchange has demonstrated that such exchange and the jurisdiction’s securities laws requirements are similar to that of Alpha Exchange and Ontario securities laws.
<b>Acceptable Valuation Method</b>	Is a valuation method acceptable to Alpha Exchange as detailed in Section 8.04 below.
<b>Alpha Exchange</b>	Alpha Exchange Inc. or AlphaX.
<b>Alpha Exchange Requirements</b>	Include the following: <ul style="list-style-type: none"><li>• the Alpha Exchange Trading Policies;</li><li>• the Alpha Venture Plus Listing Handbook;</li><li>• obligations arising out of the Member Agreement or any listing forms;</li></ul>



- any forms issued pursuant to the Alpha Exchange Trading Policies or the Alpha Venture Plus Listing Handbook;
- UMIR; and
- Ontario securities law, and any decision thereunder as it may be amended, supplemented and in effect from time to time.

<b>Alpha Main Listed Issuer</b>	An issuer with one or more classes of securities listed on Alpha Main which meets the Alpha Main Listing Handbook requirements.
<b>AlphaV+ or Alpha Venture Plus</b>	Is the listing market where AlphaV+ Listed Issuers are listed.
<b>AlphaV+ Listed Issuer</b>	An issuer with one or more classes of securities listed on Alpha Venture Plus which meets the Alpha Venture Plus Listing Handbook requirements.
<b>AlphaV+ Listed Securities</b>	Any securities of an AlphaV+ Listed Issuer that are listed on Alpha Venture Plus.
<b>Average Daily Trading Volume</b>	The trading volume for a listed security on all marketplaces for the six months preceding the date of Posting of a Form 16A, excluding any purchases made under a Normal Course Issuer Bid, divided by the number of trading days during that period. If the securities have traded for less than six months, the trading volume on all marketplaces since the first day on which the security traded, which must be at least four weeks prior to the date of Posting Form 16A.
<b>Beneficial Holders</b>	Those security holders of an issuer that are included in either:



- a Demographic Summary Report available from the International Investors Communications Corporation; or
- a non-objecting beneficial owner list for the issuer under National Instrument 54-101 *Communication with Beneficial Owners of Securities of a Reporting Issuer*.

<b>Board Lot</b>	A “standard trading unit” as defined in UMIR.
<b>Change of Business</b>	A transaction or series of transactions which materially changes the nature of its business, for example, through the acquisition of an interest in another business which represents a material amount of the AlphaV+ Listed Issuer’s market value, assets or operations, or which becomes the principal enterprise of the AlphaV+ Listed Issuer but does not result in a change of control of the AlphaV+ Listed Issuer.
<b>Clearing Corporation</b>	CDS Clearing and Depository Services Inc. and any successor corporation or entity recognized as a clearing agency.
<b>Common Shares</b>	Equity Shares with voting rights that are exercisable in all circumstances irrespective of the number or percentage of securities owned that are not, on a per share basis, less than the voting rights attached to any other class of shares of the issuer.
<b>Control Person</b>	Has the same meaning as its definition in the Ontario <i>Securities Act</i> .



<b>Decision</b>	Any decision, direction, order, ruling, guideline or other determination of Alpha Exchange, including any committee of Alpha Exchange, or of the Market Regulator made in the administration of this Alpha Venture Plus Listing Handbook.
<b>Delist</b>	The termination of a security's listing on Alpha Venture Plus, which renders it ineligible for trading on Alpha Venture Plus.
<b>Equity Shares</b>	Shares of an issuer that carry a residual right to participate in the earnings of the issuer and in the issuer's assets upon dissolution or liquidation.
<b>Foreign Issuer</b>	Is an issuer who is also an issuer listed and in good standing on an Accepted Foreign Exchange.
<b>Founder Share</b>	Is any security issued, or proposed to be issued, to: <ul style="list-style-type: none"><li>• any person for less than \$0.05 per security;</li><li>• a Related Person of an Issuer for the purchase of an asset which cannot be acceptably valued;</li><li>• a Related Person of an Issuer to settle a debt or obligation for less than the last price per security which the security was issued for or at a price per security which Alpha Exchange does not consider reasonable given the circumstances; or</li><li>• a Related Person of an Issuer for the primary purpose of increasing that person's interest in the issuer without a corresponding tangible benefit to the issuer.</li></ul>



<b>Freely-Tradeable Securities</b>	The Public Float less any securities that are pooled, escrowed or subject to restrictions on transfer that have not already been included in the Public Float calculation.
<b>IIROC</b>	The Investment Industry Regulatory Organization of Canada and any successor entity.
<b>Lead Market Maker</b>	A Member who has executed a Lead Market Maker Agreement and has been assigned a particular AlphaV+ Listed Security.
<b>Market Maker</b>	A Member who has executed a Market Making Agreement and has been assigned a particular AlphaV+ Listed Security.
<b>Market Regulator</b>	The Investment Industry Regulatory Organization of Canada and any successor.
<b>Member</b>	Has the meaning ascribed to it in Alpha Exchange Trading Policies, as amended from time to time.
<b>Non-Voting Securities</b>	Restricted shares that do not carry a right to vote except in certain limited circumstances such as to elect a limited number of directors or to vote where mandated by applicable corporate or securities law.
<b>Normal Course Issuer Bid</b>	An issuer bid for a class of AlphaV+ Listed Securities where the purchases over a 12-month period by the AlphaV+ Listed Issuer or Persons acting jointly or in concert with the AlphaV+ Listed Issuer and commencing on the date of Posting of the documents required by Alpha Exchange Requirements, do not exceed the greater of: <ul style="list-style-type: none"><li>• 10% of the Public Float; or</li></ul>





- 5% of the securities of the class outstanding,

as of the date of Posting of the documents required by Alpha Exchange Requirements, excluding purchases under a formal issuer bid.

**Other Listed Issuers**

Issuer which is at the time of applying for the listing of a security is listed on a Canadian exchange other than Alpha Exchange but does not include an Accepted Foreign Exchange.

**Person**

An individual, partnership, unincorporated association, unincorporated syndicate, unincorporated organization, trust, trustee, executor, administrator, or other legal representative.

**Post**

Submitting an AlphaV+ Listed Issuer document or a document in prescribed electronic format to Alpha Exchange (in the case of a requirement to Post a security certificate, means filing a definitive specimen with Alpha Exchange) so that it can be posted on the AlphaV+ Listed Issuer's page on Alpha Exchange's website if required by Alpha Exchange Requirements.

**Preference Shares**

Shares which have a genuine and non-specious preference or right over all classes of Equity Shares.

**Promoter**

In respect of Section 3.06 hereof, is a Person who undertakes the function of communicating with investment dealers, advisers and security holder - both current and prospective - to increase awareness of and interest in the AlphaV+ Listed Issuer if such Person has a financial or long-term



interest in the AlphaV+ Listed Issuer.

**Public Float**

The number of securities outstanding, less shares known by the AlphaV+ Listed Issuer after reasonable enquiry to be beneficially owned or under the control or direction of:

- the AlphaV+ Listed Issuer, and
- every Related Person of an Issuer.

**Public Shareholder**

Any security holder that is not a Related Person of an Issuer.

**Record Date**

The date fixed for the purpose of determining security holders of an AlphaV+ Listed Issuer eligible for a distribution or other entitlement.

**Registered Holders of an Issuer**

The registered security holders of an issuer that are beneficial owners of the equity securities of that issuer. For the purposes of this definition, where the beneficial owner controls or is an affiliate of the registered security holder, the registered security holder shall be deemed to be the beneficial owner.

**Related Entity of an Issuer**

- a Person:
  - that is an affiliated entity of the AlphaV+ Listed Issuer; or
  - of which the AlphaV+ Listed Issuer is a Control Person;
- that is a management company or distribution company of a mutual fund that is an AlphaV+ Listed Issuer; or



**Related Person of an Issuer**

- that is a management company or other company that operates a trust or partnership that is an AlphaV+ Listed Issuer.
- a Related Entity of the AlphaV+ Listed Issuer;
- partners, directors and officers of the AlphaV+ Listed Issuer or Related Entity of an Issuer;
- any Person that beneficially owns, either directly or indirectly, or exercises voting control or direction over at least 10% of the total voting rights attached to all voting securities of the AlphaV+ Listed Issuer or Related Entity of an Issuer;
- a Promoter of the AlphaV+ Listed Issuer; and
- such other Person as may be designated from time to time by Alpha Exchange.

**Restricted Securities**

Equity Shares that are not Common Shares which have a residual right to share in the earnings of the AlphaV+ Listed Issuer and in its assets upon liquidation or winding up and may include, Non-Voting Securities, Subordinate Voting Securities and Restricted Voting Securities.

**Commentary:**

For greater certainty Preferred Shares cannot be Restricted Securities.

**Restricted Voting**

Restricted Securities that carry a right to vote



## **Securities**

subject to a restriction on the number or percentage of securities that may be voted by a shareholder or combination of shareholders, other than a restriction that is permitted or required by statute that is only applicable to non-residents or non-citizens of Canada.

## **Security Based Compensation Arrangement**

Security based compensation arrangements include:

- Stock Option Plans for the benefit of employees, insiders, directors, officers, consultants or service providers or any one of such groups;
- individual stock options granted to employees, service providers or insiders if not granted pursuant to a plan previously approved by the AlphaV+ Listed Issuer's security holders;
- stock purchase plans where the AlphaV+ Listed Issuer provides financial assistance or where the AlphaV+ Listed Issuer matches the whole or a portion of the securities being purchased;
- stock appreciation rights involving issuances of securities from treasury;
- any other compensation or incentive mechanism involving the issuance or potential issuances of securities of the AlphaV+ Listed Issuer; and
- security purchases from treasury by



an employee, insider or service provider which is financially assisted by the AlphaV+ Listed Issuer by any means whatsoever.

<b>Seed Share</b>	Any security issued before an AlphaV+ Listed Issuer's IPO or issued by a private company before a backdoor listing, a Change of Business.
<b>Seed Share Resale Restrictions</b>	Are Alpha Exchange hold periods of various lengths which apply where Seed Shares are issued to individuals who are not Related Persons of an Issuer by private companies in connection with an IPO, backdoor listing or Change of Business.
<b>Stock Option</b>	An option to purchase securities from treasury granted to an employee, insiders, director, officer, consultant or service provider of an AlphaV+ Listed Issuer.
<b>Stock Option Plan</b>	A plan that provides for the granting of Stock Options and the policies and procedures relating thereto.
<b>Subordinate Voting Securities</b>	Restricted Securities that carry a right to vote where there is another class of shares outstanding that carry a greater right to vote on a per-security basis.
<b>Transaction Price</b>	The greater of the closing price on the day prior to the announcement of the applicable transaction, the deemed acquisition price or the financing price.
<b>Unrelated Director</b>	A director who: <ul style="list-style-type: none"><li>• is independent as defined in National Instrument 52-110 <i>Audit Committees</i>;</li><li>• a supplier or purchaser of the AlphaV+ Listed Issuer's products or services</li></ul>



- where such relationship is not material to the AlphaV+ Listed Issuer or the supplier or purchaser and could not reasonably be considered to affect the person's independent judgment; or
- has not been a director of the AlphaV+ Listed Issuer for 10 years or longer.

## 1.02 Interpretation

- (1) A company is an affiliate of another company if one of them is a subsidiary of the other or if both are subsidiaries of the same company or if each of them is controlled by the same Person.
- (2) The division of Alpha Exchange Requirements into separate rules, policies, divisions, sections, subsections and clauses and the provision of a table of contents, headings and notes is for convenience of reference only and shall not affect the construction or interpretation of Alpha Exchange Requirements.
- (3) The words "hereof," "herein," "hereby," "hereunder" and similar expressions mean the whole of this Alpha Venture Plus Listing Handbook and not simply the particular provision in which the term is mentioned, unless the context clearly indicates otherwise.
- (4) The word "or" is not exclusive.
- (5) The word "including," when following any general statement or term, does not limit the meaning of the general statement or term to the specific matter immediately following the statement or term.
- (6) Unless otherwise specified, any reference to a statute includes that statute and the regulations made pursuant to that statute, with all amendments made and in force from time to time, and to any statute or regulation that supersedes that statute or regulation.
- (7) Unless otherwise specified, any reference to a rule, policy, blanket order or instrument includes all amendments made and in force from time to time, and to any rule, policy, blanket order or instrument that supersedes that rule, policy, blanket order or instrument.



- (8) Grammatical variations of any defined term have the same meaning.
- (9) Any word imputing gender includes the masculine, feminine and neutral genders.
- (10) Any word in the singular includes the plural and vice versa.
- (11) All references to time in Alpha Exchange Requirements are to Toronto time unless otherwise stated.
- (12) All references to currency in Alpha Exchange Requirements are to Canadian dollars unless otherwise stated.

### **1.03 Alpha Exchange Discretion**

The Alpha Exchange Requirements have been put in place to serve as guidelines to issuers seeking and maintaining a listing on Alpha Venture Plus and their professional advisers. However, Alpha Exchange reserves the right to exercise its discretion in its application of the Alpha Exchange Requirements. Alpha Exchange may waive or modify an existing requirement or impose additional requirements in applying its discretion. It may take into consideration the public interest and any facts or situations unique to a particular party. Issuers are reminded that listing on Alpha Venture Plus is a privilege and not a right. Alpha Exchange may grant or deny an application, including an application for listing, notwithstanding the published Alpha Exchange Requirements.

#### **Commentary:**

As part of Alpha Exchange's consideration of the public interest, Alpha Exchange will review all filings to determine if there are any market integrity issues. For example, if Alpha Exchange receives material information that is contrary to other information in its possession and therefore misleading, Alpha Exchange can require the AlphaV+ Listed Issuer to change its disclosure or take other action in Part IX as appropriate.

### **1.04 Listing Market References**

All references to a listing market by a prospective issuer or an AlphaV+ Listed Issuer should refer to Alpha Venture Plus.

### **1.05 Compliance with Securities Laws**

An AlphaV+ Listed Issuer will be subject to Canadian securities laws as a "venture issuer" and must meet those requirements.







## Part II. Original Listing Requirements for AlphaV+ Listed Issuers

### 2.01 General

- (1) This part of the Handbook concerns issuers that do not have any securities listed on Alpha Venture Plus or are undergoing a “backdoor listing”. AlphaV+ Listed Issuers that wish to list additional securities of an already listed class must comply with the additional listing requirements of Part VI. AlphaV+ Listed Issuers that wish to list a new class of securities must comply with the supplemental listing requirements of Part VI. Other Listed Issuers that wish to list securities on AlphaV+ must comply with this Part. AlphaV+ Listed Issuers that wish to substitute a class of AlphaV+ Listed Securities with a different class must comply with the substitution listing requirements of Part VI.
- (2) Alpha Exchange has set out minimum listing standards in sections 2.02 and 2.03, however, it may consider a number of factors in exercising its discretion to list securities, and may refuse to list an issuer that otherwise meets the minimum standards set out below. These factors include:
  - (a) *Quality of management*: The issuer’s directors, officers and controlling shareholders do not have a regulatory history or reputation that give rise to concerns that the business of the issuer will not be conducted with integrity or due regard to the interests of shareholders.
  - (b) *Distribution*: The issuer has a sufficient number of Public Shareholders outstanding to foster a liquid market in the AlphaV+ Listed Securities.
  - (c) *Acceptable capital structure*: In determining whether a capital structure is acceptable, Alpha Exchange will consider such factors as: (i) the price of shares, units or notional amount issued prior to an initial public offering, or the value of the goods or services provided in consideration for the shares, units or notional amounts compared to the price in the initial public offering; (ii) whether shares, units or notional amounts issued prior to the initial public offering were issued primarily to non-arm’s length parties; and (iii) the number of shares, units or the notional amount issued prior to the initial public offering compared to



the number to be issued in the initial public offering. *Also see section 2.12.*

**Commentary:**

Alpha Exchange will consider if an issuer's capital structure appears to be excessively dilutive or otherwise imbalanced when reviewing a listing application. In assessing whether an issuer's capital structure appears to be excessively dilutive or imbalanced, Alpha Exchange will review all documents submitted by the issuer.

In determining whether an issuer is suitable for listing on Alpha Venture Plus, Alpha Exchange will consider and review the extent, if any, that an issuer has involved an underwriter and the due diligence conducted by the underwriter on the issuer. The lack of engaging an underwriter may raise concerns for Alpha Exchange when considering a listing application.

Furthermore, Alpha Exchange is of the view that ordinarily an issuer should have no more than 20% of its issued and outstanding securities issued or proposed to be issued as Founder Shares as at the time of listing.

- (3) Alpha Exchange may request any other documentation or information as part of the original and ongoing listing requirements so that it may confirm that the AlphaV+ Listed Issuer is meeting Alpha Exchange Requirements and that no public interest issues have been raised by the application and listing.

## **2.02 Minimum Listing Standards**

- (1) *Equity*- Shareholder equity of at least \$2,000,000;
- (2) *Cash Flow*- Pre-tax cash flow from continuing operations of at least \$200,000 in its last fiscal year.

**Commentary:**

If an issuer has experienced material net income losses in any of the last three fiscal years, Alpha Exchange will review the pre-tax cash flow from continuing operations for an additional two years to consider if compliance with the income requirement is sufficient or listing should be denied.



In calculating pre-tax cash flow from continuing operations for purposes of this test Alpha Exchange will rely on the net cash provided by operating activities reported in the statements of cash flows, as filed in the AlphaV+ Listed Issuer's most recent periodic report, excluding changes in working capital or in operating assets and liabilities and adding back any income tax payable for the period.

- (3) *Distribution*—Minimum Public Float of 1,000,000 securities, together with a minimum of 250 Public Shareholders each holding a Board Lot. See Sections 2.12(6)(d) and (e) below.
- (4) *Minimum Public Float Value*—\$1,000,000.
- (5) *Working Capital and Capital Structure* — Adequate working capital to carry on business and an appropriate capital structure.

### **2.03 Alternative Minimum Listing Standards for Technology and Research and Development Issuers**

A technology or research and development issuer that does not meet the criteria in subsection 2.02(2) qualifies for listing if it meets the minimum listing requirements below:

- (1) *Distribution* — Minimum Public Float of 1,000,000 securities, together with a minimum of 200 Public Shareholders each holding a Board Lot. See Sections 2.12(6)(d) and (e) below.
- (2) *Minimum Public Float Value*—\$1,000,000.
- (3) *Working Capital and Capital Structure* — Adequate working capital to carry on business and an appropriate capital structure.
- (4) *Treasury Requirement* - At least \$5,000,000 in the treasury.
- (5) *Research & Development Expense - Bona fide* research and development expenses of at least \$250,000 in each of the previous two fiscal years.
- (6) *Stage of Development* - Evidence that the issuer's products or services are at an advanced stage of development and that there is market demand for the product or service.



- (7) *Management Expertise* – Evidence that the issuer’s management has the expertise required to develop the business to a point of profitability.

## **2.04 Management of AlphaV+ Listed Issuers**

- (1) Alpha Exchange considers the quality of management of its AlphaV+ Listed Issuers to be an important component of a fair and orderly market for investors. Therefore, Alpha Exchange may review the conduct of any Related Person of an Issuer. Alpha Exchange must be satisfied that the business of the AlphaV+ Listed Issuer will be conducted with integrity and in the best interests of shareholders, unit holder and debt holders, and that the AlphaV+ Listed Issuer will comply with Alpha Exchange Requirements and applicable securities law.

### **Commentary:**

In particular, an issuer will not be approved for listing if any Related Person has been convicted of fraud, breach of fiduciary duty, violations of securities legislation (other than minor violations that do not give rise to investor protection or market integrity concerns) unless the issuer severs relations with such person to the satisfaction of Alpha Exchange.

An issuer may not be approved for listing if any Related Person has entered into a settlement agreement with a securities regulatory authority or is associated with any person who would disqualify an issuer for listing.

- (2) Management must have knowledge and expertise relevant to the business of the issuer.

### **Commentary:**

Alpha will consider the extent to which senior management of the issuer has reporting issuer experience. Alpha may not permit the listing of an issuer where all of the senior management of the issuer lacks public company experience.

## **2.05 Foreign-listed Issuers**

- (1) A Foreign Issuer can become listed on Alpha Venture Plus by following the procedure set out in sections 2.09 and 2.10. Upon acceptance, the Foreign Issuer is subject to all of the provisions of this Alpha Venture Plus Listing



Handbook unless explicitly exempted by Alpha Exchange and, notwithstanding anything else herein, such issuer must contemporaneously Post all documents filed with the Accepted Foreign Exchange with Alpha Exchange, translated into English and French if necessary.

- (2) Alpha Exchange will consider granting exemptions in respect of provisions of this Alpha Venture Plus Listing Handbook for Foreign Issuer.

**Commentary:**

An exemption may be granted where Alpha Exchange is satisfied that the issuer is subject to substantially similar regulatory and exchange listing regime as in Canada as well as similar requirements as those contained in this Alpha Venture Plus Listing Handbook. Alpha Exchange may require a Foreign Issuer to establish that its original listing jurisdiction has substantially similar requirements to those required by Alpha Exchange Requirements and Ontario securities laws. Alpha Exchange may publish a notice detailing standard exemptions from the Handbook for specific Accepted Foreign Exchanges. Alpha Exchange may also provide notice and seek advice of the Ontario Securities Commission in respect of exemptions granted to Foreign Issuers.

Foreign Issuers are subject to all applicable Canadian securities laws unless exemptions are obtained from the relevant securities commission(s).

Alpha Exchange will consider the extent to which a Foreign Issuer has a presence in Canada and/or have experience in doing business in Canada. Furthermore, if the Foreign Issuer has its head office outside Canada, as long as it is listed on Alpha Exchange, such issuer must appoint and maintain an address for service within Canada and must agree to attorn to the laws of the Province of Ontario and the federal laws applicable in that province.

- (3) The AlphaV+ Listed Issuer will be automatically suspended from trading if it is suspended or delisted from the Accepted Foreign Exchange or other Canadian exchange that it is listed on.

## **2.06 Designation of Restricted Securities**

- (1) This section is to be read in conjunction with OSC Rule 56-501 - *Restricted Shares*.



- (2) Restricted Securities must be identified as such in the AlphaV+ Listed Issuer's constating documents and will be identified by Alpha Exchange as such in market data displays prepared for the financial press.
- (3) A class of shares may not be designated as 'common' unless the shares are Common Shares.
- (4) A class of shares may not be designated as 'preference' or 'preferred' securities unless the shares are Preference Shares.
- (5) An issuer's constating documents must give Restricted Security holders the same right to receive notice of, attend and speak at all shareholder meetings as Common Shareholders and to receive all disclosure documents and other information sent to Common Shareholders.
- (6) An AlphaV+ Listed Issuer with outstanding listed Restricted Securities or intending to list Restricted Securities must include in its Listing Statement the disclosure required by Part 2 of OSC Rule 56-501 - *Restricted Shares*.

**Commentary:**

Issuances of Restricted Securities and superior voting shares post-listing are subject to section 6.21 of this Alpha Venture Plus Listing Handbook.

## **2.07 Coattail Provisions**

- (1) Alpha Exchange will not list Restricted Securities unless the issuer's constating documents provide that if a take-over bid is made to Common Shareholders, whether or not the Common Shares are listed, the Restricted Securities will automatically convert to Common Shares unless an identical offer (in terms of price per share, percentage of shares to be taken up exclusive of shares already owned by the offeror and its associates and all other material conditions) is concurrently made to Restricted Shareholders.

## **2.08 Escrow**

- (1) An issuer applying for listing in conjunction with an initial public offering must have an escrow agreement with its principals that complies fully with the requirements of National Policy 46-201 - *Escrow for Initial Public Offerings* ("**NP 46-201**") respecting established issuers. Alpha Exchange will require the



AlphaV+ Listed Issuer provide a draft of such escrow agreement(s) to Alpha Exchange prior to its execution.

- (2) Subject to subsection 2.12(2), where convertible securities (such as stock options, common share purchase warrants, special warrants, convertible debentures or notes) are issued prior to listing and exercisable or convertible into AlphaV+ Listed Securities at a price that is less than the issuance price per security under a prospectus offering or other financing or acquisition undertaken contemporaneously with the listing on Alpha Exchange, the underlying security will be subject to escrow, if issued to a Related Person of an Issuer, or the Seed Share Resale Restrictions in all other cases.
- (3) For escrow agreements required by Alpha Exchange, an AlphaV+ Listed Issuer may apply to Alpha Exchange to:
  - (a) amend the terms of existing escrow agreements required by Alpha Exchange;
  - (b) request the transfer of securities within escrow; or
  - (c) request the early release of securities from escrow, if applicable.
- (4) For escrow agreements required under NP 46-201, or required by another exchange or other entity, AlphaV+ Listed Issuers must apply to the relevant securities commission, exchange or entity which originally required the escrow agreement for any specific request to amend the terms of the escrow agreement.
- (5) Transfers of AlphaV+ Listed Securities escrowed pursuant to Alpha Exchange Requirements require the prior written consent of Alpha Exchange. Except as specifically provided in this Handbook and in the escrow agreement, securities of Related Persons of an Issuer may only be transferred to new or existing Related Person of an Issuer in accordance with the following terms and subject to any legal or other restriction on transfer and with the approval of the AlphaV+ Listed Issuer's board of directors. To apply for a transfer within escrow, the AlphaV+ Listed Issuer or owner of the escrowed securities must submit the following documents to Alpha Exchange:



- (a) a letter requesting transfer within escrow, identifying the registered and beneficial owner of the escrowed securities (including name and address) and the proposed registered and beneficial owner of the escrowed securities after giving effect to the transfer. The letter must confirm that the transferee is a Related Person of the Issuer or such other permitted transferee;
- (b) a copy of the escrow security purchase agreement;
- (c) a document signed by the transferee consenting to be bound by the terms of the escrow agreement;
- (d) a letter from the escrow agent confirming the escrow securities currently held in escrow under the escrow agreement, including the names of the registered owners and the number of securities held by each; and
- (e) any applicable fee.

## **2.09 Listing Application — Procedure**

- (1) The application for listing must include the following:
  - (a) a completed Listing Application (Form 1 or Form 1A, as applicable) together with the supporting documentation set out in Appendix A to the Listing Application;
  - (b) a draft Listing Statement (Form 2 or 2A) (including financial statements approved by the AlphaV+ Listed Issuer's Board of Directors and its Audit Committee);

### **Commentary:**

A Foreign Issuer listed on an Accepted Foreign Exchange may submit to Alpha Exchange its most recent up-to-date public offering document which is compliant with the securities laws of its jurisdiction and substantially similar to a Listing Statement in lieu of a Listing Statement.

- (c) a duly executed Personal Information Form (Form 3) or a Declaration (Form 3A) from each Related Person of an Issuer; if any of these





Persons is not an individual, a PIF from each director, senior officer and each Control Person of that Person;

**Commentary:**

A Foreign Issuer must submit to Alpha Exchange a Personal Information Form or Declaration and Alpha Exchange will conduct its own background checks based on these forms or such other information as requested by Alpha Exchange.

- (d) current insider reports from each Person required to file a report with the applicable securities regulatory authority;
- (e) any Security Based Compensation Arrangement;
- (f) for technology applicants who are utilizing Section 2.03, projected sources and uses of funds statement, including related assumptions, for a period of 12 months, presented on a quarterly basis, prepared by management and signed by the Chief Financial Officer;
- (g) for research and development applicants who are utilizing Section 2.03, projected sources and uses of funds statement, including related assumptions, for a period of 24 months, presented on a quarterly basis, prepared by management and signed by the Chief Financial Officer;
- (h) such other documentation as Alpha Exchange may require to assess the issuer's qualification for listing or to support the disclosures made in the Listing Statement and other documentation filed in connection with the Listing Application; and

**Commentary:**

Alpha Exchange will require an issuer to file technical reports required to be filed with securities commissions under National Instruments 43-101 and 51-101, and may require the issuer to provide a summary.

- (i) the application fee plus applicable taxes.
- (2) Alpha Exchange will use its best efforts to review the application in a timely manner with due regard to any schedule for filing a prospectus.



- (3) Following its review, Alpha Exchange may conditionally approve the issuer, or defer or decline the application.
- (4) If an issuer is conditionally approved, it has 90 days in which to file the final documentation set out in section 2.10. If an application is deferred, the issuer has 90 days in which to address the specific issues that caused deferral. If the issues are not addressed during that period to the satisfaction of Alpha Exchange, the application will be declined.
- (5) Subject to a right of appeal, a declined issuer may not submit a new application until six months have elapsed from the date on which it was given notice of that the application was declined.
- (6) Ontario securities law prohibits a Person with the intention of effecting a trade in a security from making any representation that a security will be listed on a stock exchange unless the exchange has granted conditional approval to the listing or otherwise approves. An issuer that has been conditionally approved for listing may use the following language in its final prospectus or offering document, but only in its entirety:

“Alpha Exchange Inc. has conditionally approved the listing of these securities. Listing is subject to the AlphaV+ Listed Issuer fulfilling all of Alpha Exchange Inc.’s requirements on or before [*date stipulated by Alpha Exchange Inc.*], including distribution of these securities to a minimum number of security holders.”

**Commentary:**

Alpha Exchange will also advise the relevant securities commission(s) of the conditional approval.

## **2.10 Final Documentation**

- (1) The issuer must submit the following documentation for final listing approval and posting of its securities for trading on Alpha Venture Plus and must Post the documents on the Alpha Exchange website forthwith following final approval:
  - (a) One originally executed copy of the Listing Statement (Form 2 or 2A) dated within three business days of the date they are submitted,



together with any additions or amendments to the supporting documentation previously provided as required by Appendix A to the Listing Application;

**Commentary:**

A Foreign Issuer may submit to Alpha Exchange its most recent public offering document which is compliant with the securities laws of its jurisdiction and substantially similar to a Listing Statement in lieu of a Listing Statement if it is up to date.

(b) two duly executed Listing Agreements (Form 4);

(c) an opinion of counsel that the AlphaV+ Listed Issuer:

- (i) is in good standing under and not in default of applicable corporate law;
- (ii) is not in default of any securities law requirement of any jurisdiction in which it is a reporting issuer or equivalent;
- (iii) has the corporate power and capacity to own its properties and assets, to carry on its business as it is currently being conducted, and to enter into the Listing Agreement and to perform its obligations thereunder;
- (iv) has taken all necessary corporate action to authorize the execution, delivery and performance of the Listing Agreement and that the Listing Agreement has been duly executed and delivered by the AlphaV+ Listed Issuer and constitutes a legal, valid and binding obligation of the AlphaV+ Listed Issuer, enforceable against the AlphaV+ Listed Issuer in accordance with its terms;

(d) an opinion of counsel that all shares previously issued of the class of securities to be listed or that may be issued upon conversion, exercise or exchange of other previously-issued securities are or will be duly issued and are or will be outstanding as fully paid and non-assessable shares;



- (e) a certificate of the applicable government authority that the AlphaV+ Listed Issuer is in good standing under and not in default of applicable corporate law;
- (f) a copy of the written notice from the Clearing Corporation confirming the CUSIP number assigned to the AlphaV+ Listed Securities;
- (g) if the issuer is to be listed upon conclusion of a public offering, a copy of the receipt(s) for the (final) prospectus;
- (h) a letter from the transfer agent stating the total number of shares issued and confirmation of the number of shareholders holding at least one Board Lot of the issuer's securities;
- (i) such other documentation as Alpha Exchange may require; and
- (j) the balance of the listing fee plus applicable taxes.

## **2.11 Documents to be Filed on SEDAR**

The final version of the AlphaV+ Listed Issuer's Listing Statement (Form 2) must be filed via SEDAR under the continuous disclosure category for Alpha Exchange filings using the filing type "Other," and after an amendment is made to SEDAR to accommodate this filing in the continuous disclosure category, using the appropriate filing type for this document.

## **2.12 Pre-Listing Transactions and Capital Structure**

- (1) The capital structure of an AlphaV+ Listed Issuer prior to listing must be acceptable to Alpha Exchange.

### **Commentary:**

Prior to listing on Alpha Exchange, all securities issued to Related Persons of an Issuer, as well as securities issued below certain price levels, are generally required to be escrowed or held subject to hold periods.

- (2) Where there is no concurrent financing, the minimum permitted price at which the securities can be exercisable or convertible, and not be subject to escrow or a hold period pursuant to Seed Share Resale Restrictions under subsection (5), is the greater of the market price and \$0.10. Alpha Exchange will not permit



the exercise, conversion or exchange price of any exercisable, convertible or exchangeable security to be fixed unless and until the security has been granted to a particular Person.

- (3) If an issuer has completed a private placement of convertible securities anticipated to be qualified pursuant to prospectus or otherwise within the three month period prior to its application for an original listing on Alpha Exchange, and the issuance price per convertible security is less than the prospectus or market price at the time of the listing, Alpha Exchange may impose a hold period on the underlying securities pursuant to the Seed Share Resale Restrictions, whether or not the underlying securities have been qualified for distribution by a prospectus.
- (4) Alpha Exchange will generally not accept an application for listing if securities offered by prospectus or private placement have been purchased by Members, unless, after a bona fide offering of the total amount of the offering to the public, the offering has not been fully subscribed. Alpha Exchange will consider whether the aggregate number of Listed Securities owned, directly or indirectly, by Members exceeds 20% of the total issued and outstanding Listed Securities of the AlphaV+ Listed Issuer at the time of listing and determine if such a capital structure is appropriate in the circumstances.
- (5) A security holder who is not a Related Person of an Issuer is subject to the corresponding Seed Share Resale Restrictions if such Person meets the criteria within the following table in respect of an IPO or a transaction requiring the application of the original listing procedures (e.g. a backdoor listing):

% of IPO or the Transaction Price*	**Held < 3 months	**Held < 1yr	**Held >1 year
<\$0.05 per share	Escrowed pursuant to a NP 46-201 Escrow Agreement as an “established” issuer	Escrowed pursuant to a NP 46-201 Escrow Agreement as an “established” issuer	Escrowed pursuant to a NP 46-201 Escrow Agreement as an “established” issuer
≤10% of IPO or the	Escrowed pursuant	Escrowed pursuant	Escrowed



Transaction Price	to a NP 46-201 Escrow Agreement as an “established” issuer	to a NP 46-201 Escrow Agreement as an “established” issuer	pursuant to a NP 46-201 Escrow Agreement as an “established” issuer
>10% to <25% of IPO or the Transaction Price	Escrowed pursuant to a NP 46-201 Escrow Agreement as an “established” issuer	1 year hold with 20% released every 3 months with first release on closing of IPO/Transaction	No hold
≥25% to <50% of IPO or the Transaction Price	1 year hold with 20% released every 3 months with first release on closing of IPO/Transaction	4 month hold with 20% released each month with first release on closing of IPO/Transaction	No hold
≥50% to <75% of IPO or the Transaction Price	4 month hold with 20% released each month with first release on closing of IPO/Transaction	No hold	No hold
≥75% of IPO or the Transaction Price	No hold	No hold	No hold

\* Transaction Price is the greater of the closing price prior to the announcement of the transaction, the deemed acquisition price or the financing price.

\*\* In calculating how long shareholders have already held the securities, count backwards from the date Alpha Exchange approves the backdoor listing, or, if an IPO, from the date of the receipt for the preliminary prospectus.

\*\*\* All hold periods noted on this table commence from the date the transaction closes, or, in the case of an IPO, the date of the receipt for the final prospectus.

\*\*\*\* A Person required to escrow their securities under a NP 46-201 Escrow Agreement as a detailed in the chart above must do so irrespective of whether such policy applies to that Person.

**(6) General Seed Share Resale Restriction Rules and Other Requirements:**

(a) Seed Share Resale Restrictions shall be accomplished by either legending such securities with the appropriate hold period or by an escrow agreement in the form of an NP 46-201 escrow agreement in respect of an “established” issuer.



- (b) The Seed Share Resale Restrictions may also apply to Related Persons of an Issuer's Seed Shares, pursuant to a Change of Business in situations where the Related Persons of an Issuer are not subject to Alpha Exchange escrow requirements.
  - (c) The Seed Share Resale Restrictions do not apply to Persons who are subject to escrow pursuant to NP 46-201 or Alpha Exchange escrow requirements.
  - (d) The Seed Share Resale Restrictions do not replace any hold periods that are imposed by applicable securities laws. The Seed Share Resale Restrictions are in addition to, and run concurrently with such hold periods.
  - (e) Seed Shares subject to Seed Share Resale Restrictions and Founder Shares will not be considered part of the Public Float in determining whether an issuer will meet Alpha Exchange's original listing requirements.
  - (f) At least 20% of the outstanding AlphaV+ Listed Securities of the AlphaV+ Listed Issuer must be Freely Tradeable Securities.
  - (g) All holders of Founder Shares not already escrowed pursuant to Section 2.08 above will be subject to escrow and must use the form of escrow agreement prescribed by a National Policy 46-201 as if such holder were being escrowed in relation to an "established" issuer.
- (7) Securities subject to a legend requirement pursuant to this Section 2.12 shall be inscribed with the following:
- "Without prior written approval of Alpha Exchange Inc. and compliance with all applicable securities legislation, the securities represented by this certificate may not be sold, transferred, hypothecated or otherwise traded until [insert date]."
- (8) If an Issuer ceases to be listed on Alpha Venture Plus for any reason, including:
- (a) graduation to an Alpha Main Listed Issuer;



(b) listing on another market;

(c) a delisting without a subsequent listing elsewhere; or

(d) a going private transaction,

the AlphaV+ Listed Issuer will no longer be required to obtain Alpha Exchange's approval for any amendments to the terms of the escrow agreement, including early release of securities from escrow.





## **Part III. Ongoing Requirements**

### **3.01 Directors and Officers**

- (1) Every new Related Person of an Issuer must complete a Personal Information Form (Form 3) or a Declaration (Form 3A), as applicable, upon their becoming a Related Person of an Issuer.
- (2) Alpha Exchange may collect such personal information about the Related Person of an Issuer as it sees fit.
- (3) An AlphaV+ Listed Issuer must immediately remove, or cause the resignation of, any director or officer who Alpha Exchange determines is not suitable to act as a director or officer of an AlphaV+ Listed Issuer. For other unsuitable Related Persons of an Issuer, the AlphaV+ Listed Issuer must immediately sever relations with such Person to the satisfaction of Alpha Exchange, or, in the case of a Control Person, satisfy Alpha Exchange that the Control Person does not and will not have any role in the governance of the AlphaV+ Listed Issuer.
- (4) A Related Person of an Issuer does not have to provide a Personal Information Form (Form 3) to Alpha Exchange in respect of an Other Listed Issuer if that person has submitted a form similar to a personal information form to an exchange other than Alpha Exchange within the past 18 months but must submit a Declaration (Form 3B), and attach a copy of the personal information form submitted to that other exchange, upon which Alpha Exchange will conduct its own background checks based on the information provided or such other information as requested by Alpha.

### **3.02 Transfer and Registration of Securities**

- (1) Every AlphaV+ Listed Issuer must maintain in good standing transfer and registration facilities in the City of Toronto, where its AlphaV+ Listed Securities must be directly transferable.



- (2) The transfer and registration facilities must be operated by a transfer agent recognized by the Clearing Corporation.
- (3) This section does not apply to a Foreign Issuer to the extent that such Foreign Issuer's registrar and transfer agent can settle trades with the Clearing Corporation.

### **3.03 Dematerialized Securities**

- (1) Issuers must make arrangements acceptable to the Clearing Corporation so that all trades in AlphaV+ Listed Securities are cleared and settled on a book-entry only basis.

### **3.04 Posting Officer**

- (1) An AlphaV+ Listed Issuer must designate at least one individual to act as its Posting officer and at least one backup. The Posting officers are responsible for making all of the Postings required under Alpha Exchange Requirements.
- (2) An AlphaV+ Listed Issuer may Post documents through the facilities of a third party service provider approved by Alpha Exchange.

### **3.05 Postings**

- (1) An AlphaV+ Listed Issuer must Post electronic copies of all documents required to be Posted with Alpha Exchange unless a physical copy is otherwise required by this Alpha Venture Plus Listing Handbook. An AlphaV+ Listed Issuer must Post on its website any notices from Alpha Exchange in respect of a public reprimand, suspension or Delisting.
- (2) In lieu of Posting, an AlphaV+ Listed Issuer may file the following documents with Alpha Exchange no later than the deadline for Posting:
  - (a) documents listed in section 2.09(1)(c); and
  - (b) any opinion of counsel.
- (3) A filing made under subsection 3.05(2) must indicate that it is made in lieu of Posting the document.



- (4) An AlphaV+ Listed Issuer may request from Alpha Exchange that a document or notice required to be Post be marked as confidential and not accessible for public dissemination or review.

### **3.06 Investor Relations and Promotional Services**

- (1) The Promotional Role.

- (a) Some promotional activities are aimed purely at keeping an AlphaV+ Listed Issuer's security holders informed about the AlphaV+ Listed Issuer. A Promoter can provide investors with previously disclosed factual information concerning the AlphaV+ Listed Issuer, or with copies of material that has been filed with regulatory authorities, or prepared by registered brokers or investment dealers, or published in newspapers, magazines or journals.

**Commentary:**

It is appropriate for the AlphaV+ Listed Issuer to bear the costs of these services, provided the costs are reasonable and in proper proportion to the financial resources and level of business activity of the AlphaV+ Listed Issuer.

- (b) Promotional activities must not extend to disclosing previously undisclosed material information about an AlphaV+ Listed Issuer, as this may attract civil or quasi-criminal liability for "tipping" under the insider trading provisions of applicable securities laws.

**Commentary:**

Activities that extend beyond providing factual information and into the area of analyzing that information or providing opinions as to future performance of the AlphaV+ Listed Issuer or its securities, particularly if these activities are systematic, could be construed as advising in securities, which requires registration under applicable securities laws. This does not mean that directors and senior officers cannot publicly analyze factual information concerning the AlphaV+ Listed Issuer's affairs. However, an individual engaged in promotional activities may require registration if the individual provides an analysis or opinion to



members of the public who are being encouraged to buy or sell the AlphaV+ Listed Issuer's securities.

- (c) Promotional activities may limit the availability of exemptions from resale restrictions under applicable securities laws, since several of these exemptions require that "no unusual effort is made to prepare the market or create a demand for the security".
- (d) An AlphaV+ Listed Issuer that has a Promoter, or permits a Related Person of an Issuer or their associate to act as a Promoter or in any way engage a Promoter, must be fully informed about the activities of the Promoter. The disclosure requirements to be met by an AlphaV+ Listed Issuer with respect to its Promoters are set out in section 3.06(2) below.

(2) Disclosure.

- (a) Arrangements with respect to promotional, market-making and / or investor relations activities by their very nature can reasonably be expected to significantly affect the market price or value of an AlphaV+ Listed Issuer's securities, and therefore are deemed material. In particular, the AlphaV+ Listed Issuer must:
  - (i) disclose any arrangements, oral or written, made by the AlphaV+ Listed Issuer (or made by any other Person if the AlphaV+ Listed Issuer has knowledge of the arrangements) by which a Person will act as a Promoter, an investor relations representative or consultant;
  - (ii) briefly describe the background, ownership, business and place of business of the Person providing the services, the relationship between the AlphaV+ Listed Issuer and the Person providing the services, and whether that Person has any interest, directly or indirectly, in the AlphaV+ Listed Issuer or its securities, or any right or intent to acquire such an interest;
  - (iii) describe the services to be provided including:
    - (A) the period during which the services will be provided;



- (B) a general description of the activities to be carried out;
- (C) the anticipated total costs of those activities to the AlphaV+ Listed Issuer; and
- (D) provide full particulars of all direct and indirect consideration, including the timing of payment and source of funds.

(b) The AlphaV+ Listed Issuer must ensure that any arrangements with Promoters are consistent in scope with the operations and financial resources of the AlphaV+ Listed Issuer, and comply with applicable corporate and applicable securities laws and Alpha Exchange Requirements. The AlphaV+ Listed Issuer must also ensure that the arrangements do not promote or result in a misleading appearance of trading activity in, or an artificial price for, the AlphaV+ Listed Issuer's securities. The AlphaV+ Listed Issuer should be satisfied that the Person with whom arrangements are made is reputable, is properly registered, and is qualified to provide the services.

### (3) Compensation Arrangements.

- (a) Compensation, for either promotional investor relations activities, should be on a fee for service basis. Except as specifically provided in section 3.06(3)(b) below, compensation in the form of securities or Stock Options is not acceptable and payment for services relating to promotional or investor relations should be on a cash basis.
- (b) If permitted by applicable securities laws, Stock Options can be granted as compensation to Persons undertaking investor relations activities. Alpha Exchange requires that the number of stock options granted to such Persons be limited to an aggregate of 2% of the AlphaV+ Listed Issuer's AlphaV+ Listed Securities. This 2% limit is included within the other Stock Option limitations imposed on AlphaV+ Listed Issuers.

#### **Commentary:**

Compensation should be based on the services provided to the AlphaV+ Listed Issuer, not on the achievement of certain market oriented factors. In particular, AlphaV+ Listed Issuers must not enter into arrangements



where compensation will be determined on the basis of the achievement of trading volume or price parameters.

- (c) Any Person making or accepting excessive payments for promotional, investor relations may not be acceptable to Alpha Exchange as a director, officer or provider of services of an AlphaV+ Listed Issuer. Payments can be deemed excessive when they account for a significant amount of the expenditures of the AlphaV+ Listed Issuer and are out of line with the AlphaV+ Listed Issuer's revenue or working capital.

(4) Filing Requirements.

- (a) An AlphaV+ Listed Issuer which grants Stock Options to employees or consultants as compensation for investor relations activities must file the appropriate documents with Alpha Exchange.
- (b) An AlphaV+ Listed Issuer that enters into a promotional or investor relations agreement must file particulars of the identity of the Person providing the services, including Personal Information Forms (Form 3) or, if applicable, Declarations (Form 3A) for the individuals, principals and / or key employees who will be providing the service.
- (c) An AlphaV+ Listed Issuer that enters into any promotional or investor relations agreement must promptly file with Alpha Exchange a completed Form 21 together with the applicable fee.

- (5) Prohibitions - Fees in relation to the provision of investor relations activities or promotional services must not be paid as finders' fees or settled by way of a share for debt arrangement.



## Part IV. Timely Disclosure

### A. Obligation to Disclose Material Information

#### 4.01 Introduction

- (1) This Handbook is not an exhaustive statement of the timely and continuous disclosure requirements applicable to AlphaV+ Listed Issuers. AlphaV+ Listed Issuers must comply with all applicable requirements of securities legislation. In particular, mining issuers must comply with the additional disclosure requirements of National Policy 43-101- *Standards of Disclosure for Mineral Projects*. Oil and gas issuers must comply with the additional disclosure requirements of (Proposed) National Instrument 51-101 – *Standards of Disclosure for Oil and Gas Activities*. All AlphaV+ Listed Issuers must comply with National Policy 51-201 – *Disclosure Standards*.
- (2) Each AlphaV+ Listed Issuer must determine what information is material in the context of its own affairs. The materiality of information varies from one issuer to another, and will be influenced by factors such as the issuer's profitability, assets, capitalization, and the nature of its operations.

#### **Commentary:**

"Material information" is any information relating to the business and affairs of an issuer that results in or would reasonably be expected to result in a significant change to the market price or value of any of the issuer's AlphaV+ Listed Securities. It is broader than the concept of "material change" in Ontario securities law. An event that is "significant" or "major" in the context of a smaller issuer's business and affairs may not be material to a larger one. Given the element of judgment involved, AlphaV+ Listed Issuers are encouraged to consult with the Market Regulator on a confidential basis at an early stage to determine whether a particular event gives rise to material information.

#### 4.02 Disclosable Events

- (1) AlphaV+ Listed Issuers are required to make immediate public disclosure of all material information. They are not required to interpret the impact of external political, economic and social developments on their affairs, but if the external



development will have or has had a direct effect on their business and affairs that is both material and uncharacteristic of the effect generally experienced as a result of such development by other companies engaged in the same business or industry, AlphaV+ Listed Issuers are urged, where practical, to explain the particular impact on them. For example, a change in government policy that affects most companies in a particular industry does not require an announcement, but if it affects only one or a few companies in a material way, an announcement should be made.

- (2) A reasonable investor's investment decision may be affected by factors relating directly to the securities themselves as well as by information concerning the AlphaV+ Listed Issuer's business and affairs. For example, changes in an AlphaV+ Listed Issuer's issued capital, stock splits, redemptions and dividend decisions may all have an impact upon the reasonable investor's investment decision.
- (3) Actual or proposed developments that require immediate disclosure include, but are not limited to, the following:
- (a) changes in security ownership that may affect control of the AlphaV+ Listed Issuer
  - (b) changes in corporate structure, such as reorganizations, amalgamations, etc.;
  - (c) take-over bids or issuer bids;
  - (d) major corporate acquisitions or dispositions;
  - (e) changes in capital structure;
  - (f) borrowing of a significant amount of funds;
  - (g) public or private sale of additional securities;
  - (h) development of new products and developments affecting the AlphaV+ Listed Issuer's resources, technology, products or market;
  - (i) significant discoveries or exploration results, both positive and negative, by resource companies;





- (j) entering into or loss of significant contracts;
- (k) firm evidence of significant increases or decreases in near-term earnings prospects;
- (l) changes in capital investment plans or corporate objectives;
- (m) significant changes in management;
- (n) significant litigation;
- (o) major labour disputes or disputes with major contractors or suppliers;
- (p) events of default under financing or other agreements; or
- (q) any other developments relating to the business and affairs of the issuer that might reasonably be expected to influence or change an investment decision of a reasonable investor.

**Commentary:**

Disclosure is only required where a development is material. Announcements of an intention to proceed with a transaction or activity should be made when a decision has been made to proceed with it by the AlphaV+ Listed Issuer's board of directors or by senior management with the expectation of concurrence from the board of directors. However, a corporate development in respect of which no firm decision has yet been made but that is reflected in the market price may require prompt disclosure.

Forecasts of earnings and other financial forecasts need not be disclosed, but where a significant increase or decrease in earnings is indicated in the near future, such as in the next fiscal quarter, this fact must be disclosed. Forecasts should not be provided on a selective basis to investors or others not involved in the management of the affairs of the issuer. If disclosed, they should be generally disclosed.

- (4) If a pending transaction has been announced but has not closed, updates should be provided at least every 30 days, unless the original announcement specifies a specific date on which an update will be given. Any material change to the pending transaction as announced must be disclosed promptly.



#### **4.03 Rumours and Unusual Trading Activity**

- (1) Rumours and unusual trading activity may influence or change the investment decision of a reasonable investor and/or the trading price of an issuer's securities. It is impractical to expect management to be aware of, and comment on, all rumours or unusual trading activity. However, when either rumours or unusual trading activity occur, the Market Regulator may request that the AlphaV+ Listed Issuer make a clarifying statement. A trading halt may be imposed pending release of a "no corporate developments" statement.
- (2) If a rumour is correct in whole or in part, or if it appears that the unusual trading activity reflects illicit trading on non-disclosed material information, the Market Regulator will require the AlphaV+ Listed Issuer to make immediate disclosure of the relevant material information, and a trading halt may be imposed pending release and dissemination of that information.

#### **4.04 Timing of Disclosure and Pre-Notification of the Market Regulator**

- (1) An AlphaV+ Listed Issuer must disclose material information forthwith upon the information becoming known to management, or in the case of information previously known, forthwith upon it becoming apparent that the information is material. Immediate release of information is necessary to ensure that it is promptly available to all investors and to reduce the risk that persons with access to that information will act upon undisclosed information.
- (2) The policy of immediate disclosure frequently requires that press releases be issued during trading hours, especially when an important corporate development has occurred. When this occurs, the AlphaV+ Listed Issuer must notify the Market Regulator *prior* to the issuance of a press release and must not disseminate the press release until instructed by the Market Regulator. The Market Regulator will determine whether trading in the AlphaV+ Listed Issuer's securities should be temporarily halted. The Market Regulator will also review the proposed wording of the press release to ensure it is complete and balanced.
- (3) Where a release is issued after the close of trading, the Market Regulator should be advised prior to the opening of trading the following day.



#### **4.05 Dissemination of Material Information**

- (1) After notifying the Market Regulator, the news release must be transmitted to the media by the quickest possible method, and by a method that provides the widest dissemination possible. To ensure that the entire financial community is aware of the news at the same time, a wire service (or combination of services) must be used which provides national and simultaneous coverage.
- (2) Dissemination of news is essential to ensure that all investors have equal and timely information. AlphaV+ Listed Issuers must ensure appropriate dissemination of news releases, and any failure to properly disseminate news shall be deemed to be a breach of this policy and shall be grounds for suspension or Delisting of the AlphaV+ Listed Issuer's securities. In particular, Alpha Exchange will not consider relieving an AlphaV+ Listed Issuer from its obligation to disseminate news properly because of cost factors.
- (3) AlphaV+ Listed Issuers are encouraged to use services such as Dow Jones and Reuters that provide wide dissemination at no cost to the issuer. However, because they may not carry the release or may heavily edit it, they are not acceptable as a sole means of dissemination.

**Commentary:**

Alpha Exchange accepts the use of any news services that meet the following criteria:

1. Dissemination of the full text of the release to the national financial press and to daily newspapers that provide regular coverage of financial news;
2. Dissemination to all Members; and
3. Dissemination to all relevant regulatory bodies.

- (4) Similarly, while the AlphaV+ Listed Issuer must Post all news releases with Alpha Exchange and may also Post them on its own website, this is not an acceptable means of dissemination. AlphaV+ Listed Issuers must be careful they do not "front run" their press release by Posting it on a website before it has been disseminated by a full-text service.

**Commentary:**



If an AlphaV+ Listed Issuer chooses to Post news releases or other documents required to be filed by Alpha Exchange or by securities regulatory authorities on its website, it must Post all of them. It cannot Post only favorable information. Similarly, news releases and other filings must be clearly distinguished from marketing material that may also be on the website so that a viewer will not confuse the two.

#### **4.06 Content of News Releases**

- (1) Announcements of material information should be factual and balanced. Unfavorable news must be disclosed just as promptly and completely as favorable news.
- (2) News releases must contain sufficient detail to enable investors to assess the importance of the information to allow them to make informed investment decisions.
- (3) AlphaV+ Listed Issuers should communicate clearly and accurately the nature of the information, without including unnecessary details, exaggerated reports or editorial commentary.
- (4) News releases must not be misleading.

**Commentary:**

For example, an AlphaV+ Listed Issuer must not announce an intent to enter into a transaction if it lacks the ability to complete the transaction or if no corporate decision has been made to proceed with the transaction.

- (5) Investors and the media may wish to obtain further information concerning the announcement. All news releases must include the name of an officer or director of the AlphaV+ Listed Issuer who is responsible for the announcement, together with the AlphaV+ Listed Issuer's telephone number. The AlphaV+ Listed Issuer is encouraged to also include the name and telephone number of an additional contact person.

#### **4.07 Trading Halts for the Dissemination of Information**

- (1) Trading may be halted by the Market Regulator during trading hours to allow material information to be disseminated and market participants to decide if they want to change their buy or sell orders. The Decision to halt trading is



- the Market Regulator's, and it will not routinely halt trading for all press releases, even at the request of the AlphaV+ Listed Issuer. It is not appropriate for an AlphaV+ Listed Issuer to request a trading halt if it is not prepared to make an announcement forthwith.
- (2) The Market Regulator may also halt trading to obtain a statement from an AlphaV+ Listed Issuer clarifying a rumour or unusual trading that is having an effect on the market for the issuer's securities.
  - (3) A trading halt does not reflect on the reputation of the issuer or its management. Trading is halted for positive developments as well as negative ones.
  - (4) The Market Regulator, upon consultation with the AlphaV+ Listed Issuer, if appropriate, will determine the time required to disseminate the news release and consequently the length of any quotation and trading halt. A trading halt will not normally last more than two hours.
  - (5) A trading halt will not continue for more than 24 hours unless the Market Regulator determines that re-opening trading will have a significant negative impact on market integrity.
  - (6) An AlphaV+ Listed Issuer is expected to issue the news release promptly following the initiation of a trading halt. If an announcement is not forthcoming, the Market Regulator will establish an opening time no later than 24 hours from the time of the halt (excluding non-business days). If a news release has not been issued by the time set for resuming trading, the Market Regulator will issue a notice stating that trading was halted for dissemination of news or clarification of abnormal trading and no announcement is forthcoming. In this situation, the AlphaV+ Listed Issuer should be prepared to issue a statement prior to the reopening explaining why it requested a halt (if this is the case) and why it is not able to make an announcement.

## **B. When Confidentiality May Be Maintained**

### **4.08 When Information May be Kept Confidential**

- (1) Section 75(3) of the *Securities Act* (Ontario), as supplemented by National Policy 51-201 and National Instrument 81-106, provides that where, in the opinion of the reporting issuer, the public disclosure of a material change would be



unduly detrimental to the interests of the reporting issuer, or where the material change consists of a decision to implement a change made by senior management of the AlphaV+ Listed Issuer who believe that confirmation of the decision by the board of directors is probable, the AlphaV+ Listed Issuer may file a report disclosing a material change on a confidential basis. Non-disclosure of information is also provided for in section 140(2) of the *Securities Act* (Ontario).

- (2) When an AlphaV+ Listed Issuer requests that information be kept confidential, then pursuant to section 75(4) of the *Securities Act* (Ontario), it must advise the Ontario Securities Commission in writing within 10 days if it wishes that the information continue to be held on a confidential basis, and every 10 days thereafter until the material information is generally disclosed. The Ontario Securities Commission takes the view that it can require the AlphaV+ Listed Issuer to disclose confidential information when, in its view, the benefit from public disclosure would outweigh the harm to the issuer resulting from disclosure.
- (3) AlphaV+ Listed Issuers should be guided by applicable securities legislation in determining whether material information can be filed on a confidential basis with a securities regulatory authority. Where a decision is made to file a confidential report with the securities regulatory authority, the Market Regulator must be immediately notified of the AlphaV+ Listed Issuer's decision to do so. The Market Regulator must be provided with a copy of all submissions to the securities regulatory authority relating to a request to make or to continue confidential disclosure, or to make general disclosure of previously held confidential information. The Market Regulator must be kept fully apprised of the nature of any discussions between the AlphaV+ Listed Issuer and the securities regulatory authority relevant thereto, and any decision of the securities regulatory authority with respect to the ability of the AlphaV+ Listed Issuer to make or continue confidential disclosure, or requiring the AlphaV+ Listed Issuer to make general disclosure.
- (4) AlphaV+ Listed Issuers that are reporting issuers in other jurisdictions must ensure that they comply with all applicable rules in addition to this Part.



#### **4.09 Maintaining Confidentiality**

- (1) Where disclosure of material information is delayed, the AlphaV+ Listed Issuer must maintain complete confidentiality. In the event that such confidential information, or rumours respecting the confidential information, is divulged in any manner (other than in the necessary course of business), the AlphaV+ Listed Issuer is required to make an immediate announcement on the matter. The Market Regulator must be notified of the announcement, in advance, in the usual manner. During the period before material information is disclosed, market activity in the AlphaV+ Listed Issuer's securities should be closely monitored by the AlphaV+ Listed Issuer. Any unusual market activity probably means that news of the matter is being disclosed and that certain persons are taking advantage of it. In such case, the Market Regulator should be advised immediately and a halt in trading will be imposed until the AlphaV+ Listed Issuer has made disclosure of the material information.
- (2) At any time when material information is being withheld from the public, the AlphaV+ Listed Issuer is under a duty to take precautions to keep such information completely confidential. Such information should not be disclosed to any of the AlphaV+ Listed Issuer's officers, employees or advisers, except in the necessary course of business. The directors, officers and employees of an AlphaV+ Listed Issuer should be reminded on a regular basis that confidential information obtained in the course of their duties must not be disclosed.

#### **4.10 Insider Trading**

- (1) AlphaV+ Listed Issuers should make insiders and others who have access to material information about the AlphaV+ Listed Issuer before it is generally disclosed aware that trading in securities of the issuer (or securities whose market price or value varies materially with the securities of the reporting issuer) while in possession of undisclosed material information or tipping such information is prohibited under applicable securities legislation, and may give rise to administrative, civil and/or criminal liability.
- (2) In any situation where material information is being kept confidential, management is under a duty to take every possible precaution to ensure that no trading whatsoever takes place by any insiders or persons in a "special



relationship” with the AlphaV+ Listed Issuer in which use is made of such information before it is generally disclosed to the public.

- (3) In the event that the Market Regulator is of the opinion that insider or improper trading may have occurred before material information has been disclosed and disseminated, the Market Regulator may require that an immediate announcement be made disclosing such material information. The Market Regulator will refer the matter to the appropriate securities regulatory authority for enforcement action.

#### **4.11 No Selective Disclosure**

- (1) Disclosure of material information must not be made on a selective basis. The disclosure of material information should not occur except by means that ensure that all investors have access to the information on an equal footing. Alpha Exchange recognizes that good corporate governance involves actively communicating with investors, brokers, analysts, and other interested parties with respect to the corporation’s business and affairs, through private meetings, formal or informal conferences, or by other means. However, when communications of any nature occur other than widely disseminated press releases in accordance with this rule, AlphaV+ Listed Issuers may not, under any circumstances, communicate material information to anyone, other than in the necessary course of business, in which case the party receiving the information must be instructed to keep it confidential and not to trade the AlphaV+ Listed Issuer’s securities.
- (2) The board of directors of an AlphaV+ Listed Issuer should put in place policies and procedures that will ensure that those responsible for dealing with shareholders, brokers, analysts, and other external parties are aware of their and the AlphaV+ Listed Issuer’s obligations with respect to the disclosure of material information.
- (3) Should material information be disclosed, whether deliberately or inadvertently, other than through a widely disseminated press release in accordance with the rule, the AlphaV+ Listed Issuer must immediately contact the Market Regulator and request a trading halt pending the widespread dissemination of the information.





## Part V. Periodic Disclosure

### 5.01 Documents required to be Posted

- (1) Every AlphaV+ Listed Issuer must promptly Post the following documents with Alpha Exchange:
  - (a) every document required by Part IV, Part VI, 0 and Part VIII of this Alpha Venture Plus Listing Handbook;
  - (b) every document required to be filed with any securities regulatory authority for a jurisdiction in which it is a reporting issuer or equivalent, to be delivered to security holders of an AlphaV+ Listed Issuer or to be filed on SEDAR to be Posted concurrently or as soon as practicable following the filing with the securities regulatory authority or SEDAR or the delivery to security holders;
  - (c) annual financial statement and Management's Discussion and Analysis;
  - (d) interim financial statements and Management's Discussion and Analysis;
  - (e) quarterly updates (Form 5) current as of the last day of the relevant quarter, to be Posted concurrently with an AlphaV+ Listed Issuer's interim financial statement; and
  - (f) if applicable, an Annual Information Form (AIF), to be Posted concurrently with the AlphaV+ Listed Issuer's audited annual financial statements.

#### **Commentary:**

Documents that are also required to be filed with securities regulatory authorities must be filed on SEDAR before or concurrently with such Posting to Alpha Exchange.

### 5.02 Dividends or Other Distribution

- (1) In addition to any other requirements of this Alpha Venture Plus Listing Handbook, AlphaV+ Listed Issuers must notify Alpha Exchange of any dividend or other distribution (whether regular or special) to holders of AlphaV+ Listed Securities at least seven trading days prior to the Record



Date for the distribution by way of a Notice of Additional Listing (Form 12), if the dividend is in the form of AlphaV+ Listed Securities, or by way of a Notice of Cash Dividend (Form 18) for the distribution of cash or other assets. This allows Alpha Exchange to establish “ex” trading dates with respect to the distribution.

### **5.03 Other Notifications and Changes of Corporate Information**

- (1) In addition to any other requirements of this Alpha Venture Plus Listing Handbook, AlphaV+ Listed Issuers must notify Alpha Exchange of any corporate action that may affect holders of AlphaV+ Listed Securities at least seven trading days prior to the Record Date for the corporate action to allow the setting of an “ex” trading date, if applicable. These actions include, but are not limited to, changes of transfer agent and registrar, change in general AlphaV+ Listed Issuer information, change in the jurisdiction of organization of the AlphaV+ Listed Issuer, change in the AlphaV+ Listed Issuer’s fiscal year end, change in the AlphaV+ Listed Issuer’s interlisted status and full or partial redemptions or retractions of an Alpha Listed Security. Such notice should be provided by submitting a notice of change of information (Form 20). If an AlphaV+ Listed Issuer wishes to move from an AlphaV+ Listed Issuer to an Alpha Listed Issuer, the AlphaV+ Listed Issuer must Post a notice of change of corporate information (Form 20).



## **Part VI. Corporate Finance and Capital Structure Changes**

### **6.01 Compliance with Disclosure Obligations**

(1) Every transaction, except as noted below, governed by this Part is deemed to be “material information” that must be disclosed immediately under Alpha Exchange’s Timely Disclosure Policy, even if the Market Regulator determines not to halt trading for dissemination. AlphaV+ Listed Issuers must ensure they issue a press release prior to Posting any documents required by this Part.

#### **Commentary:**

A grant of a Stock Option in the normal course is not necessarily material information. AlphaV+ Listed Issuers must make a determination on a case-by-case basis.

(2) An AlphaV+ Listed Issuer must give Alpha Exchange prior notice of any issuance or potential issuance of securities of a class of AlphaV+ Listed Securities as provided in this Part.

(3) In addition to any other requirements of this Alpha Venture Plus Listing Handbook, AlphaV+ Listed Issuers must notify Alpha Exchange of any corporate action that may affect holders of AlphaV+ Listed Securities at least seven trading days prior to the Record Date for the corporate action to allow the setting of an “ex” trading date, if applicable.

### **6.02 Compliance with Shareholder Approval Requirements**

(1) Transactions subject to this Part of the Handbook may also be subject to prior shareholder approval required in Part X of this Alpha Venture Plus Listing Handbook.

#### **A. Distributions of a Class of AlphaV+ Listed Securities**



### **6.03 Application of Division A**

- (1) Division A of Part VI applies to a class or series of AlphaV+ Listed Securities that are already listed for trading on Alpha Venture Plus.

### **6.04 Prospectuses**

- (1) An AlphaV+ Listed Issuer that proposes to issue securities pursuant to a prospectus must promptly Post:
  - (a) a preliminary notice of the proposed offering (Form 6);
  - (b) a copy of the preliminary prospectus; and
  - (c) any other documents relating to the proposed offering that may be of interest to investors, provided Posting those documents does not contravene applicable securities law.
- (2) The pricing rules for private placements in section 6.05 of this Alpha Venture Plus Listing Handbook and the shareholder approval requirements for private placements in section 10.07 of this Alpha Venture Plus Listing Handbook apply to issuances of AlphaV+ Listed Securities by prospectus. Section 6.06 applies to the issuance of convertible or exchangeable securities issued pursuant to a prospectus.
- (3) Upon closing of the offering, the AlphaV+ Listed Issuer must Post:
  - (a) a final notice of the offering (Form 6), blacklined to the preliminary notice;
  - (b) a copy of the final prospectus;
  - (c) a copy of the receipt(s) for the final prospectus; and
  - (d) an opinion of counsel that the securities to be issued pursuant to the offering (and any underlying securities, if applicable) are or will be duly issued and are or will be fully paid and non-assessable.
- (4) The securities will normally be posted for trading upon closing of the offering and after the final approval notice is issued by Alpha Exchange. At the request of the AlphaV+ Listed Issuer, Alpha Exchange may establish an “if, as and when



issued” market prior to the closing of the offering. No such market will be established prior to the issuance of a receipt for the final prospectus.

## 6.05 Private Placements

- (1) Alpha Exchange considers a “private placement” to be an issuance of securities from treasury for cash or to settle a *bona fide* debt (including securities for services rendered) in reliance on an exemption from the prospectus requirements in applicable securities legislation.
- (2) Subject to section 10.07 of this Alpha Venture Plus Listing Handbook, the private placement must not be priced lower than the market price on the day preceding the date on which the AlphaV+ Listed Issuer issued a press release announcing the placement or the date of the price reservation notice, less the applicable discount (the “maximum discount”):

<i>Market Price</i>	<i>Maximum Discount</i>
\$0.50 or less	25%
\$0.51 - \$2.00	20%
Above \$2.00	15%

- (3) Notwithstanding any other provision in this Alpha Venture Plus Listing Handbook, any securities issued by an AlphaV+ Listed Issuer pursuant to a private placement, prospectus or any other transaction are subject to a minimum price per security of \$0.05 and a minimum exercise price per warrant, convertible security or Stock Option, as the case may be, of \$0.10.
- (4) The closing market price must be adjusted for any stock splits or consolidations and must not be influenced by the AlphaV+ Listed Issuer, any director or officer of the AlphaV+ Listed Issuer or any party with knowledge of the private placement.
- (5) If debt is to be exchanged for securities, the issue price is the face value of the debt divided by the number of securities to be issued. If the private placement



is of special warrants, the issue price is the total proceeds to the AlphaV+ Listed Issuer (before payment of any agent's or other fees) divided by the maximum number of securities that may be issued, assuming any penalty provisions are triggered. If warrants or other convertible securities are to be issued, the AlphaV+ Listed Issuer must also comply with section 6.07(5)

- (6) An AlphaV+ Listed Issuer wishing to do a private placement at the current market price may request price protection by giving Alpha Exchange confidential notice in writing. The price protection and any price reserved by way of press release expires if the transaction has not closed 45 days after the date on which it is given.
- (7) An AlphaV+ Listed Issuer that proposes to issue securities pursuant to a private placement must promptly Post a preliminary notice of the proposed placement (Form 7) at least 5 trading days prior the close of the private placement.
- (8) Upon closing of the placement the AlphaV+ Listed Issuer must Post:
  - (a) a final notice of the offering (Form 7), blacklined to the preliminary notice;
  - (b) a letter from the AlphaV+ Listed Issuer confirming receipt of proceeds;
  - (c) if applicable, a certified copy of the minutes of the shareholder meeting approving the placement containing the exact wording of the resolution and confirming that it was adopted by a majority of shareholders other than those excluded from voting by Alpha Exchange Requirements or corporate or securities law; and
  - (d) an opinion of counsel that the securities to be issued pursuant to the offering (and any underlying securities, if applicable) are or will be duly issued and are or will be fully paid and non-assessable.

## **6.06 Part and Parcel Pricing Exception for Private Placements**

Alpha Exchange may accept the pricing for a private placement at no less than the market price less the Maximum Discount on the day before the AlphaV+ Listed Issuer publicly announces a transaction constituting a material change, if the private placement and the material change were announced in the same



news release and the private placement is integral to the material change. The following conditions must be met at the time notice is Posted with Alpha Exchange:

- (1) The private placement funding must be specifically allocated and necessary for the material change. A general statement that the funds are for unspecified working capital requirements is not sufficient;
- (2) The AlphaV+ Listed Issuer and the places of the private placement (whether Related Persons of an Issuer or not) must ensure that they are not breaching the insider trading provisions of the relevant securities laws and Alpha Exchange Requirements; and
- (3) Warrants or other convertible securities cannot be part of a “part and parcel pricing” private placement unless:
  - (a) the minimum exercise price of the warrant or other convertible security is set at the following premium to the market price before the announcement, or

<b>Market Price</b>	<b>Percentage Premium</b>
up to \$0.50	50%
\$0.51 - \$2.00	25%
above \$2.00	15%

- (b) the exercise price of the warrant or other convertible security is the market price after the material change has been announced.



## 6.07 Securities Issuable on Conversion of an Option, Warrant and Convertible Securities Other Than Incentive Options

- (1) An AlphaV+ Listed Issuer can grant convertible or exchangeable securities to purchase additional AlphaV+ Listed Securities of the AlphaV+ Listed Issuer if the convertible or exchangeable securities are essential to the private placement. Participants of the private placement who are creditors and Related Persons of an Issuer must not be granted convertible or exchangeable securities on that part of their subscription that corresponds to the debt.
- (2) Securities issuable on conversion of an option (other than Stock Options), warrant or other convertible securities must not be issued at less than the market price on the trading day prior to the day on which a press release announcing the placement was issued. The price may be adjusted for any payment for the convertible security.

### **Commentary:**

If the market price was \$0.50 and a warrant sold for \$0.05, the conversion price could be \$0.45. If a convertible share were issued for \$1.00, it could not be convertible into more than 2 common shares.

- (3) Convertible securities may not be issued for no consideration except as “sweeteners” in conjunction with a private placement or public offering of AlphaV+ Listed Securities, in which case the number of securities issuable upon conversion cannot exceed the number of AlphaV+ Listed Securities initially placed or offered.
- (4) Except in exceptional circumstances and with the prior approval of a majority of Unrelated Directors of the AlphaV+ Listed Issuer, non-material changes to the characteristics of the security may not occur except pursuant to standard anti-dilution provisions. For greater certainty, the fact that a convertible security will expire out of the money is not an exceptional circumstance. An AlphaV+ Listed Issuer must submit a notice (Form 9) to Alpha Exchange at least five days prior to such proposed amendments. Any material changes must be approved by security holders other than by those whose securities are subject to such changes.





### **Commentary:**

This section applies to securities of an AlphaV+ Listed Issuer convertible into its own securities. Requirements for listed warrants of Other Listed Issuers are contained in section 6.20 of this Alpha Venture Plus Listing Handbook.

Materiality is a matter of judgment in the particular circumstance; an AlphaV+ Listed Issuer's board of directors must determine materiality. A "material" amendment to the terms of an option, warrant and convertible security include (but are not limited to), the following:

- a material extension of the term of the convertible security (for example: (i) an extension of a term of a grant by a month may be immaterial but becomes material if that additional month extends the grant past a date when an expected release of information is to occur; (ii) an extension of a grant with a term of 8 years for an additional year may be nonmaterial but becomes material if the exercise price is materially lower than the prevailing market price); or
- a re-pricing of any grant (where "re-pricing" means any of the following or any other action that has the same effect: (i) lowering of an conversion/exercise price of an option, warrant or convertible security after it is granted; (ii) any other action that is treated as a re-pricing under generally accepted accounting principles; or (iii) canceling an option, warrant or convertible security at a time when its conversion/exercise price exceeds the fair market value of the underlying security, in exchange for another security, unless the cancellation and exchange occurs in connection with an amalgamation, acquisition, spin-off or other similar corporate transaction.

(5) The total number of AlphaV+ Listed Securities to be issued on the exercise of the convertible or exchangeable securities must not exceed the number of securities issued pursuant to the private placement. Alpha Exchange will not permit "piggyback" warrants.

(6) A convertible or exchangeable security (other than a Stock Option) must expire within five years after the date of issuance of the securities.

## **6.08 Acquisitions**

(1) Securities may be issued as full or partial consideration at not less than the maximum discount permitted by section 6.05. Management of the AlphaV+ Listed Issuer is responsible for ensuring that the consideration received is reasonable and must retain copies of evidence of value including confirmation



of out-of-pocket costs or replacement costs, fairness options, geological reports, financial statements or valuations. This documentation must be made available to Alpha Exchange upon request.

- (2) A valuation is required to be conducted by an AlphaV+ Listed Issuer and submitted to Alpha Exchange in respect of an acquisition, if the fair market value of the asset, business or property interests being acquired is greater than 25% of the fair market value of the AlphaV+ Listed Issuer's operating assets, business or property interests prior to the acquisition. If Alpha Exchange in its discretion determines that the consideration received is not supported by value pursuant to an Acceptable Valuation Method, Alpha Exchange can impose escrow requirements applicable to an "established issuer" as detailed in NP 46-201 or as Alpha Exchange deems appropriate.
- (3) An AlphaV+ Listed Issuer that proposes to issue securities in consideration for an acquisition must promptly Post a preliminary notice of the proposed acquisition (Form 8), at least 5 trading days prior the close of the acquisition. If no securities are issued and a valuation is not required to be submitted to Alpha Exchange then the AlphaV+ Listed Issuer must promptly Post a notice of the proposed acquisition (Form 8), at least 2 trading days prior the close of the acquisition.
- (4) Upon closing of the acquisition the AlphaV+ Listed Issuer must Post:
  - (a) a final notice of the offering (Form 8), blacklined to the preliminary notice;
  - (b) a letter from the AlphaV+ Listed Issuer confirming closing of the transaction and receipt of the assets, transfer of title of the assets or other evidence of receipt of consideration for the issuance of the securities;
  - (c) if applicable, a certified copy of the minutes of the shareholder meeting approving the acquisition containing the exact wording of the resolution and confirming that it was adopted by a majority of shareholders other than those excluded from voting by Alpha Exchange requirements or corporate or securities law; and
  - (d) an opinion of counsel that the securities to be issued pursuant to the offering (and any underlying securities, if applicable) are or will be duly issued and are or will be fully paid and non-assessable.



## 6.09 Incentive and Compensation Options

(1) This section governs the issuance of incentive and compensation options, including Stock Options, other than overallotment options to an underwriter in a prospectus offering or options to increase the size of the distribution prior to closing, that are used as incentives or compensation mechanisms for employees, directors, officers, consultants and other Persons who provide services for AlphaV+ Listed Issuers.

### **Commentary:**

Amendments to Security Based Compensation Arrangements may be subject to board and shareholder approval as provided in section 10.09 of this Alpha Venture Plus Listing Handbook.

- (2) Stock Options may not have an exercise price lower than the closing market prices of the underlying securities on the trading day prior to the date of grant of the Stock Options.
- (3) AlphaV+ Listed Issuers should not price an option where the market price does not reflect undisclosed material information, unless the issuance of the option is granted to an arm's length party in connection with a material transaction that is not required to be disclosed at that time (e.g. an option issued to an employee of a company to be acquired issued as an incentive for them to remain).
- (4) An AlphaV+ Listed Issuer's Security Based Compensation Arrangement must state a maximum number of securities issuable pursuant to such plan either as a fixed number or percentage of the AlphaV+ Listed Issuer's outstanding securities.
- (5) An AlphaV+ Listed Issuer that has instituted a Security Based Compensation Arrangement must Post the following concurrent with the first grant under the plan:
- (a) a copy of the Security Based Compensation Arrangement; and
  - (b) if applicable, a certified copy of the minutes of the shareholder meeting approving the plan containing the exact wording of the resolution and



confirming that it was adopted by a majority of shareholders other than those excluded from voting by subsection 10.09.

- (6) Immediately following each grant, the AlphaV+ Listed Issuer must Post:
- (a) a notice of Security Based Compensation Arrangement grant or amendment (Form 9); and
  - (b) if the option is granted outside of the Security Based Compensation Arrangement, an opinion of counsel that the securities to be issued will be duly issued and will be fully paid and non-assessable.
- (7) An AlphaV+ Listed Issuer that has materially amended a Security Based Compensation Arrangement must Post the following forthwith after the amendment:
- (a) a copy of the Security Based Compensation Arrangement;
  - (b) if applicable, a certified copy of the minutes of the board of directors' meeting or shareholder meeting approving the amendment containing the exact wording of the resolution and confirming that it was adopted by a majority of directors or shareholders other than those excluded from voting by Alpha Exchange Requirements; and
  - (c) an opinion of counsel that any additional securities to be issued pursuant to the Security Based Compensation Arrangement will be duly issued and will be fully paid and non-assessable.

**Commentary:**

Materiality is a matter of judgment in the particular circumstance; an AlphaV+ Listed Issuer's board of directors must determine materiality.

- (8) A Security Based Compensation Arrangement that existed prior to the issuer becoming listed on Alpha Venture Plus must comply with the requirements of this section 6.09.



## 6.10 Rights Offerings

- (1) An AlphaV+ Listed Issuer intending to do a rights offering must inform Alpha Exchange immediately. Notice may be on a confidential basis if the terms have not been finalized.
- (2) The rights offering can be conditional; rights must be transferable and will be posted for trading on Alpha Venture Plus. Rights can be issued to purchase shares of a reporting issuer in Canada, listed on a Canadian exchange and categorized as a “venture” issuer. Shareholders must receive at least one right for each share held.
- (3) An AlphaV+ Listed Issuer must finalize the terms of the rights offering and obtain clearance from all applicable securities regulatory authorities at least seven trading days prior to the Record Date for a rights offering. “Ex” trading will begin two trading days prior to the Record Date, meaning purchasers on and after that date will not be entitled to obtain rights certificates. Trading in the rights will begin on the first day of “ex” trading in the AlphaV+ Listed Securities. If insufficient notice is given, Alpha Exchange will require the AlphaV+ Listed Issuer to delay the Record Date.
- (4) At least seven trading days prior to the Record Date the AlphaV+ Listed Issuer must Post the following:
  - (a) a copy of the final rights circular or prospectus as approved by the applicable securities regulatory authority;
  - (b) a written statement as to the date on which the offering circular and rights certificates will be mailed to shareholders (which must be as soon as practicable following the Record Date);
  - (c) Where the securities of the other issuer underlying the rights are listed on another exchange, Alpha Exchange will require evidence of a conditional approval letter approving such transaction; and
  - (d) an opinion of counsel that the securities to be issued on exercise of the rights will be duly issued and will be fully paid and non-assessable.



- (5) The AlphaV+ Listed Issuer must also provide Alpha Exchange with a specimen copy of the rights certificate at least seven trading days prior to the Record Date.
- (6) The rights offering must be open for a minimum of 21 days following the Record Date. Once the rights offering has commenced, there may be no amendments to its terms except as permitted by Alpha Exchange in extremely exceptional circumstances, such as an unanticipated postal strike that makes timely delivery of the circular and certificates impossible.
- (7) If the offering provides a rounding mechanism whereby rights holders holding less rights than are needed to buy one share can have their entitlement adjusted, arrangements must be made to ensure Beneficial Holders registered in the name of the Clearing Corporation or an intermediary will be treated as if they were Registered Holders of an Issuer.

#### **6.11 Issuer Bids**

- (1) An AlphaV+ Listed Issuer undertaking a formal issuer bid for a class of AlphaV+ Listed Securities must Post the following documentation:
  - (a) a notice of the issuer bid (Form 10) within one trading day following announcement of the bid; and
  - (b) a copy of the issuer bid circular required by applicable securities legislation as soon as practicable.
- (2) Normal course issuer bids are governed by sections 6.22 to 6.24 of this Alpha Venture Plus Listing Handbook.

#### **6.12 Take-Over Bids**

- (1) An AlphaV+ Listed Issuer undertaking a take-over bid must Post the following documentation:
  - (a) a notice of the take-over bid (Form 11) within one trading day following announcement of the bid;
  - (b) a copy of the take-over bid circular as soon as such document is filed on SEDAR; and



- (c) an opinion of counsel that any securities to be issued (and any underlying securities, if applicable) are or will be duly issued and are or will be fully paid and non-assessable as soon as practicable.
- (2) If the AlphaV+ Listed Issuer is offering a new class of securities as payment under the bid and wishes to list those securities, the provisions of section 6.20 (supplemental listings) and 6.21 (restricted securities) apply.

### **6.13 Additional Listings for Other Purposes**

- (1) An AlphaV+ Listed Issuer that wishes to issue securities of a class of AlphaV+ Listed Securities for any other purpose (for example bonus shares) must Post the following documentation within seven trading days (subject to any other timing requirements of the Handbook) prior to issuing the securities:
  - (a) a notice of additional listing (Form 12);
  - (b) copies of all relevant agreements; and
  - (c) an opinion of counsel that the securities to be issued (and any underlying securities, if applicable) are or will be duly issued and are or will be fully paid and non-assessable.

### **6.14 Sales from Control Person through the Facilities of Alpha Exchange**

- (1) Responsibility of Participating Organization and Seller. It is the responsibility of both the selling security holder and Member acting on their behalf to ensure compliance with Alpha Exchange Requirements and applicable securities laws. In particular, Member and selling security holders should familiarize themselves with the procedures and requirements set out in Part 2 of National Instrument 45-102 – *Resale of Securities* (“NI 45-102”).



**Commentary:**

If securities are to be sold from a Control Person pursuant to an order made under section 74 of the *Securities Act* (Ontario) or an exemption contained in subsection 72(1) of the *Securities Act* (Ontario) or Part 2 of OSC Rule 45-501, the securities acquired by the purchaser may be subject to a hold period in accordance with the provisions of the *Securities Act* (Ontario) or NI 45-102. Sales of securities subject to a hold period are special terms trades and will normally be permitted to take place on Alpha Exchange without interference.

(2) General Rules for Control Person Sales on Alpha Exchange.

- (a) Posting. The seller shall Post a Form 45-102F1 - *Notice of Intention to Distribute Securities* under subsection 2.8 of NI 45-102 with Alpha Exchange at least seven trading days prior to the first trade made to carry out the distribution.
- (b) Notification of Appointment of Participating Organization. The seller must notify Alpha Exchange of the name of the Member which will act on behalf of the seller. The seller shall not change the Member without prior notice to Alpha Exchange.
- (c) Acknowledgement of Participating Organization. The Member acting as agent for the seller shall give notice to Alpha Exchange of its intention to act on the sale from control before the first sale commences.
- (d) Report of Sales. The Member shall report in writing to the Alpha Exchange within five days after the end of each month the total number of securities sold by the seller during the month, and, if and when all of the securities have been sold, the Member shall so report forthwith in writing to Alpha Exchange.
- (e) Issuance of Alpha Exchange Notice. Alpha Exchange shall issue a notice respecting the proposed sale from control which notice will contain the name of the seller, the number of securities of the listed company held by the seller, the number proposed to be sold, and any other information that Alpha Exchange considers appropriate. Alpha Exchange may issue further notices from time to time regarding the sales made by the seller





- (f) Term. The Posting of Form 45-102F1 expires on the earlier of:
- (i) thirty days after the date the Form 45-102F1 was filed, and
  - (ii) the date the selling security holder, or the lender, pledgee, mortgagee or other encumbrancer, files the last of the insider reports reflecting the sale of all securities referred to in the Form 45-102F1
- (g) First Sale. The first sale cannot be made until at least seven trading days after the Posting of Form 45-102F1.

**Commentary:**

Alpha Exchange may, in circumstances it considers appropriate, require that special conditions be met with respect to any sales. Possible conditions include, but are not limited to, the requirement that the seller not makes a sale below the price of the last sale of a board lot of the security on Alpha Venture Plus which is made by another person or company acting independently.

(3) Restrictions on Control Person Sales on Alpha Exchange.

- (a) Private Agreements. A Member is not permitted to participate in sales from a Control Person by private agreement transactions.
- (b) Normal Course Issuer Bids. If the AlphaV+ Listed Issuer of the securities which are the subject of the sale from Control Person is undertaking a Normal Course Issuer Bid in accordance with Sections 6.22 to 6.24 of this Alpha Venture Plus Listing Handbook, the Normal Course Issuer Bid and the sale from Control Person will be permitted on the condition that:
- (i) the Member acting for the AlphaV+ Listed Issuer confirms in writing to Alpha Exchange that it will not bid for securities on behalf of the AlphaV+ Listed Issuer at a time when securities are being offered on behalf of the Control Person seller;
  - (ii) the Member acting for the Control Person seller confirms in writing to Alpha Exchange that it will not offer securities on behalf of the Control Person seller at a time when securities are being bid for under the Normal Course Issuer Bid; and



- (iii) transactions in which the AlphaV+ Listed Issuer is on one side and the Control Person seller on the other are not permitted.
- (c) Price Guarantees. The price at which the sales are to be made cannot be established or guaranteed prior to the seventh day after the Posting of Form 45-102F1 with Alpha Exchange.

## 6.15 Finder's Fees and Commissions

- (1) An AlphaV+ Listed Issuer which receives a measurable benefit through the efforts of a person who is not a Related Person of an Issuer can reward those efforts by paying a finder's fee or commission in the form of cash, securities, warrants or an interest in assets. Appropriate registration and prospectus exemptions must be available for any issuance of securities.

### **Commentary:**

The finder or agent must not be a Related Person of an Issuer, except to the extent that an agent may have been specifically commissioned to locate, arrange or acquire a benefit for the AlphaV+ Listed Issuer which it would not have otherwise obtained. Alpha Exchange can waive this requirement at its discretion if the AlphaV+ Listed Issuer provides satisfactory reasons for the finder's fee or commission.

The benefit to the AlphaV+ Listed Issuer can be the identification or introduction of subscribers to a private financing, or the sellers or buyers of an asset, or any other measurable benefit that has in fact been received by the AlphaV+ Listed Issuer. The amount of the benefit received is easily determined in the case of a specific financing. If the benefit is staged over time (for example an asset purchase or joint venture agreement), Alpha Exchange focuses on the benefit received in the first year.

### (2) Notice Requirements

- (a) The AlphaV+ Listed Issuer must give prompt notice of the finder's fee or commission to Alpha Exchange as described in section 6.15(9).
- (b) All AlphaV+ Listed Issuers must issue a news release about the transaction if it represents material information. Alpha Exchange



deems a transaction involving finder's fees or commissions to constitute material information.

- (3) If an AlphaV+ Listed Issuer proposes to pay fees for benefits to be received in the future, particularly more than one year, the fee or commission must be paid in stages as the benefits are received by the AlphaV+ Listed Issuer. However, if the outcome of a transaction is outside the control of the Person receiving the fee, and the benefit cannot reasonably be determined, Alpha Exchange will generally only permit the AlphaV+ Listed Issuer to pay a finder's fee or commission based on the finder's actual costs plus a reasonable profit to compensate for time and effort.
- (4) If the compensation is payable in AlphaV+ Listed Securities, the number of securities issued as finder's fees or commission is calculated by dividing the dollar value of the fee or commission by the market price for the AlphaV+ Listed Issuer's securities on the date that the fee becomes due. The restrictions as to the time of payment set out above apply to payments in shares as well.
- (5) If the compensation is payable in warrants or other convertible securities the AlphaV+ Listed Issuer may grant the finder or agent warrants or other convertible securities to acquire up to double the number of AlphaV+ Listed Securities that are permitted under the guidelines in section 6.15(4). The warrants or other convertible securities must be non-transferable and exercisable at no less than the greater of the placement or transaction price and the market price for those securities. Any warrants or other convertible securities granted will be subject to a maximum five year term from the date of the grant.

#### (6) Finder's Fee Limitations

The finder's fee limitations apply if the benefit to the AlphaV+ Listed Issuer is an asset purchase or sale, joint venture agreement, or if the benefit to the AlphaV+ Listed Issuer is not a specific financing. The consideration should be stated both in dollars and as a percentage of the value of the benefit received. Unless there are unusual circumstances, the finder's fee should not exceed the following percentages:



<b>Benefit</b>	<b>Finder's Fee</b>
On the first \$300,000	Up to 10%
From \$300,000 to \$1,000,000	Up to 7.5%
From \$1,000,000 and over	Up to 5%

As the dollar value of the benefit increases, the fee or commission, as a percentage of that dollar value should generally decrease.

(7) When a commission is paid as compensation, for a specific financing, the AlphaV+ Listed Issuer may negotiate the amount of compensation payable, as long as the AlphaV+ Listed Issuer does not issue warrants or other convertible securities which, assuming full exercise will represent more than 25% of the number of shares issuable pursuant to the financing.

(8) Application to Members.

(a) Bonuses, finder's fees and commissions payable to Members are governed by this section 6.15.

(b) Under Alpha Exchange Requirements, directors, officers, partners, registered representatives, traders, assistant traders and employees in or of Members cannot directly or indirectly sell properties or other assets to, or acquire properties or other assets from, AlphaV+ Listed Issuers without the prior specific approval of Alpha Exchange. For more certainty, except for Members, who are governed by the requirements set out in this Alpha Venture Plus Listing Handbook, these Persons also cannot receive any direct or indirect compensation for acting as a finder for, or agent of, an AlphaV+ Listed Issuer without the prior specific approval of Alpha Exchange.

(c) Alpha Exchange will not give its approval for any direct or indirect compensation contemplated in section 6.15(8)(a). If an AlphaV+ Listed Issuer proposes to pay a bonus, finder's fee or commission which is not permitted by the Alpha Exchange Requirements, the AlphaV+ Listed Issuer must disclose the proposed payment and the fact that the finder or agent falls within the defined category when submitting materials to Alpha Exchange for the relevant transaction.



- (d) The restrictions in sections 6.15(8)(b) and 6.15(8)(c) also apply to Persons who perform substantially the same functions as those Persons listed above, whether or not they are under the direct Membership jurisdiction of Alpha Exchange.
- (e) A Person who breaches these restrictions will be in a conflict of interest, which may affect the fitness of that Person to continue to be registered under the applicable securities laws.

#### (9) Filing Requirements

The AlphaV+ Listed Issuer must provide Alpha Exchange with prior written notice of the proposed bonus, finder's fee or commission. Subject to section 6.15(10), the notice, in the form of a formal letter, must provide the following information and accompanying documents:

- (a) notice from the AlphaV+ Listed Issuer or its counsel of any registration and prospectus exemptions being relied upon by the AlphaV+ Listed Issuer and the registration exemption being relied upon by the finder;
  - (b) a copy of the agreement relating to the bonus, finder's fee or commission;
  - (c) a copy of the related private placement, acquisition or loan agreement if not already Posted (Alpha Exchange prefers that these agreements be filed simultaneously);
  - (d) in the case of a finder's fee or commission confirmation that the finder or agent is not a Related Person of an Issuer; and
  - (e) the applicable fee.
- (10) Where there is a loan or advance of funds made to the AlphaV+ Listed Issuer that is provided in conjunction with, or in relation to, a proposed bonus, finder's fee or commission, then the notice referred to in section 6.15(9), must also include all details of the relevant loan.
- (11) The Issuer must issue a news release announcing the closing of the private placement, acquisition, loan agreement or any other transaction related to the issuance of the bonuses, finders' fees or commissions. The news release



must disclose the expiry dates of the hold period(s) for the securities issued as bonuses, finders' fees or commissions, and for any securities issued as part of the related transaction.

## **B. Substitutional Listings Related to Corporate Actions**

### **6.16 Name Change**

- (1) An AlphaV+ Listed Issuer that changes its name must Post the following at least seven trading days prior to the effective date in order to be listed under the new name:
  - (a) a notice of change of information (Form 20);
  - (b) a notarial or certified copy of the Certificate of Amendment or equivalent giving effect to the name change;
  - (c) confirmation from the registrar and transfer agent that it can effect transfer in the new issue on a book-only basis;
  - (d) confirmation of the new CUSIP number or that the number is unchanged; and
  - (e) confirmation that the issuer has notified commissions in all jurisdictions in which it is a reporting issuer of the name change.
- (2) Alpha Exchange may assign a new stock symbol. The AlphaV+ Listed Issuer should submit any requests in this regard in advance of the name change becoming effective.

### **6.17 Stock Subdivisions (Stock Splits)**

- (1) The AlphaV+ Listed Issuer must Post the following documentation at least seven trading days prior to the Record Date:
  - (a) a notice of the security split (Form 13);
  - (b) written confirmation of the Record Date;



- (c) an opinion of counsel that all necessary steps have been taken to effect the subdivision and that the securities to be issued will be duly issued and will be fully paid and non-assessable; and
  - (d) if the security split is part of a reclassification, confirmation of the new CUSIP number.
- (2) The securities will begin trading on a split basis two trading days prior to the Record Date.

### **6.18 Security Consolidations**

- (1) A new CUSIP number must be obtained for the consolidated securities.
- (2) An AlphaV+ Listed Issuer may not consolidate its securities if the total securities outstanding and number of Board Lot holders following the consolidation would be less than the minimums for continued listing set out in section 9.03.
- (3) To give effect to a security consolidation, the AlphaV+ Listed Issuer must Post the following:
  - (a) a notice of the security consolidation (Form 14);
  - (b) a certified copy of the minutes of the security holder meeting approving the consolidation;
  - (c) a certified copy of the Certificate of Amendment giving effect to the consolidation, or equivalent document;
  - (d) an opinion of counsel that all necessary steps have been taken to effect the consolidation; and
  - (e) confirmation of the new CUSIP number.
- (4) The securities will normally begin trading on a consolidated basis two or three trading days after all documents are filed.
- (5) Alpha Exchange will assign a new stock symbol when the securities begin trading on a consolidated basis. The AlphaV+ Listed Issuer should submit any requests in this regard in advance of the consolidation becoming effective.



## **6.19 Security Reclassifications with No Security Split**

- (1) An AlphaV+ Listed Issuer wishing to effect a security reclassification not involving a security split, a reclassification into more than one class of securities or other change to its capital structure must consult Alpha Exchange. The requirements to give effect to the reclassification will be tailored to the AlphaV+ Listed Issuer's particular situation.
- (2) To give effect to a security restructuring, the AlphaV+ Listed Issuer must Post the following:
  - (a) a notice of the security restructuring (Form 15);
  - (b) a certified copy of the minutes of the security holder meeting approving the restructuring;
  - (c) a copy of the Certificate of Amendment giving effect to the restructuring, or equivalent document;
  - (d) an opinion of counsel that all necessary steps have been taken to effect the reclassification, and that the new securities are or will be duly authorized and are or will be fully-paid and non-assessable; and
  - (e) confirmation of the new CUSIP number(s).
- (3) The new securities will normally begin trading three trading days after all documents are filed.
- (4) Alpha Exchange may assign a new stock symbol to the new securities. The AlphaV+ Listed Issuer should submit any requests in this regard in advance of the restructuring becoming effective.

## **C. Supplemental Listings**

### **6.20 Supplemental Listings Relating to a New Class or Series**

- (1) An AlphaV+ Listed Issuer or an Other Listed Issuer may apply to have a new class or series of securities listed and posted for trading on Alpha Venture Plus.





- (2) All original listing requirements and the distribution requirements apply to a supplemental listings relating to a new class or series of securities other than those supplemented subsection 6.20(3) and 6.20(4).
- (3) *Warrants* — Warrants issued by an AlphaV+ Listed Issuer to purchase AlphaV+ Listed Securities of its own issue must have at least 100,000 warrants outstanding held by at least 100 warrant holders, each holding at least 100 warrants, and the warrant indenture must provide that the terms of the warrants cannot be amended except pursuant to standard anti-dilution provisions.
- (4) *Preference Shares* — Each class of listed Preference Shares must have at least 100,000 shares outstanding held by at least 100 shareholders, each holding at least 100 shares.
- (5) The application for a supplemental listing of an AlphaV+ Listed Issuer must include the following:
  - (a) a completed Listing Application (Form 1 or 1A) together with the supporting documentation set out in Appendix A to the Listing Application (as it relates to the supplemental listing); and
  - (b) a draft Listing Statement (Form 2 or 2A).
- (6) Alpha Exchange will use its best efforts to review the application in a timely manner with due regard to any schedule for filing a prospectus. Alpha Exchange may require the AlphaV+ Listed Issuer to file additional documentation in order to properly conduct its review.
- (7) The AlphaV+ Listed Issuer must submit the following documentation for final listing approval and posting of its securities for trading on Alpha Venture Plus:
  - (a) an originally executed copy of the Listing Statement (Form 2 or 2A) dated within three business days of the date they are submitted together with any additions or amendments to any supporting documentation previously provided;
  - (b) an opinion of counsel that all securities previously issued of the class of securities to be listed or that may be issued upon conversion, exercise



or exchange of other previously-issued securities are or will be duly issued and are or will be outstanding as fully paid and non-assessable;

- (c) a letter from the transfer agent stating the number of securities outstanding and confirmation of the number of securityholders holding at least one Board Lot of the securities;
- (d) confirmation of the new CUSIP number;
- (e) a definitive specimen of the share certificate; and
- (f) the applicable fee.

#### **6.21 Restricted Securities**

- (1) An AlphaV+ Listed Issuer proposing a supplemental listing of a new class of Restricted Securities must comply with section 6.20 of this Alpha Venture Plus Listing Handbook.
- (2) An AlphaV+ Listed Issuer with listed Restricted Securities may not distribute any securities that have greater voting rights than any class of listed Restricted Securities (including by way of capital reorganization, a pro-rata distribution of securities or any transaction that would change the ratio of outstanding Restricted Securities to Common shares) unless the distribution is to all of the AlphaV+ Listed Issuer's Equity Shareholders on a *pro rata* basis and such distribution has been approved by the holders of the Restricted Securities.

### **D. Issuer Bids Through Alpha Exchange's Facilities**

#### **6.22 Normal Course Issuer Bids - Procedure**

- (1) Sections 6.22 through 6.24 apply
  - (a) to all Normal Course Issuer Bids by AlphaV+ Listed Issuers; and
  - (b) to all purchases of AlphaV+ Listed Securities by a trustee or other agent for a pension, stock purchase, stock option, dividend reinvestment or other plan in which employees or securities holders of an AlphaV+ Listed Issuer may participate if:



- (i) the trustee or agent is an employee, director, associate or affiliate of the AlphaV+ Listed Issuer; or
- (ii) the AlphaV+ Listed Issuer directly or indirectly controls the time, price, amount or manner of purchases or directly or indirectly influences the choice of the broker through which purchases are made.

**Commentary:**

The sections do not apply if the purchases are made on the specific instruction of the employee or security holder who will be the beneficial owner of the securities purchased.

- (2) An AlphaV+ Listed Issuer must not announce a Normal Course Issuer Bid or Post any documentation in connection with a Normal Course Issuer Bid if it does not have a present intention to purchase securities.
- (3) The maximum number of securities to be purchased under a Normal Course Issuer Bid cannot be a number that would make that class of securities ineligible for continued listing on Alpha Exchange assuming all the securities are purchased.
- (4) An AlphaV+ Listed Issuer intending to make a Normal Course Issuer Bid for a class of AlphaV+ Listed Securities must Post a draft notice of the Normal Course Issuer Bid (Form 16A) which states the maximum number of securities the issuer intends to purchase under the bid seven trading days prior to issuing a news release announcing the details of the bid; the final Form 16A must be Posted when the news release is disseminated.



**Commentary:**

An issuer may make a bid for less than the maximum number of securities permitted by the definition of Normal Course Issuer Bid. If so the Form 16A must contain the number of securities the issuer intends to purchase rather than simply stating the maximum number. Subsection (7) allows an AlphaV+ Listed Issuer to increase the maximum number of securities that are the subject of the bid.

Alpha will review the Form 16A to determine if the NCIB raises any market integrity concerns.

The news release announcing the bid must contain a summary of the information in Form 16A, including the maximum number of shares to be purchased, the reason for the bid, any restrictions on purchase and the number of shares purchased in the preceding twelve months.

- (5) A final Form 16A notice expires on the earlier of:
- (a) one year from the date of filing of the initial notice; and
  - (b) any earlier date specified in the notice.

**Commentary:**

An issuer wishing to continue a bid for more than one year must file a new Form 16A no later than the expiry date of the current form.

- (6) The maximum number of securities that can be purchased under the bid must be adjusted for stock splits, stock dividends and stock consolidations. The AlphaV+ Listed Issuer must Post an amended Form 16A reflecting the adjustment at the same time as it Posts the documentation required for the subdivision or consolidation.

- (7) If:

- (a) the original Form 16A specified purchases of less than the maximum number permitted under the definition of Normal Course Issuer Bid; or
- (b) the number of securities outstanding of the class that is the subject of the Normal Course Issuer Bid has increased by more than 25% from the date of Posting of the original Form 16A,



an AlphaV+ Listed Issuer must Post a revised Form 16A permitting the purchase of up to the greater of 10% of the Public Float or 5% of the outstanding securities as of the date of the Posting of the amended Form 16A.

- (8) An AlphaV+ Listed Issuer must Post a revised Form 16A in the event of any material change in the information in the current Form 16A as soon as practicable following the material change.

**Commentary:**

A change in the number of shares outstanding is not a material change requiring filing of an amended form unless the issuer is increasing the number of shares it intends to purchase pursuant to subsection (7). A decrease in the number of shares the issuer intends to purchase is a material change.

- (9) An AlphaV+ Listed Issuer must issue a news release prior to or concurrently with the filing of any amended Form 16A containing full details of the amendment.
- (10) An amended Form 16A expires on the same date as the original Form 16A.
- (11) Within 10 days of the end of each calendar month, the AlphaV+ Listed Issuer, trustee or agent must Post a completed Form 16B indicating the number of securities purchased in the previous month on Alpha Exchange and otherwise including the volume weighted average price paid.

**6.23 Normal Course Issuer Bids — Restrictions on Purchases**

- (1) An AlphaV+ Listed Issuer, trustee or agent may only appoint one Member at any one time to make purchases under the bid. The AlphaV+ Listed Issuer must notify the Market Regulator and Alpha Exchange of the name of the Member and the registered representative responsible for the bid. To assist Alpha Exchange in its surveillance function, the AlphaV+ Listed Issuer is required to provide written notice to Alpha Exchange before it intends to change its purchasing Member. The purchasing Member shall be provided with a copy of the Form 16A and be instructed to make purchases in accordance with the provisions herein and the terms of such notice.



- (2) Normal course issuer bid purchases may not be made by intentional crosses, prearranged trades or private agreements, except for purchases under the block purchase exemption in subsection 6.24(5).
- (3) If a Normal Course Issuer Bid is outstanding at the time a sale from a Control Person under Part 2 of National instrument 45-102 - *Resale of Securities* is underway, the Member making purchases under the bid must ensure that it is not bidding for securities at the same time securities are offered under the sale from control.
- (4) An AlphaV+ Listed Issuer must not purchase securities under a Normal Course Issuer Bid while a formal issuer bid for the same securities is outstanding. This restriction does not apply to a trustee or agent making purchases for a plan in which employees or security holders participate.
- (5) If an AlphaV+ Listed Issuer has a securities exchange take-over bid outstanding at the same time as a Normal Course Issuer Bid is outstanding for the offered securities, the AlphaV+ Listed Issuer may only make purchases under the Normal Course Issuer Bid permitted by OSC Rule 48-501 - *Trading During Distributions, Formal Bids and Stock Exchange Transactions*.
- (6) An AlphaV+ Listed Issuer, trustee or agent may not make any purchases under a Normal Course Issuer Bid while in possession of any material information that has not been disseminated under Part IV of this Alpha Venture Plus Listing Handbook.
- (7) Failure of a Member making purchases pursuant to a normal course issuer bid to comply with any requirement herein may result in the suspension of the bid.

#### **6.24 Normal Course Issuer Bids — Limits on Price and Volume**

- (1) Normal Course Issuer Bid purchases may not begin until two trading days after the later of:
  - (a) the Posting of a Form 16A or amended Form 16A in connection with the bid; and
  - (b) the issuance of a news release containing details of the Form 16A or amended Form 16A.



(2) It is inappropriate for an AlphaV+ Listed Issuer making a normal course issuer bid to abnormally influence the market price of its securities. Normal course issuer bid purchases must be made at or below the price of the last independent trade of the security at the time of purchase. Notwithstanding the foregoing, a violation to the preceding rule will not occur where: (i) the independent trade occurred no more than one second before the Normal Course Issuer Bid purchase that created the uptick; (ii) the independent trade is a down tick to the previous trade and the Normal Course Issuer Bid purchase would not have created an uptick to the trade prior to the last independent trade; and (iii) the price difference between the independent trade and the Normal Course Issuer Bid purchase was not more than \$0.02.

**Commentary:**

The following are not considered independent trades, whether made directly or indirectly:

- trades for the account or an insider of the AlphaV+ Listed Issuer or for an account under the direction of an insider;
- trades for the account of the Member making purchases under the bid or under the direction of the Member;
- trades solicited by the Member making purchases under the bid; and
- trades made by the Member making purchases for the bid in order to facilitate a subsequent block purchase by the AlphaV+ Listed Issuer.

Alpha Exchange will not consider this section to be violated by an inadvertent uptick caused by a change in the last sale price that occurred immediately prior to the entry of the purchase order.

(3) Normal course issuer bid purchases may not be made at the opening of trading or during the 30 minutes prior to the scheduled closing of the continuous trading session. Orders may be entered in the closing call notwithstanding the price restriction in subsection (2).

(4) Except as provided in subsection (5), an AlphaV+ Listed Issuer must not make a purchase that, when aggregated with all other purchases during the same trading day, exceeds the greater of:



- (a) 25% of the Average Daily Trading Volume of the security; and
  - (b) 1,000 of such securities.
- (5) Notwithstanding the restriction in subsection (4), an AlphaV+ Listed Issuer may make a purchase of a block of securities that:
- (a) has a purchase price of at least \$200,000;
  - (b) is at least 5,000 securities with an aggregate purchase price of at least \$50,000; or
  - (c) is at least 20 Board Lots and is greater than 150% of the Average Daily Trading Volume of the security,
- provided that:
- (d) the block is not beneficially owned by, or is not under the control or direction of, a Related Person of an Issuer;
  - (e) the AlphaV+ Listed Issuer makes no more than one purchase under this subsection in a calendar week; and
  - (f) after making a block purchase, the AlphaV+ Listed Issuer makes no further purchases during that trading day.

**Commentary:**

The block purchase exemption is only an exemption from the daily purchase restrictions. AlphaV+ Listed Issuers cannot make a block purchase that would result in more shares purchased than permitted under the Form 16A filed in connection with the bid.

- (6) An AlphaV+ Listed Issuer must not make a purchase that, when aggregated with all other purchases during the preceding 30 days, exceeds 2% of the securities of that class outstanding as of the date of filing of the Form 16B in connection with the bid.





## E. Shareholder Rights Plans

### 6.25 Shareholder Rights Plans - Procedure

- (1) This section applies to any shareholder rights plan, commonly known as a “poison pill,” adopted by an AlphaV+ Listed Issuer, whether or not the rights entitle a shareholder to purchase an Alpha Listed Security.

**Commentary:**

Alpha Exchange does not endorse or prohibit the adoption of poison pills, whether or not in connection with a potential take-over bid. Poison pills are subject to review by the applicable securities commissions under National Policy 62-202 – *Take-Over Bids — Defensive Tactics*.

- (2) An AlphaV+ Listed Issuer must Post the following documentation as soon as practicable after issuing a news release with details of the plan:

- (a) a notice of the shareholder rights plan (Form 19); and
- (b) a copy of the shareholder rights plan.

- (3) A shareholder rights plan may not exempt particular security holders from the operation of the plan, except for existing shareholders if there is minority shareholder approval.

**Commentary:**

Minority shareholder approval means the approval of security holders who are not exempted from the plan.

- (4) Security holders of the AlphaV+ Listed Issuer must ratify the shareholder rights plan no later than six months following the adoption of or any material amendments to the plan. If security holder ratification is not obtained within this time period, the plan must be cancelled.

- (5) The AlphaV+ Listed Issuer must issue a news release immediately upon the occurrence of an event causing the rights to separate from the Alpha Listed Security.



## Part VII. Significant Transactions

### 7.01 Notification

- (1) An AlphaV+ Listed Issuer must give notice of significant transactions that do not involve the issuance of securities. Alpha Exchange considers the following to be significant transactions:
- (a) any transaction or series of transactions with a Related Person of an Issuer with an aggregate value greater than 10% of the AlphaV+ Listed Issuer's market capitalization on a pre-transactional basis;
  - (b) any loan to an AlphaV+ Listed Issuer other than by a financial intermediary (as defined in OSC Rule 14-501 - *Definitions*);
  - (c) any loan by an AlphaV+ Listed Issuer unless such loan is in the ordinary course of business;
  - (d) a disposition that involves the sale of more than 50% of the AlphaV+ Listed Issuer's assets, business or undertaking; or
  - (e) any payment of a bonus, finder's fee, commission or other similar payment in connection with an issuance of securities.

#### **Commentary:**

Alpha Exchange requires notice of significant transactions that are outside of the ordinary course of business that may raise market integrity issues. The above list details what transactions Alpha Exchange will consider to be outside of the ordinary course of business, however, Alpha Exchange, in its discretion, may deem other transactions to be significant transactions requiring compliance with this Part.

- (2) In addition, an AlphaV+ Listed Issuer must provide additional details of any transaction or development it is obliged to disclose under Alpha Exchange's Timely Disclosure Policy.

#### **Commentary:**



Alpha Exchange expects that an AlphaV+ Listed Issuer will provide updates to the market when material changes occur in respect of a significant transaction. An AlphaV+ Listed Issuer must provide sufficient details of any such developments to provide the market with a meaningful update. Examples of such changes include, but are not limited to: changes in the closing date of the acquisition; changes in consideration offered; creation of a new Related Person of an Issuer; and any risks involved in the acquisition.

- (3) A transaction that results in a Change of Business may be subject to the backdoor listing rules contained in Part VIII of this Alpha Venture Plus Listing Handbook. Significant related party transactions may also be subject to Multilateral Instrument 61-101 - *Protection of Minority Security Holders in Special Transactions*.
- (4) AlphaV+ Listed Issuers intending to undertake a transaction for which notice is required must Post a notice of significant transaction (Form 17):
  - (a) seven trading days prior to the public announcement of the transaction for all transactions which have an aggregate value greater than 10% of the AlphaV+ Listed Issuer's market capitalization on a pre-transactional basis; or
  - (b) one trading day following the public announcement of the transaction for all other transactions.

All notices will be confidentially held by Alpha Exchange until the public announcement is made.

- (5) The AlphaV+ Listed Issuer must notify Alpha Exchange when the transaction has closed.



## Part VIII. Backdoor Listings

### 8.01 Definition

- (1) Alpha Exchange considers a significant acquisition by an AlphaV+ Listed Issuer accompanied or preceded by a change of control to be a “backdoor listing.”

**Commentary:**

A significant acquisition is any change, whether by asset purchase, take-over bid, amalgamation, arrangement, merger or otherwise that substantially change's the AlphaV+ Listed Issuer's business. A business is considered to be substantially changed if more than 50% of the issuer's assets or 50% of its revenues following the change are from the assets, business or other interest that is the subject of the significant acquisition.

A change of control results when an AlphaV+ Listed Issuer issues more than 100% of the number of equity securities in connection with the significant acquisition (including an offering to raise money to be able to make a cash acquisition) or otherwise has a substantial change in management or the board of directors of the AlphaV+ Listed Issuer.

- (2) Alpha Exchange has discretion to deem any transaction or series of transactions to be a backdoor listing which will result in the AlphaV+ Listed Issuer having to comply with all of the original listing requirements detailed in sections 2.09 and 2.10. AlphaV+ Listed Issuers are urged to consult with Alpha Exchange at an early stage when contemplating any transaction that might be considered a backdoor listing.
- (3) For clarity, a Change of Business is subject to the provisions of this Part as if it were a backdoor listing.

### 8.02 Exception

- (1) Backdoor listings are subject to additional regulation because the business of the AlphaV+ Listed Issuer has fundamentally changed such that the AlphaV+ Listed Issuer's past disclosure is not as relevant to the entity resulting from the significant acquisition. A transaction involving two or more AlphaV+ Listed



Issuers may not give rise to these concerns and such transaction may not be considered a backdoor listing; however, an AlphaV+ Listed Issuers should consult with Alpha Exchange prior to undertaking a transaction with another AlphaV+ Listed Issuer which will result in a backdoor listing.

### **8.03 Procedure**

- (1) An AlphaV+ Listed Issuer undergoing a backdoor listing must meet the standards and follow the procedures outlined for an original listing; including those outlined in section 2.11 of this Alpha Venture Plus Listing Handbook. In addition, it must obtain security holder approval for the significant acquisition. For this purpose, holders of Restricted Securities must be entitled to vote with the holders of any class of securities of the AlphaV+ Listed Issuer which otherwise carry greater voting rights, on a basis proportionate to their respective residual equity interests in the AlphaV+ Listed Issuer.
- (2) The information circular or management proxy circular must contain prospectus-level disclosure for the resulting issuer, including historical financial statements for the company that is the target of the significant acquisition and pro forma consolidated financial statements for the last full fiscal year and any completed quarter of the current fiscal year. This information must also be included in the listing statement for the resulting issuer. Alpha Exchange will require the AlphaV+ Listed Issuer to file a draft of the information circular or management proxy circular with Alpha Exchange for review at least 10 trading days before it sends the circular to security holders.
- (3) Securities issued pursuant to a backdoor listing will be subject to the Maximum Discount, minimum pricing and other requirements detailed in sections 6.05, 6.06 and 6.07 of this Alpha Venture Plus Listing Handbook.
- (4) As soon as an AlphaV+ Listed Issuer notifies Alpha Exchange of a proposed backdoor listing, the securities of the AlphaV+ Listed Issuer will be immediately subject to a trading halt.
- (5) The securities of the AlphaV+ Listed Issuer will remain halted until each of the following has occurred:



- (a) Alpha is provided with written confirmation from the AlphaV+ Listed Issuer's legal counsel, confirming that a pooling arrangement is in place; and
- (b) a comprehensive news release prepared and accepted by Alpha Exchange which contains the following (at a minimum):
  - (i) the date of the agreement in respect of the backdoor listing;
  - (ii) a description of the target assets, including:
    - (A) the industry sector in which the resulting AlphaV+ Listed Issuer will be involved upon the completion of the backdoor listing;
    - (B) the history and nature of business previously conducted by the AlphaV+ Listed Issuer, and
    - (C) a summary of any available significant financial information (with an indication as to whether such information is audited or unaudited and the date it was prepared);
  - (iii) a description of the terms of the backdoor listing including the amount of proposed consideration, how the consideration will be paid and specifying the amounts to be paid by way of cash, securities, indebtedness or other means;
  - (iv) the location of the target assets and, in the case of the acquisition of a target company, the jurisdiction of incorporation or creation of the target company;
  - (v) the full names and jurisdictions of residence of each of the vendors and, if any of the vendors is a company, the full name and jurisdiction of incorporation or creation of that company and the name and jurisdiction of residence of each of the individuals who directly or indirectly beneficially holds a controlling interest in, or who otherwise controls or directs that Company;
  - (vi) identification of:



- (A) any direct or indirect beneficial interest of any of the Related Persons of the AlphaV+ Listed Issuer in the target assets;
  - (B) any Related Persons of the AlphaV+ Listed Issuer that would also be considered Related Persons of the target company; and
  - (C) any relationship between or among the non-arm's length parties of the AlphaV+ Listed Issuer and the non-arm's length parties of the target company and the names and backgrounds of all Persons who will constitute principals of the resulting AlphaV+ Listed Issuer;
- (vii) a description of any financing arrangement for or in conjunction with the backdoor listing including the amount, security, terms and use of proceeds;
  - (viii) a description of any deposit or loan to be made;
  - (ix) an indication of any significant conditions required to complete the backdoor listing;
- (c) Alpha Exchange has received a Personal Information Form (Form 3) or, if applicable, a Declaration (Form 3A) for each person who is or may become a Related Person of an Issuer;
- (d) Alpha Exchange has completed all preliminary background searches it considers necessary or advisable; and
- (e) Alpha Exchange has completed a preliminary assessment of the ability of the AlphaV+ Listed Issuer to satisfy Alpha Exchange Requirements following backdoor listing and reviewed any potentially significant issues involved.
- (f) Despite the foregoing, Alpha Exchange may nonetheless continue or reinstate a halt in trading of the securities of an AlphaV+ Listed Issuer for reasons that may include:
- (i) documentation is not submitted within the time periods prescribed by Alpha Exchange Requirements;



- (ii) the nature of the business of the combined entities is or will be unacceptable to Alpha Exchange;
  - (iii) the number of conditions precedent that are required to be satisfied by the AlphaV+ Listed Issuer, in order to complete the backdoor listing, or the nature or number of any deficiency or deficiencies required to be resolved is or are, so significant or numerous, as to make it appear to Alpha Exchange that the halt should be reinstated or continued; or
  - (iv) Alpha Exchange determines that it is appropriate or in the public interest.
- (6) Alpha Exchange will generally not accept Stock Options granted in connection with a backdoor listing:
- (a) until at least 30 days have passed since the completion date and at least ten trading days have passed since the day on which trading in the AlphaV+ Listed Issuer's securities resumes; or
  - (b) unless the exercise price is equivalent to or greater than the price of a concurrent financing (of which a significant percentage of the subscribers are at arm's length to the AlphaV+ Listed Issuer or resulting AlphaV+ Listed Issuer) done in conjunction with the backdoor listing, and the issuance was disclosed in the disclosure document and any offering document.
- (7) The AlphaV+ Listed Issuer must file a consent letter from any auditor, engineer, appraiser or other expert (an "Expert") named in the disclosure document provided to security holders as having prepared or rendered a report, opinion or valuation (a "Report") on any part of the disclosure document or named as having prepared a Report filed in connection with the disclosure document. The letter must consent to the inclusion of or reference to the Expert's Report, and state that the Expert has read the disclosure document and has no reason to believe that there are any misrepresentations contained in it which are derived from the Expert's Report or of which the Expert is otherwise aware. In the case of the consent of an auditor, the letter must also state:





- (a) the date of the financial statements on which the Report is based, and
  - (b) that the auditor has no reason to believe that there are any misrepresentations in the information contained in the disclosure document:
    - (i) derived from the financial statements on which the auditor has reported, or
    - (ii) within the knowledge of the auditor as a result of the audit of the financial statements.
- (8) An AlphaV+ Listed Issuer must obtain security holder approval of a backdoor listing before the date on which Alpha Exchange provides its final notice in respect of the backdoor listing. Security holder approval must be obtained at a meeting:
- (a) by a majority of votes cast by security holders where the transaction is not a related party transaction subject to Multilateral Instrument 61-101 - *Protection of Minority Holders in Special Transactions* (“MI 61-101”);
  - (b) where the transaction is a related party transaction subject to MI 61-101 or other circumstances exist which may compromise the independence of the AlphaV+ Listed Issuer with respect to the transaction, by a majority of the votes cast by security holders, excluding those votes attaching to securities beneficially owned by:
    - (i) Related Person of an Issuer in respect of the AlphaV+ Listed Issuer, and
    - (ii) Related Person of an Issuer in respect of the Change of Business or backdoor listing,
  - (c) by means of minority security holder approval pursuant to MI 61-101; and
  - (d) the provisions of Section 10.06 below apply to approvals obtained under this subsection.
- (9) The AlphaV+ Listed Issuer must issue a subsequent news release:



- (a) every time there is material change relating to the backdoor listing and in accordance with applicable Securities Laws;
  - (b) every 30 days following the initial news release, to update the status of the backdoor listing;
  - (c) when an AlphaV+ Listed Issuer intends to continue a trading halt. The news release must disclose the AlphaV+ Listed Issuer's intention to remain halted; and
  - (d) when the backdoor listing has closed.
- (10) Following Alpha Exchange's preliminary acceptance notice of the AlphaV+ Listed Issuer's Posting, the AlphaV+ Listed Issuer must Post the following documents with Alpha Exchange:
- (a) a copy of the information circular to be provided to Shareholders where applicable;
  - (b) the financial statements as required by NI 51-102, included in the information circular, including balance sheets originally signed by two directors and originally signed auditor's reports;
  - (c) a copy of any material contract or agreement previously filed with Alpha Exchange in draft form; and
  - (d) the consent of an Expert in respect of their Report.
- (11) Following the security holder approval, the AlphaV+ Listed Issuer must Post the following documents with Alpha Exchange:
- (a) a certified copy of the scrutineer's report which details the results of the vote on the resolution to approve the backdoor listing. The report must confirm that applicable minority approval pursuant to this Part was obtained. If applicable, the report must confirm that security holder approval was obtained on any other matters in respect of which it was required;
  - (b) an original or notarial certified copy of any escrow agreement(s) required to be entered into pursuant to section 8.03(12);



- (c) a legal opinion or officer's certificate confirming that all closing conditions other than the issuance of Alpha Exchange's final approval notice have been satisfied; and
  - (d) the balance of the applicable fees.
- (12) If an Acceptable Valuation Method is not used to determine the consideration attributed to the issuance price of securities in respect of a backdoor listing, Alpha Exchange will not approve the backdoor listing.
  - (13) Principals of the resulting issuer must enter into an escrow agreement with Alpha Exchange that complies with the requirements of NP 46-201. Alpha Exchange will require the AlphaV+ Listed Issuer provide a draft of such escrow agreement(s) to Alpha Exchange for review at least 10 trading days prior to its execution. The terms of the escrow agreement must be drafted as if the AlphaV+ Listed Issuer were an "established issuer" pursuant to the terms of NP 46-201.
  - (14) At the opening of trading two trading days after the issuance of the Alpha Exchange notice, the securities of the resulting AlphaV+ Listed Issuer will commence trading.

#### **8.04 Alpha Exchange Acceptable Valuation Methods**

An AlphaV+ Listed Issuer can assign value for the purpose of calculating the issuance price of a security in the context of a backdoor listing or for certain acquisitions in any one of the following ways (i.e. by taking the total valuation and dividing it by the number of securities issued or to be issued):

- (1) a formal valuation or appraisal prepared by independent, qualified parties, such as chartered business valuers and for resource transactions, Qualified Persons, as defined in National Instrument 43-101 or Qualified Valuers, as defined in the Canadian Institute of Mining, Metallurgy and Petroleum Standards and Guidelines for Valuation of Mineral Properties ("CIMVal");
- (2) for an oil and gas property, a geological report based on constant dollar pricing, discounted at 15% and probable reserves risked a further 50%;
- (3) for mining issuers and other exploratory natural resource issuers:



- (a) deferred expenditures incurred within the five previous years for exploration or development of the property on which the Issuer intends to conduct a recommended work program in the next 12 months; or
  - (b) a valuation report prepared in accordance with the standards and guidelines of CIMVal.
- (4) for start-up industrial or technology issuers, deferred expenditures or expenses (excluding general and administrative expenses) incurred within the five previous years which have contributed to or can reasonably be expected to contribute to the future operations of the Issuer and which are supported by audited financial statements or an audited statement of costs. (Valuations will not generally be accepted for Issuers that have not yet generated significant revenue);
- (5) for research and development issuers, deferred expenditures (excluding general and administrative costs) incurred within the five previous years, as evidenced by audited financial statements or an audited statement of costs, which have contributed to or can reasonably be expected to contribute to the development of the product or technology for which the Issuer intends to conduct a recommended research and development program in the next 12 months and, if applicable, which constitutes the basis for the Issuer's listing;
- (6) net tangible assets;
- (7) five times average annual cash flow;
- (8) the value of a concurrent majority arm's length private placement or public offering (a "Financing"), provided that the subscribers have been advised of the transaction and the number of securities to be issued pursuant to the Financing will represent at least 20% of the issued and outstanding Listed Securities of the AlphaV+ Listed Issuer upon completion of the transaction and the Financing; or
- (9) some other determination of value acceptable to Alpha Exchange.

The value ascribed to the assets, business or property (or interest) which is indicated by a concurrent Financing generally is calculated as follows:



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Gross proceeds of Financing x Total # of Securities Outstanding upon Completion of Transaction  
# of Securities to be issued pursuant to Financing



## **Part IX. Suspensions, Delisting and Other Remedial Actions**

### **9.01 General**

- (1) Alpha Exchange or the Market Regulator may halt or suspend trading in an Alpha Listed Security at any time without notice if such halt or suspension is in the public interest.
- (2) Part IX applies to all AlphaV+ Listed Issuers, including Foreign Issuers.

### **9.02 Halts**

- (1) Alpha Exchange or the Market Regulator may order a halt to trading and order entry in an Alpha Listed Security to permit the dissemination of material news concerning the issuer. Alpha Exchange may also halt trading and order entry in an Alpha Listed Security if an AlphaV+ Listed Issuer violates Alpha Exchange Requirements or is conducting a backdoor listing.
- (2) During the period of a trading halt imposed by the Market Regulator or Alpha Exchange, no trading in the securities may take place on other marketplaces or over-the-counter.

### **9.03 Suspensions**

- (1) Without limiting the general power to suspend trading, the Head of Listings or his or her delegate may suspend trading of an AlphaV+ Listed Issuer's securities where:
  - (a) the AlphaV+ Listed Issuer has become insolvent or bankrupt or has made an assignment to creditors;
  - (b) the AlphaV+ Listed Issuer has ceased to carry on business or a significant portion of its business or has announced its intention to cease to carry on business or a significant portion of its business;
  - (c) the AlphaV+ Listed Issuer's financial statements or the auditor's report thereon state that the AlphaV+ Listed Issuer may not be able to continue as a going concern;
  - (d) the AlphaV+ Listed Issuer has pre-tax cash flow from continuing operations of less than \$100,000; or



- (e) the AlphaV+ Listed Issuer has shareholder equity of less than \$1,000,000;
  - (f) the AlphaV+ Listed Issuer has:
    - (i) Public Shareholders holding less than 500,000 AlphaV+ Listed Securities and less than 125 Public Shareholders each holding a Board Lot; or
    - (ii) a Public Float with a value less than \$500,000;
  - (g) the AlphaV+ Listed Issuer who has listed warrants does not have at least 50,000 warrants outstanding held by at least 50 warrant holders, each holding at least 50 warrants;
  - (h) the AlphaV+ Listed Issuer who has listed Preference Shares does not have at least 50,000 Preference Shares outstanding held by at least 50 shareholders, each holding at least 50 Preference Shares;
  - (i) the AlphaV+ Listed Issuer is in violation of its listing agreement or Alpha Exchange Requirements;
  - (j) the AlphaV+ Listed Issuer is not in compliance with applicable securities or corporate law;
  - (k) the AlphaV+ Listed Issuer has not paid when due applicable fees to Alpha Exchange; or
  - (l) Alpha Exchange considers a suspension to be in the public interest or in the interest of a fair and orderly market.
- (2) Unless the public interest or the interest of a fair and orderly market warrants otherwise, Alpha Exchange will give the AlphaV+ Listed Issuer prior notice of its intention to suspend the AlphaV+ Listed Issuer and allow the issuer an opportunity to be heard. At the same time the AlphaV+ Listed Issuer is notified, Alpha Exchange will issue a press release indicating it is considering a suspension.

**Commentary:**



A Decision to suspend an AlphaV+ Listed Issuer may be appealed as provided in 0 of this Alpha Venture Plus Listing Handbook.

- (3) During a suspension, the AlphaV+ Listed Issuer remains an AlphaV+ Listed Issuer and must comply with all applicable Alpha Exchange Requirements.
- (4) In order to have a suspension lifted, the AlphaV+ Listed Issuer must meet the requirements for original listing and meet such other requirements as Alpha Exchange may establish.

#### **9.04 Declaration of Non-Compliance**

- (1) If an AlphaV+ Listed Issuer has failed to comply with Alpha Exchange Requirements or applicable securities law or has failed to pay applicable fees, the Head of Listings may publicly identify the AlphaV+ Listed Issuer as non-compliant if, in his or her opinion, suspension of trading of the AlphaV+ Listed Issuer's securities would not be an appropriate remedy for the failure to comply.

**Commentary:**

A declaration of non-compliance is a statement that an AlphaV+ Listed Issuer is not in compliance with Alpha Exchange Requirements. The said declaration will be made public. It does not require that the issuer have intentionally breached them nor does it matter what the reason for the breach was.

#### **9.05 Public Reprimand**

- (1) If an AlphaV+ Listed Issuer has failed to comply with Part IV, Part V, or Part X of this Alpha Venture Plus Listing Handbook, the Head of Listings may publicly reprimand the AlphaV+ Listed Issuer if suspension of trading of the AlphaV+ Listed Issuer's securities would not be an appropriate remedy for the failure to comply.

**Commentary:**

In making a determination to issue a public reprimand, the Head of Listings will consider whether the failure to comply:

- (a) was advertent;





- (b) materially affected shareholders' interests;
- (c) was rectified by the AlphaV+ Listed Issuer;
- (d) resulted from reliance on the advice of an independent advisor;  
and
- (e) was one of a series of similar failures.

A public reprimand is a censure of conduct that Alpha Exchange considers inappropriate for an AlphaV+ Listed Issuer. It does not necessarily involve a breach of Alpha Exchange Requirements. Alpha Exchange will not issue a reprimand for an innocent breach, but would for negligence or incompetence. The reprimand would be issued where the conduct is serious enough to warrant a regulatory response, but not so serious as to justify a suspension or a finding that a person is unfit to be an insider of the AlphaV+ Listed Issuer. For example, the late filing of financial statements by one day would trigger a regulatory response but it may not be necessary for Alpha Exchange to suspend trading for the inadvertent late filing but a public reprimand would be appropriate.

- (2) Alpha Exchange will give the AlphaV+ Listed Issuer prior notice of its intention to issue a reprimand.

**Commentary:**

A Decision to issue a reprimand may be appealed as provided in 0 of this Alpha Venture Plus Listing Handbook. Issuance of the reprimand will be stayed pending the outcome of the appeal.

## **9.06 Delisting**

- (1) If within 150 days of the date of suspension or earlier if a date has been specified in the notice of suspension: (a) a suspended AlphaV+ Listed Issuer fails to meet the original listing requirements; or (b) the suspension has not been lifted, the AlphaV+ Listed Issuer shall be automatically Delisted without further notice. Notwithstanding the forgoing, an AlphaV+ Listed Issuer may be Delisted at such earlier time upon notice of Delisting from Alpha Exchange.
- (2) An AlphaV+ Listed Issuer may voluntarily request that all or a class of its AlphaV+ Listed Securities be Delisted. Such request must be in writing, set out the reasons for the request and be accompanied by a certified copy of a



resolution of the AlphaV+ Listed Issuer's board of directors (or equivalent) authorizing the request. Alpha Exchange may not Delist the AlphaV+ Listed Securities of an issuer unless a satisfactory alternative market exists. Notwithstanding the foregoing, if two-thirds of disinterested shareholders approve the Delisting without an alternative market then Alpha Exchange will comply with the request to Delist.

**Commentary:**

An AlphaV+ Listed Issuer can request to Delist from Alpha Venture Plus to become an Alpha Main Listed Issuer; in this regard, such listing will be considered a satisfactory alternative market. In order for an AlphaV+ Listed Issuer to graduate to become an Alpha Main Listed Issuer, such issuer must make an application to Alpha Exchange and meet the original listing requirements for an Alpha Main Listed Issuer. A graduation of an AlphaV+ Listed Issuer to an Alpha Main Listed Issuer is considered a material change; it may also be a material change under applicable securities laws. If an AlphaV+ Listed Issuer becomes an Alpha Main Listed Issuer, the AlphaV+ Listed Issuer must issue a news release announcing the transfer and its resulting effect on any securities of the AlphaV+ Listed Issuer. A graduating AlphaV+ Listed Issuer may keep their symbol.



## **Part X. Corporate Governance and Security Holder Approval**

### **A. Corporate Governance**

#### **10.01 Application**

- (1) Sections 10.02, 10.03 and 10.04 do not apply to AlphaV+ Listed Issuers that are asset-backed issuers.

#### **10.02 Governance of AlphaV+ Listed Issuers**

- (1) An AlphaV+ Listed Issuer must have a Board of Directors composed of at least three Unrelated Directors or one-third Unrelated Directors, whichever is greater.
- (2) An AlphaV+ Listed Issuer must have a Chief Executive Officer, a Chief Financial Officer who cannot be the Chief Executive Officer, and a secretary.
- (3) Materials sent to security holders in connection with a meeting of security holders at which directors are being elected must provide for individual election of directors.
- (4) Materials sent to security holders by AlphaV+ Listed Issuers that are subject to National Instrument 51-102 – *Continuous Disclosure Obligations*, in connection with a meeting of security holders at which directors are being elected, must disclose (a) whether the issuer has adopted a majority voting policy for directors for non-contested meetings and whether they have annual elections for all directors; and (b) if not, explain (i) their practices for electing directors; and (ii) why they have not adopted a majority voting policy or annual elections for all directors.
- (5) Following each meeting of security holders at which there is a vote on the election of directors, an AlphaV+ Listed Issuers that has not adopted a majority voting policy must provide notice to Alpha Exchange if a director receives a majority of “withhold” votes.



### **10.03 Audit Committee**

- (1) An AlphaV+ Listed Issuer must have an audit committee that complies with the requirements of National Instrument 52-110 *Audit Committees* and the majority of audit committee members must be independent as defined such policy.

### **10.04 Compensation Committee**

- (1) An AlphaV+ Listed Issuer must have a compensation committee composed of Unrelated Directors that:
  - (a) reviews and approves goals and objectives relevant to the Chief Executive Officer's compensation;
  - (b) evaluates the Chief Executive Officer's performance with respect to those goals and objectives;
  - (c) determines the Chief Executive Officer's compensation (both cash-based and equity-based);
  - (d) reviews and approves incentive compensation plans and equity-based plans and determines whether security holder approval should be obtained; and
  - (e) makes recommendations to the board with respect to compensation of other senior officers and directors.
- (2) An AlphaV+ Listed Issuer does not have to establish a compensation committee if the matters discussed in section 10.04, other than section 10.04(1)(e), are determined by Unrelated Directors constituting a majority of the Board's Unrelated Directors in a vote in which only Unrelated Directors participate.

## **B. Security holder Approval**

### **10.05 No Derogation from Corporate or Securities Law**

- (1) The provisions of this Part are in addition to any requirement for security holder approval or minority security holder approval in corporate or securities law.



## 10.06 General Requirements

- (1) Any security holder participating or who is otherwise interested in a transaction that is the subject of a security holder vote may not vote on any resolution to approve that transaction.
- (2) An Alpha Exchange Requirement for security holder approval, other than approval of a backdoor listing, may be satisfied by obtaining a written resolution signed by holders of at least 50% of the holders of the class of securities involved, other than holders excluded from voting by Alpha Exchange Requirements or corporate or securities law. AlphaV+ Listed Issuers using this exemption will be required to issue a press release at least seven trading days in advance of the closing of the transaction which shall disclose the material terms of the transaction and that the AlphaV+ Listed Issuer has relied upon this exemption.
- (3) The security holder approval requirements apply to transactions involving the issuance or potential issuance of listed Non-Voting Securities.
- (4) The security holder approval requirements apply on a class-by-class basis.

### **Commentary:**

If a transaction involves the issuance of listed Subordinate Voting Securities, it must be approved by the holders of the Subordinate Voting Securities. A vote by holders of multiple voting shares cannot override their vote, even if the multiple voting shares represent a majority of the votes.

- (5) Materials sent to security holders in connection with the vote for approval must contain information in sufficient detail to allow a security holder to make a fully-informed decision. Alpha Exchange will require the AlphaV+ Listed Issuer to file a draft of the information circular with Alpha Exchange for review of market integrity issues before its sends the circular to security holders in respect of transaction that require the issuance of more than 5% of the issued and outstanding AlphaV+ Listed Securities of an issuer.
- (6) In addition to any specific requirement for security holder approval, Alpha Exchange will generally require security holder approval if in the opinion of



Alpha Exchange the transaction materially affects control of the AlphaV+ Listed Issuer.

**Commentary:**

Alpha Exchange takes the view that “materially affects control” means the ability of any security holder or combination of security holders acting together to influence the outcome of a vote of security holders, including the ability to block significant transactions. Such an ability will be affected by the circumstances of a particular case, including the presence or absence of other large security holdings, the pattern of voting behaviour by other holders at previous security holder meetings and the distribution of the voting securities. A transaction that results, or could result, in a new Control Person will be considered to materially affect control, unless the circumstances indicate otherwise.

**10.07 Private Placements**

(1) Security holders must approve a proposed private placement if:

- (a) the number of securities issuable in the private placement is more than 25% of the total number of securities or votes outstanding and the price of the placement is less than the closing price of the security on the day preceding the date on which the AlphaV+ Listed Issuer announced the transaction, but not less than the maximum discount;
- (b) the price is less than the maximum discount, regardless of the number of shares to be issued; or
- (c) the number of securities issuable to Related Persons of an Issuer in the transaction, when added to the number of securities issued to such Related Persons of an Issuer in private placements or acquisitions in the preceding twelve months, is more than 10% of the total number of securities or votes outstanding, regardless of the price of the private placement.

**Commentary:**

In determining whether the 25% threshold has been crossed, all securities issuable in the private placement are counted, whether or not convertible



securities are out of the money, and no other issued convertible securities are counted, whether or not they are in the money.

For example, ABC has 10,000,000 common shares outstanding and has outstanding securities convertible into 5,000,000 common shares at \$10.00. The market price of ABC's common shares is \$15.00. If ABC were to do a private placement of 1,500,000 common shares at \$14.75 with a sweetener of warrants convertible into a further 1,500,000 common shares at \$20.00, shareholder approval would be required as the maximum number of shares issuable (3,000,000) is more than 25% of the 10,000,000 shares outstanding. The securities convertible into common shares at \$10.00 are not counted.

If the placement was done at \$15.00 or higher, there would be no requirement for shareholder approval unless the provisions for approval of non-arm's length transactions apply.

In calculating the number of shares issued to Related Persons to the AlphaV+ Listed Issuer in the previous twelve months, do not include shares that were issued in a transaction approved by shareholders.

(2) Security holder approval of a private placement is not required if:

(a) the AlphaV+ Listed Issuer is in serious financial difficulty and does not meet the requirements for continued listing in Section 9.03(1)(d);

(b) the AlphaV+ Listed Issuer has reached an agreement to do a financing;

(c) no Related Persons of an Issuer is participating in the financing; and

(d) the

(i) audit committee, if comprised solely of Unrelated Directors; or

(ii) Unrelated Directors constituting a majority of the Board's Unrelated Directors in a vote in which only Unrelated Directors participate,

have determined that the financing is in the best interests of the AlphaV+ Listed Issuer, is reasonable in the circumstances and that it is not feasible to obtain security holder approval or make a rights offering to existing security holders on the same terms.



- (3) An AlphaV+ Listed Issuer taking advantage of the exemption in section 10.07(2) must forthwith issue a news release stating it will not hold a security holder vote and fully explaining how it qualifies for the exemption.

### **10.08 Acquisitions and Dispositions**

- (1) Security holders must approve an acquisition (or in the case of subsection (b) below, a disposition) if:
- (a) a Related Person of an Issuer or a group of Related Persons of an Issuer has a 10% or greater interest in the assets to be acquired and the total number of securities issuable are more than 5% of the total number of securities or votes outstanding;
  - (b) a disposition that involves the sale of more than 50% of the AlphaV+ Listed Issuer's assets, business or undertaking; or
  - (c) for AlphaV+ Listed Issuers, the number of securities issuable pursuant to:
    - (i) the acquisition agreement;
    - (ii) any Security Based Compensation Arrangement of the target entity; and
    - (iii) any concurrent private placement upon which the acquisition is contingent,is more than 25% of the total number of securities or votes of the AlphaV+ Listed Issuer outstanding.

### **10.09 Security Based Compensation**

- (1) This section governs Security Based Compensation Arrangements, other than overallotment options to an underwriter in a prospectus offering or options to increase the size of the distribution prior to closing.
- (2) Security holders must approve the grant of securities to any Person not previously employed by or an insider of the AlphaV+ Listed Issuer where:
- (a) such grant is intended to induce the Person to enter into a full-time contract of employment as an officer of the AlphaV+ Listed Issuer; and





(b) the securities issued or issuable under the grant exceed 2% of the securities of that class outstanding as of the date of the grant.

*(3) Applicable Limits to Security Based Compensation Arrangements.*

(a) Subject to paragraph (b), an AlphaV+ Listed Issuer may grant securities under a Securities Based Compensation Arrangement to an employee or consultant of the AlphaV+ Listed Issuer who is an investor relations person of the AlphaV+ Listed Issuer, an associated consultant of the AlphaV+ Listed Issuer, an executive officer of the AlphaV+ Listed Issuer, a director of the AlphaV+ Listed Issuer, or a permitted assign of those persons if, after the grant,

(i) the number of securities, calculated on a fully diluted basis, reserved for issuance under options granted to:

(A) Related Persons of an Issuer, does not exceed 10% of the outstanding securities of the issuer, or

(B) a Related Person of an Issuer, does not exceed 5% of the outstanding securities of the issuer, or

(ii) the number of securities, calculated on a fully diluted basis, issued within 12 months to:

(A) Related Persons of an Issuer, does not exceed 10% of the outstanding securities of the issuer, or

(B) a Related Person of an Issuer and the associates of the related person, does not exceed 5% of the outstanding securities of the issuer..

(b) The limits stated in paragraph 10.09(3)(a) do not apply to the Security Based Compensation Arrangements of an AlphaV+ Listed Issuer if the issuer:

(i) obtains security holder approval, and



- (ii) before obtaining security holder approval, provides security holders with the following information in sufficient detail to permit security holders to form a reasoned judgment concerning the matter:
  - (A) the eligibility of employees, executive officers, directors, service providers and consultants to be issued or granted securities as compensation or under a plan;
  - (B) the maximum number of securities that may be issued, or in the case of options, the number of securities that may be issued on exercise of the options, as compensation or under a plan;
  - (C) particulars relating to any financial assistance or support agreement to be provided to participants by the AlphaV+ Listed Issuer or any related entity of the issuer to facilitate the purchase of securities as compensation or under a plan, including whether the assistance or support is to be provided on a full-, part-, or non-recourse basis;
  - (D) in the case of options, the maximum term and the basis for the determination of the exercise price;
  - (E) particulars relating to the options or other entitlements to be granted as compensation or under a plan, including transferability; and
  - (F) the number of votes attaching to securities that, to the AlphaV+ Listed Issuer's knowledge at the time the information is provided, will not be included for the purpose of determining whether security holder approval has been obtained.
- (4) An AlphaV+ Listed Issuer should submit any circular required by this section 10.09 to Alpha Exchange at least 10 trading days prior to its distribution to security holders so that Alpha Exchange may review it for market integrity issues and to ensure it complies with Alpha Exchange Requirements.
- (5) Each year after institution and every year thereafter, an AlphaV+ Listed Issuer must obtain security holder approval for an evergreen plan (also known as a rolling Stock Option Plan) in order to continue to grant awards. Evergreen



plans contain provisions so that the awards replenish upon the exercise of options or other entitlements, and such provisions must be properly disclosed and approved by security holders. Security holders must pass a resolution specifically approving unallocated entitlements under the evergreen plan. Security holder approval relating to other types of amendments to an evergreen plan must not be accepted as implicit approval to continue granting awards under an evergreen plan. In addition, the resolution should include the next date by which the AlphaV+ Listed Issuer must seek security holder approval, such date being no later than one year from the date such resolution was approved. If security holder approval is not obtained within one year of either the institution of an evergreen plan or subsequent approval, as the case may be, all unallocated entitlements must be cancelled and the AlphaV+ Listed Issuer must not be permitted to grant further entitlements under the evergreen plan until such time as security holder approval is obtained. However, all allocated awards under an evergreen plan, such as options that have been granted but not yet exercised, can continue unaffected. If security holders fail to approve the resolution for the renewal of a plan, the AlphaV+ Listed Issuer must forthwith stop granting awards under such plan, even if such renewal approval was sought prior to the end of the one year period.

- (6) The fundamental terms of a grant pursuant to a Security Based Compensation Arrangement or the arrangement itself may be amended with the approval of the AlphaV+ Listed Issuer's Board of Directors, other than directors participating or eligible to participate in the plan so long as the plan provide the ability of such directors to do so. If the Board of Directors is unable to approve an amendment because of the restrictions on eligibility to vote, any amendment to the fundamental terms of an option or compensation plan must be approved by security holders, other than security holders participating or eligible to participate in the plan. Notwithstanding the foregoing, a re-pricing of an option grant must be approved by security holders, other than security holders who are subject to the re-pricing.

**Commentary:**

Alpha Exchange considers changes to the fundamental terms of an option or plan to include reductions in the purchase price and extension of the expiry date.



Disinterested board approval for fundamental terms of a plan could be for provisions such as: who is an eligible optionee pursuant to a plan; the duration in which a grant expires after the grantee leaves the issuer or dies; or changes to fixed vesting schedules. The preceding examples are not an exhaustive list.

A "re-pricing" means any of the following or any other action that has the same effect: (i) lowering of an exercise price of an option after it is granted; (ii) any other action that is treated as a re-pricing under generally accepted accounting principles; or (iii) canceling an option at a time when its exercise price exceeds the fair market value of the underlying security, in exchange for another option, Restricted Share, or other security, unless the cancellation and exchange occurs in connection with an amalgamation, acquisition, spin-off or other similar corporate transaction.

- (7) Notwithstanding subsection 10.09(3), a Security Based Compensation Arrangement may not be amended to increase the maximum number of securities issuable thereunder unless:
- (a) the amendment is approved by a majority of the AlphaV+ Listed Issuer's Board of Directors, other than directors participating or eligible to participate in the plan, if the new maximum number of securities issuable is less than 10% of the outstanding securities of the class as of the date of the amendment; or
  - (b) the amendment is approved by security holders, other than security holders participating or eligible to participate in the plan.
- (8) Notwithstanding anything else contained in this section 10.09, security holder approval is required for any of the following:
- (a) an extension of the term, under a Security Based Compensation Arrangement benefiting a Related Person of an Issuer;
  - (b) any amendment to remove or to exceed the participation limit of Related Person of an Issuer contained in a Security Based Compensation Arrangement; or
  - (c) amendments to an amending provision within a Security Based Compensation Arrangement.



- (9) When instituted all Security Based Compensation Arrangements must be approved by:
- (a) a majority of the AlphaV+ Listed Issuer's directors; and
  - (b) the AlphaV+ Listed Issuer's security holders.

If any security holder approval is required for a Security Based Compensation Arrangement and Related Persons of an Issuer are entitled to receive a benefit under the arrangement, such persons are not eligible to vote their securities in respect of the approval required by this Subsection. Security holder approval required for a Security Based Compensation Arrangement must be by way of a duly called meeting.

#### **10.10 Shareholder Rights Plans**

- (1) Security holders must ratify the adoption of, or amendments to, a shareholder rights plan as provided in subsection 6.25(4).

#### **10.11 Related Party Transactions**

- (1) An AlphaV+ Listed Issuer undertaking any transaction subject to Multilateral Instrument 61-101 - *Protection of Minority Holders in Special Transactions* must comply with any requirements for formal valuations and minority security holder approval.

**Commentary:**

AlphaV+ Listed Issuers may take advantage of other exemptions from these requirements if applicable.



## Part XI. Appeals

### 11.01 Appeals of Decision

- (1) An AlphaV+ Listed Issuer or any other Person adversely affected by a Decision may appeal a decision of Alpha Exchange to the Board of Directors of Alpha Exchange, other than:
  - (a) a decision of the Market Regulator;
  - (b) a decision to temporarily halt or suspend trading pursuant to sections 9.01 or 9.02 made by a Market Regulator; or
  - (c) a decision of the Board of Directors of Alpha Exchange.

**Commentary:**

Decisions of the Market Regulator are subject to the Market Regulator's appeal procedures.

- (2) Appeals will be conducted according to the procedures established by the Board of Directors of Alpha Exchange.
- (3) An AlphaV+ Listed Issuer or any other Person adversely affected by an appeal Decision may seek a review of such Decision with the applicable securities regulatory authority.

**Appendix M**  
**Alpha Venture Plus Forms**



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Name

Relationship to Applicant

---

Telephone

Email

**3. ADDITIONAL INFORMATION CONCERNING THE ISSUER**

(Fill in applicable Information)

**Jurisdiction of organization:**

Are you a foreign issuer listed on an  Yes  No

**Accepted Foreign Exchange:**

**Jurisdiction(s) in which the applicant is a reporting issuer or equivalent:**

**North American industrial classification:**

**Brief description of the applicant's business:**

**Desired symbols (please provide three options)**

**List any other exchanges or boards on which you have securities listed and complete the table below relating to that listing:**



CLASS	CUSIP	TOTAL AUTHORIZED	TOTAL ISSUED AND OUTSTANDING TO DATE	TOTAL RESERVED FOR ISSUANCE <sup>(1)</sup>	TOTAL RESTRICTED

Note:

<sup>(1)</sup> Include any options, convertible securities, over-allotment options and any other securities reserved for issuance.

#### 4. INFORMATION CONCERNING SECURITIES TO BE LISTED

CLASS	CUSIP	TOTAL AUTHORIZED	TOTAL ISSUED AND OUTSTANDING TO DATE (A)	TOTAL TO BE ISSUED UPON COMPLETION OF THE TRANSACTION (B)	TOTAL RESERVED FOR ISSUANCE <sup>(1)</sup> (C)	TOTAL TO BE LISTED (A+B+C)

Note:

<sup>(1)</sup> Include any options, convertible securities, over-allotment options and any other securities reserved for issuance.

Complete the following chart for each class of securities to be listed:

TOTAL ISSUED AND OUTSTANDING (A)	TOTAL HELD BY RELATED PERSONS AND EMPLOYEES (B)	TOTAL PUBLIC FLOAT (A-B) (C)	TOTAL SUBJECT TO TRANSFER RESTRICTIONS <sup>(1)</sup> (D)	FREELY-TRADABLE SECURITIES (C-D)

Note:

<sup>(1)</sup> Do not include securities that have already been counted in item (B).

For the Securities to be listed, provide information regarding the term or maturity date of each type or class and specify the type of settlement at maturity (cash or in-kind):



List the registered public securityholders for each class of securities to be listed in the chart below. For the purposes of this report, "public securityholders" are persons other than persons enumerated in section (B) of the previous chart in the form of Appendix "B". List registered holders only.

Complete the following chart for each class of securities to be listed:

<b>CLASS OF SECURITY</b>		
<b>SIZE OF HOLDING</b>	<b>NUMBER OF HOLDERS</b>	<b>TOTAL NUMBER OF SECURITIES</b>
1 – 99 securities		
100 – 499 securities		
500 – 999 securities		
1,000 – 1,999 securities		
2,000 – 2,999 securities		
3,000 – 3,999 securities		
4,000 – 4,999 securities		
5,000 or more securities		

List the beneficial public securityholders for each class of securities to be listed in the form of Appendix "B". For the purposes of this report, "beneficial public securityholders" are (i) public security holders holding securities in their own name as registered shareholders; and (ii) public security holders holding securities through an intermediary where the Listed Issuer has been given written confirmation of shareholdings.

For the purposes of this chart, it is sufficient if the intermediary provides a breakdown by number of beneficial holders for each line item below. If an intermediary or intermediaries will not provide details of beneficial holders, give the aggregate position of all such intermediaries in the last line.

<b>CLASS OF SECURITY</b>		
<b>SIZE OF HOLDING</b>	<b>NUMBER OF HOLDERS</b>	<b>TOTAL NUMBER OF SECURITIES</b>
1 – 99 securities		
100 – 499 securities		
500 – 999 securities		
1,000 – 1,999 securities		
2,000 – 2,999 securities		
3,000 – 3,999 securities		
4,000 – 4,999 securities		
5,000 or more securities		
Unable to confirm		



Describe any restrictions on the free tradability of the class of securities to be listed. If none, confirm that the securities are freely tradable in Canada:

---

Give details of any shareholder rights plan and any “coattail” provisions allowing shareholders to participate in a partial take-over bid. If none, state “none”.

---

**5. INFORMATION CONCERNING RESERVED SECURITIES**

SECURITY/INSTRUMENT NAME	TOTAL RESERVED	EXERCISE OR CONVERSION PRICE	EXPIRY (YYYY-MM-DD)

**6. INFORMATION CONCERNING SECURITIES WITH TRANSFER RESTRICTIONS**

SECURITY/INSTRUMENT NAME	TOTAL RESTRICTED	TYPE OF RESTRICTION <sup>(1)</sup>	RELEASE DATES

Note:

1. Detail with the security is restricted due to an escrow agreement, pooling agreement, legend or any other restrictions on transfer.

Please provide any further details in relation to securities with transfer restrictions:

---

**7. TRANSFER AGENT AND REGISTRAR INFORMATION**

---

Transfer Agent Name	Address
---------------------	---------

---



Cities in which transfer facilities are maintained

---

Registrar Name	Address
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**8. HISTORICAL INFORMATION**

**Has the applicant (or any of its predecessors) ever applied to have its securities traded on another market and been denied?**  Yes  No

If yes, provide the name of the market(s), the date(s) and the reason(s):

---

**Has the issuer or any predecessor ever had trading in its securities halted by a marketplace or been suspended from trading or delisted by a marketplace?**  Yes  No

If yes, provide details. Be specific (do not simply state “failure to meet exchange requirements”) and state whether the halt or suspension was remedied. If the delisting was at the issuer’s request, state if the reason was to avoid compliance with a marketplace requirement (e.g. to issue securities at a price the marketplace would not accept). Do not include routine halts for dissemination of information, halts due to system problems in the marketplace or market-wide halts not specific to the issuer (e.g. circuit breakers).

---

**Has the issuer or any predecessor ever been in default of its obligations as a reporting issuer or equivalent in any jurisdiction?**  Yes  No

If yes, provide details, including details of any cease trade orders or management cease trade orders issued.

---

**9. OTHER INFORMATION**

Attach copies of all documents listed in Schedule “A” of this Application.

**10. MINIMUM LISTING STANDARDS**





Please complete the following table (please refer to section 2.02 of the Handbook for guidance):

Security holder's equity:

Pre-tax cash flow:

---

Public Float:

---

Public Shareholders each holding a Board Lot:

---

Public Float Value:

---

Working Capital:

---





## **APPENDIX "A"**

1. Certified copies of all constating documents, including Articles of Incorporation, Articles of Amendment, Articles of Continuance, Articles of Amalgamation, by-laws, partnership agreements, trust indentures, declarations of trust, limited partnership agreements or equivalent documents;
2. Copies of all material contracts (including any coattail trust agreements);
3. Copies of all stock option or Security Based Compensation Arrangements and of any other agreement pursuant to which listed or voting securities may be issued;
4. Copies of any agreements under which securities are held in escrow, pooled, or under a similar arrangement;
5. A letter from the transfer agent stating that it has been duly appointed by the issuer and is in a position to make transfers and make prompt delivery of share certificates;
6. An undertaking to the Autorité des marchés financiers to comply with the requirements applicable to venture issuers; and
7. A list of all directors and officers for the past three years.



**Appendix “B” - Securityholder Information**

This form must be completed by an AlphaV+ Listed Issuer undertaking an original listing or a backdoor listing.

Securityholders of the Private or Target Company:

Name (if securityholder is not an individual, identify the controlling securityholders)	Subscription date	Number of shares	Subscription price	Consideration (Cash, debt, assets, remuneration, nominal)	Relationship with the private/target company	Relationship with Issuer (Related Person of an Issuer or not)	Exchange ratio with the listed Issuer*	Adjusted number of shares in Resulting Issuer (considering the exchange ratio)*	Adjusted subscription price (considering the exchange ratio)*

\* where applicable

Debenture and Convertible Securityholders of the Private or Target Company:

Name (if securityholder is not an individual, identify the controlling securityholders)	Subscription date	Number of securities (if converted)	Summary of the terms and conversion price	Consideration (Cash, debt, assets, remuneration, nominal)	Relationship with the private/target company	Relationship with Issuer (Related Person of an Issuer or not)	Exchange ratio with the listed Issuer*	Adjusted number of securities in Resulting Issuer (considering the exchange ratio)*	Adjusted terms and conversion price (considering the exchange ratio)*

\* where applicable

Warrantheolders of the private or Target Company:

Name (if Warrant holder is not an individual, identify the controlling)	Issuance/grant date	Number of Warrants	Maturity and Exercise Price	Consideration (Cash, debt, assets, remuneration, nominal)	Relationship with the private/target company	Relationship with Issuer (Related Person of an Issuer or not)	Exchange ratio with the listed Issuer*	Adjusted number of Warrants (considering the exchange ratio)*	Adjusted exercise price (considering the exchange ratio)*



securityholders)						not)		ratio)*	ratio)*

\* where applicable





**FORM 2  
LISTING STATEMENT FOR ISSUERS**

**Initial Public Offering**

**Supplemental Listing**

**GENERAL INSTRUCTIONS**

- (1) *An issuer doing a public offering may file the preliminary and final prospectuses (in the form of NI 41-101F1) in lieu of this notice.*
  
- (2) *In determining the degree of detail required, a standard of materiality must be applied. Materiality is a matter of judgment in the particular circumstance, and is determined in relation to an item's significance to investors, analysts and other users of the information. An item of information, or an aggregate of items, is considered material if it is probable that its omission or misstatement would influence or change an investment decision with respect to the issuer's securities. In determining whether information is material, take into account both quantitative and qualitative factors. The potential significance of items must be considered individually rather than on a net basis, if the items have an offsetting effect. This concept of materiality is consistent with the financial reporting notion of materiality contained in the Handbook.*
  
- (3) *The disclosure must be understandable to readers and presented in an easy-to-read format. If technical terms are required, clear and concise explanations should be included.*
  
- (4) *No reference need be made to inapplicable items and, unless otherwise required in this form, negative answers to items may be omitted.*
  
- (5) *The term "issuer" includes the applicant issuer and any of its subsidiaries.*



- (6) *If an issuer discloses financial information in a Listing Statement in a currency other than the Canadian dollar, prominently disclose the currency in which the financial information is disclosed.*
- (7) *For issuers applying for approval following a backdoor listing, provide current and historic information for*
- (i) *the issuer,*
  - (ii) *all other companies or businesses involved in the backdoor listing (the “target”), and*
  - (iii) *the entity that will result from the backdoor listing.*

*Information in the issuer’s most recent Listing Statement may be incorporated by reference, but this statement must indicate if any of that information has changed or is no longer relevant. Information concerning assets or lines of business that will not be part of the new entity’s business should not be disclosed.*

- (8) *Please indicate on the cover of this Listing Statement if this statement is being drafted for the purposes of an initial public offering or a supplemental listing.*
- (9) *Terms not defined in this Form have the meaning ascribed to them in National Instrument 41-101 - General Prospectus Requirements (“NI 41-101”) or in Form 41-101F1 - Information Required in a Prospectus (“Form 41-101F1”).*





## **1. Table of contents**

### **1.1 Include a table of contents**

## **2. Corporate Structure and Summary**

### *Summary*

- 2.1** Briefly summarize, near the beginning of the Listing Statement, information appearing elsewhere in the Listing Statement that, in the opinion of the issuer or selling securityholder, would be most likely to influence the investor's decision to purchase the securities being listed, including a description of:
- (a) the principal business of the issuer and its subsidiaries,
  - (b) the securities to be listed, including the offering price and expected net proceeds,
  - (c) use of proceeds,
  - (d) risk factors,
  - (e) financial information, and
  - (f) if restricted securities, subject securities or securities that are directly or indirectly convertible into or exercisable or exchangeable for restricted securities or subject securities, are to be listed under the Listing Statement
    - (i) include a summary of the information required by section 6.17, and
    - (ii) include, in boldface type, a statement of the rights the holders of restricted securities do not have, if the holders do not have all of the rights referred to in section 6.17.
- 2.2** For the financial information provided under paragraph 2.1(e),
- (a) describe the type of information appearing elsewhere in the Listing Statement on which the financial information is based,
  - (b) disclose whether the information appearing elsewhere in the Listing Statement on which the financial information is based has been audited,
  - (c) disclose whether the financial information has been audited, and



(d) if neither the information appearing elsewhere in the Listing Statement on which the financial information is based nor the financial information has been audited, prominently disclose that fact.

(e) For each item summarized under subsection 2.1, provide a cross-reference to the information in the Listing Statement.

#### *Cautionary language*

**2.3** At the beginning of the summary, include a statement in italics in substantially the following form:

“The following is a summary of the principal features of this listing and should be read together with the more detailed information and financial data and statements contained elsewhere in this Listing Statement.”

#### *Name, address and incorporation*

**2.4** State the issuer’s full corporate name or, if the issuer is an unincorporated entity, the full name under which it exists and carries on business, and the address(es) of the issuer’s head and registered office as well as other material contact information of the issuer including a website address.

**2.5** State the statute under which the issuer is incorporated, continued or organized or, if the issuer is an unincorporated entity, the laws of the jurisdiction or foreign jurisdiction under which it is established and exists as well as any jurisdictions in which the issuer is already a reporting issuer.

**2.6** Describe the substance of any material amendments to the articles or other constating or establishing documents of the issuer.

#### *Intercorporate relationships*

**2.7** Describe, by way of a diagram or otherwise, the intercorporate relationships among the issuer and its subsidiaries. If the issuer is applying following a backdoor listing or is proposing an acquisition, amalgamation, merger, reorganization or arrangement, describe by way of diagram or otherwise



these intercorporate relationships both before and after the completion of the transaction.

**2.8** For each subsidiary described in subsection 2.7, state

- (a) the percentage of votes attaching to all voting securities of the subsidiary beneficially owned, or controlled or directed, directly or indirectly, by the issuer,
- (b) the percentage of each class of restricted securities of the subsidiary beneficially owned, or controlled or directed, directly or indirectly, by the issuer, and
- (c) where the subsidiary was incorporated, continued, formed or organized.

**INSTRUCTIONS**

*A particular subsidiary may be omitted if, at the most recent financial year end of the issuer*

*(a) the total assets of the subsidiary do not constitute more than 10 per cent of the consolidated assets of the issuer,*

*(b) the revenue of the subsidiary does not exceed 10% of the consolidated revenue of the issuer, and*

*(c) the conditions in paragraphs (a) and (b) would be satisfied if*

*(i) the subsidiaries that may be omitted under paragraphs (a) and (b) were considered in the aggregate, and*

*(ii) the reference to 10 per cent was changed to 20 per cent.*



### **3. Describe the business**

- 3.1** Describe the business of the issuer and its operating segments that are reportable segments as those terms are used in the issuer's GAAP. Disclose information for each reportable segment of the issuer in accordance with subsection 5.1(1) of National Instrument 51-102 Form 51-102F2.
- 3.2** Disclose the nature and results of any bankruptcy, receivership or similar proceedings against the issuer or any of its subsidiaries, or any voluntary bankruptcy, receivership or similar proceedings by the issuer or any of its subsidiaries, within the three most recently completed financial years or completed during or proposed for the current financial year.
- 3.3** Disclose the nature and results of any material restructuring transaction of the issuer or any of its subsidiaries within the three most recently completed financial years or completed during or proposed for the current financial year.
- 3.4** If the issuer has implemented social or environmental policies that are fundamental to the issuer's operations, such as policies regarding the issuer's relationship with the environment or with the communities in which the issuer does business, or human rights policies, describe them and the steps the issuer has taken to implement them.

#### *Three-year history*

- 3.5** Describe how the issuer's business has developed over the last three completed financial years and any subsequent period to the date of the Listing Statement, including only events, such as acquisitions or dispositions, or conditions that have influenced the general development of the business.



- 3.6** If the issuer produces or distributes more than one product or provides more than one kind of service, describe the products or services.
- 3.7** Discuss changes in the issuer's business that the issuer expects will occur during the current financial year.

*Issuers with asset-backed securities outstanding*

- 3.8** If the issuer has asset-backed securities outstanding that were listed pursuant to a Listing Statement, disclose information in accordance with section 5.3 of National Instrument 51-102 Form 51-102F2.

*Issuers with mineral projects*

- 3.9** If the issuer has a mineral project, disclose information for the issuer in accordance with section 5.4 of National Instrument 51-102 Form 51-102F2.

*Issuers with oil and gas operations*

- 3.10** If the issuer is engaged in oil and gas activities as defined in National Instrument 51-101 and any of the oil and gas information is material as contemplated under National Instrument 51-101 in respect of the issuer, disclose information in accordance with National Instrument 51-101 Form 51-101F1
- (a) as at the end of, and for, the most recent financial year for which the Listing Statement includes an audited statement of financial position of the issuer;



- (b) in the absence of a completed financial year referred to in paragraph (a), as at the most recent date for which the Listing Statement includes an audited statement of financial position of the issuer, and for the most recent financial period for which the Listing Statement includes an audited statement of comprehensive income of the issuer;
  - (c) if the issuer was not engaged in oil and gas activities at the date set out in paragraphs (a) or (b), as of a date subsequent to the date the issuer first engaged in oil and gas activities as defined in National Instrument 51-101 and prior to the date of this Listing Statement.
- 3.11** Include with the disclosure under section 3.10 a report in the form of Form 51-101F2, on the reserves data included in the disclosure required under section 3.10.
- 3.12** Include with the disclosure under section 3.10 a report in the form of Form 51-101F3 that refers to the information disclosed under section 3.10.
- 3.13** To the extent not reflected in the information disclosed in response to subsection 3.10, disclose the information contemplated by Part 6 of National Instrument 51-101 in respect of material changes that occurred after the applicable statement of financial position referred to in section 3.10.
- 3.14** To the extent not reflected in the information disclosed in response to subsection 3.10, disclose information for the issuer in accordance with section 5.5 of National Instrument 51-102 Form 51-102F2.

#### *INSTRUCTION*

*Disclosure in a Listing Statement must be consistent with NI 51-101 if the issuer is engaged in oil and gas activities as defined in NI 51-101.*



#### **4. Dividends or distributions**

- 4.1** Disclose the amount of cash dividends or distributions declared per security for each class of the issuer's securities for each of the three most recently completed financial years and its current financial year.
- 4.2** Describe any restrictions that could prevent the issuer from paying dividends or distributions.
- 4.3** Disclose the issuer's dividend or distribution policy and any intended change in dividend or distribution policy.

#### **5. Management's Discussion and Analysis**

##### *Interpretation*

- 5.1** For the purposes of this section, MD&A means a completed Form 51-102F1 or, in the case of an SEC issuer, a completed Form 51-102F1 or management's discussion and analysis prepared in accordance with Item 303 of Regulation S-K under the 1934 Act.
- 5.2** For MD&A in the form of Form 51-102F1, the issuer
  - (a) must read the references to a "venture issuer" in Form 51-102F1 to include an IPO venture issuer,
  - (b) must disregard



- (i) the Instruction to section 1.11 of Form 51-102F1, and
- (ii) section 1.15 of Form 51-102F1, and
- (c) must include the disclosure required by section 1.10 of Form 51-102F1 in the Listing Statement.

#### *INSTRUCTION*

*For the purposes of paragraph 5.2(c), an issuer cannot satisfy the requirement in section 1.10 of Form 51-102F1 by incorporating by reference its fourth quarter MD&A into the Listing Statement.*

#### *MD&A*

#### **5.3** Provide MD&A for

- (a) the most recent annual financial statements of the issuer included in the Listing Statement under Section 24, and
- (b) the most recent interim financial reports of the issuer included in the Listing Statement under Section 24.

#### **5.4** If the Listing Statement includes the issuer's annual statement of comprehensive incomes, statements of retained earnings, and cash flow statements for three financial





years under Section 24, provide MD&A for the second most recent annual financial statements of the issuer included in the Listing Statement under Section 24.

- 5.5** Despite subsection 5.4, MD&A for the second most recent annual financial statements of the issuer included in the Listing Statement under Section 24 may omit disclosure regarding statement of financial position items.

*Disclosure of outstanding security data*

- 5.6** Disclose the designation and number or principal amount of
- (a) each class and series of voting or equity securities of the issuer for which there are securities outstanding,
  - (b) each class and series of securities of the issuer for which there are securities outstanding if the securities are convertible into, or exercisable or exchangeable for, voting or equity securities of the issuer, and
  - (c) subject to subsection 5.7, each class and series of voting or equity securities of the issuer that are issuable on the conversion, exercise or exchange of outstanding securities of the issuer.
- 5.7** If the exact number or principal amount of voting or equity securities of the issuer that are issuable on the conversion, exercise or exchange of outstanding securities of the issuer is not determinable, the issuer must disclose the maximum number or principal amount of each class and series of voting or equity securities that are issuable on the conversion, exercise or exchange of outstanding securities of the issuer and, if that maximum number or principal amount is not determinable, the issuer must describe the



exchange or conversion features and the manner in which the number or principal amount of voting or equity securities will be determined.

- 5.8** The disclosure under subsections 5.7 and 5.8 must be prepared as of the latest practicable date.

*More recent financial information*

- 5.9** If the issuer is required to include more recent historical financial information in the Listing Statement under subsection 24.12, the issuer is not required to update the MD&A already included in the Listing Statement under this Section.

*Additional disclosure for venture issuers or IPO venture issuers without significant revenue*

- 5.10** If the issuer is a venture issuer or an IPO venture issuer that has not had significant revenue from operations in either of its last two financial years, disclose a breakdown of material components of
- (a) capitalized or expensed exploration and development costs,
  - (b) expensed research and development costs,
  - (c) deferred development costs,
  - (d) general and administrative expenses, and



(e) any material costs, whether capitalized, deferred or expensed, not referred to in paragraphs (a) through (d).

**5.11** Present the analysis of capitalized or expensed exploration and development costs required by subsection 5.10 on a property-by-property basis, if the issuer's business primarily involves mining exploration and development.

**5.12** Provide the disclosure in subsection 5.10 for the following periods:

(a) the two most recently completed financial years; and

(b) the most recent year-to-date interim period and the comparative year-to-date period presented in the interim financial reports included in the Listing Statement, if any.

**5.13** Subsection 5.10 does not apply if the information required under that subsection has been disclosed in the financial statements included in the Listing Statement.

*Additional disclosure for junior issuers*

**5.14** For a junior issuer that had negative cash flow from operating activities in its most recently completed financial year for which financial statements have been included in the Listing Statement, disclose

(a) the period of time the proceeds raised under the Listing Statement are expected to fund operations,



- (b) the estimated total operating costs necessary for the issuer to achieve its stated business objectives during that period of time, and
- (c) the estimated amount of other material capital expenditures during that period of time.

In determining cash flow from operating activities, the issuer must include cash payments related to dividends and borrowing costs.

*Additional disclosure for issuers with significant equity investees*

**5.15** An issuer that has a significant equity investee must disclose

- (a) summarized financial information of the equity investee, including the aggregated amounts of assets, liabilities, revenue and profit or loss, and
- (b) the issuer's proportionate interest in the equity investee and any contingent issuance of securities by the equity investee that might significantly affect the issuer's share of profit and loss.

**5.16** Provide the disclosure in subsection 5.15 for the following periods

- (a) the two most recently completed financial years,
- (b) the most recent year-to-date interim period and the comparative year-to-date period presented in the interim financial reports included in the Listing Statement, if any.



**5.17** Subsection 5.15 does not apply if

- (a) the information required under that subsection has been disclosed in the financial statements included in the Listing Statement, or
- (b) the issuer includes in the Listing Statement separate financial statements of the equity investee for the periods referred to in subsection 5.16.

**6. Description of Securities**

*INSTRUCTIONS: The issuer must describe all securities outstanding in this Section.*

*Equity securities*

**6.1** Describe all material attributes and characteristics of all classes of equity securities outstanding, including

- (a) dividend rights,
- (b) voting rights,
- (c) rights upon dissolution or winding-up,
- (d) pre-emptive rights,
- (e) conversion or exchange rights,



- (f) redemption, retraction, purchase for cancellation or surrender provisions,
- (g) sinking or purchase fund provisions,
- (h) provisions permitting or restricting the issuance of additional securities and any other material restrictions, and
- (i) provisions requiring a securityholder to contribute additional capital.

*Debt securities*

**6.2** Describe all material attributes and characteristics all outstanding classes of debt securities and the security, if any, for the debt, including

- (a) provisions for interest rate, maturity and premium, if any,
- (b) conversion or exchange rights,
- (c) redemption, retraction, purchase for cancellation or surrender provisions,
- (d) sinking or purchase fund provisions,



- (e) the nature and priority of any security for the debt securities, briefly identifying the principal properties subject to lien or charge,
- (f) provisions permitting or restricting the issuance of additional securities, the incurring of additional indebtedness and other material negative covenants, including restrictions against payment of dividends and restrictions against giving security on the assets of the issuer or its subsidiaries, and provisions as to the release or substitution of assets securing the debt securities,
- (g) the name of the trustee under any indenture relating to the debt securities and the nature of any material relationship between the trustee or any of its affiliates and the issuer or any of its affiliates, and
- (h) any financial arrangements between the issuer and any of its affiliates or among its affiliates that could affect the security for the indebtedness.

*Asset-backed securities*

**6.3** Describe the material attributes and characteristics of all outstanding classes of asset-backed securities, including

- (a) the rate of interest or stipulated yield and any premium,
- (b) the date for repayment of principal or return of capital and any circumstances in which payments of principal or capital may be made before such date, including any redemption or pre-payment obligations or privileges of the issuer and any



events that may trigger early liquidation or amortization of the underlying pool of financial assets,

- (c) provisions for the accumulation of cash flows to provide for the repayment of principal or return of capital,
- (d) provisions permitting or restricting the issuance of additional securities and any other material negative covenants applicable to the issuer,
- (e) the nature, order and priority of the entitlements of holders of asset-backed securities and any other entitled persons or companies to receive cash flows generated from the underlying pool of financial assets, and
- (f) any events, covenants, standards or preconditions that may reasonably be expected to affect the timing or amount of payments or distributions to be made under the asset-backed securities, including those that are dependent or based on the economic performance of the underlying pool of financial assets.

**6.4** Provide financial disclosure that describes the underlying pool of financial assets for

- (a) the three most recently completed financial years ended more than
  - (i) 90 days before the date of the Listing Statement, or
  - (ii) 120 days before the date of the Listing Statement, if the issuer is a venture issuer,





- (b) if the issuer has not had asset-backed securities outstanding for three financial years, each completed financial year ended more than
  - (i) 90 days before the date of the Listing Statement, or
  - (ii) 120 days before the date of the Listing Statement, if the issuer is a venture issuer,
- (c) a period from the date the issuer had asset-backed securities outstanding to a date not more than 90 days before the date of the Listing Statement if the issuer has not had asset-backed securities outstanding for at least one financial year.

**6.5** For the purposes of the financial disclosure required by section 6.4, if an issuer changed its financial year end during any of the financial years referred to in section 6.4 and the transition year is less than nine months, the transition year is not a financial year.

**6.6** Despite section 6.5, all financial disclosure that describes the underlying pool of financial assets of the issuer for a transition year must be included in the Listing Statement for the most recent interim period, if any, ended

- (a) subsequent to the most recent financial year refer to in paragraphs 6.4(a) and 6.4(b) in respect of which financial disclosure on the underlying pool of financial assets is included in the Listing Statement, and
- (b) more than
  - (i) 45 days before the date of the Listing Statement, or



- (ii) 60 days before the date of the Listing Statement if the issuer is a venture issuer.

**6.7** If the issuer files financial disclosure that describes the underlying pool of financial assets for a more recent period than required under section 6.4 or 6.6 before the Listing Statement is filed, the issuer must include that more recent financial disclosure that describes the underlying pool of financial assets in the Listing Statement.

**6.8** If financial disclosure that describes the underlying pool of financial assets of the issuer is publicly disseminated by, or on behalf of, the issuer through news release or otherwise for a more recent period than required under section 6.4 or 6.6, the issuer must include the content of the news release or public communication in the Listing Statement.

**6.9** The disclosure in section 6.4 or 6.6 must include a discussion and analysis of

- (a) the composition of the pool as at the end of the period,
- (b) profit and losses from the pool for the period presented on at least an annual basis or such shorter period as is reasonable given the nature of the underlying pool of assets,
- (c) the payment, prepayment and collection experience of the pool for the period on at least an annual basis or such shorter period as is reasonable given the nature of the underlying pool of assets,
- (d) servicing and other administrative fees, and
- (e) any significant variances experienced in the matters referred to in paragraphs (a) through (d).



**6.10** Describe the type of financial assets, the manner in which the financial assets originated or will originate and, if applicable, the mechanism and terms of the agreement governing the transfer of the financial assets comprising the underlying pool to or through the issuer, including the consideration paid for the financial assets.

**6.11** Describe any person or company who

- (a) originated, sold or deposited a material portion of the financial assets comprising the pool, or has agreed to do so,
- (b) acts, or has agreed to act, as a trustee, custodian, bailee or agent of the issuer or any holder of the asset-backed securities, or in a similar capacity,
- (c) administers or services a material portion of the financial assets comprising the pool or provides administrative or managerial services to the issuer, or has agreed to do so, on a conditional basis or otherwise, if
  - (i) finding a replacement provider of the services at a cost comparable to the cost of the current provider is not reasonably likely,
  - (ii) a replacement provider of the services is likely to achieve materially worse results than the current provider,
  - (iii) the current provider of the services is likely to default in its service obligations because of its current financial condition, or



- (iv) the disclosure is otherwise material,
  - (d) provides a guarantee, alternative credit support or other credit enhancement to support the obligations of the issuer under the asset-backed securities or the performance of some or all of the financial assets in the pool, or has agreed to do so, or
  - (e) lends to the issuer in order to facilitate the timely payment or repayment of amounts payable under the asset-backed securities, or has agreed to do so.
- 6.12** Describe the general business activities and material responsibilities under the asset-backed securities of a person or company referred to in section 6.11.
- 6.13** Describe the terms of any material relationships between
- (a) any of the persons or companies referred to in section 6.11 or any of their respective affiliates, and
  - (b) the issuer.
- 6.14** Describe any provisions relating to termination of services or responsibilities of any of the persons or companies referred to in section 6.11 and the terms on which a replacement may be appointed.
- 6.15** Describe any risk factors associated with the asset-backed securities, including disclosure of material risks associated with changes in interest rates or prepayment levels, and any circumstances where payments on the asset-backed securities could be



impaired or disrupted as a result of any reasonably foreseeable event that may delay, divert or disrupt the cash flows dedicated to service the asset-backed securities.

## INSTRUCTIONS

- (1) *Present the information required under section 6.4 through 6.9 in a manner that will enable a reader to easily determine whether, and the extent to which, the events, covenants, standards and preconditions referred to in paragraph 6.3(f) have occurred, are being satisfied or may be satisfied.*
- (2) *If the information required under section 6.4 through 6.9 is not compiled specifically from the underlying pool of financial assets, but is compiled from a larger pool of the same assets from which the securitized assets are randomly selected so that the performance of the larger pool is representative of the performance of the pool of securitized assets, then an issuer may comply with section 6.4 through 6.9 by providing the financial disclosure required based on the larger pool and disclosing that it has done so.*
- (3) *Issuers are required to summarize contractual arrangements in plain language and may not merely restate the text of the contracts referred to. The use of diagrams to illustrate the roles of, and the relationship among, the persons and companies referred to in section 6.11, and the contractual arrangements underlying the asset-backed securities is encouraged.*

## Derivatives

- 6.16** Describe fully the material attributes and characteristics of all outstanding derivatives, including
- (a) the calculation of the value or payment obligations under the derivatives,



- (b) the exercise of the derivatives,
- (c) settlements that are the result of the exercise of the derivatives,
- (d) the underlying interest of the derivatives,
- (e) the role of a calculation expert in connection with the derivatives,
- (f) the role of any credit supporter of the derivatives, and
- (g) the risk factors associated with the derivatives.

*Restricted securities*

**6.17** If the issuer has outstanding or proposes to distribute under prospectus restricted securities, subject securities or securities that are, directly or indirectly, convertible into or exercisable or exchangeable for restricted securities or subject securities, provide a detailed description of

- (a) the voting rights attached to the restricted securities that are the subject of the listing or that will result from the listing, either directly or following a conversion, exchange or exercise, and the voting rights, if any, attached to the securities of any other class of securities of the issuer that are the same as or greater than, on a per security basis, those attached to the restricted securities,



- (b) any significant provisions under applicable corporate and securities law that do not apply to the holders of the restricted securities that are the subject of the listing or that will result from the listing, either directly or following a conversion, exchange or exercise, but do apply to the holders of another class of equity securities, and the extent of any rights provided in the constating documents or otherwise for the protection of holders of the restricted securities,
- (c) any rights under applicable corporate law, in the constating documents or otherwise, of holders of restricted securities that are the subject of the listing or that will result from the listing, either directly or following a conversion, exchange or exercise, to attend, in person or by proxy, meetings of holders of equity securities of the issuer and to speak at the meetings to the same extent that holders of equity securities are entitled, and
- (d) how the issuer complied with, or the basis upon which it was exempt from, the requirements of Part 12 of NI 41-101.

**6.18** If holders of restricted securities do not have all of the rights referred to in section 6.17 the detailed description referred to in that subsection must include, in boldface type, a statement of the rights the holders do not have.

**6.19** If the issuer is required to include the disclosure referred to in section 6.17, state the percentage of the aggregate voting rights attached to the issuer's securities that will be represented by restricted securities after effect has been given to the issuance of the securities being offered.

*Other securities*



**6.20** If securities other than equity securities, debt securities, asset-backed securities or derivatives are being listed, describe fully the material attributes and characteristics of those securities.

*Modification of terms*

**6.21** Describe provisions about the modification, amendment or variation of any rights attached to the outstanding securities.

**6.22** If the rights of holders of securities may be modified otherwise than in accordance with the provisions attached to the securities or the provisions of the governing statute relating to the securities, explain briefly.

*Ratings*

**6.23** If the issuer has asked for and received a stability rating, or if the issuer is aware that it has received any other kind of rating, including a provisional rating, from one or more approved rating organizations for the securities being listed and the rating or ratings continue in effect, disclose

- (a) each security rating, including a provisional rating or stability rating, received from an approved rating organization,
- (b) the name of each approved rating organization that has assigned a rating for the securities to be listed,
- (c) a definition or description of the category in which each approved rating organization rated the securities to be listed and the relative rank of each rating within the organization's overall classification system,





- (d) an explanation of what the rating addresses and what attributes, if any, of the securities to be listed are not addressed by the rating,
- (e) any factors or considerations identified by the approved rating organization as giving rise to unusual risks associated with the securities to be listed,
- (f) a statement that a security rating or a stability rating is not a recommendation to buy, sell or hold securities and may be subject to revision or withdrawal at any time by the rating organization, and
- (g) any announcement made by, or any proposed announcement known to the issuer that is to be made by, an approved rating organization to the effect that the organization is reviewing or intends to revise or withdraw a rating previously assigned and required to be disclosed under this section.

#### **INSTRUCTION**

*There may be factors relating to a security that are not addressed by a ratings agency when they give a rating. For example, in the case of cash settled derivatives, factors in addition to the creditworthiness of the issuer, such as the continued subsistence of the underlying interest or the volatility of the price, value or level of the underlying interest may be reflected in the rating analysis. Rather than being addressed in the rating itself, these factors may be described by an approved rating organization by way of a superscript or other notation to a rating. Any such attributes must be discussed in the disclosure under this section.*

#### **Other attributes**

- 6.24** If the rights attaching any the securities are materially limited or qualified by the rights of any other class of securities, or if any other class of securities ranks ahead of or equally with the securities being listed, include information about the other securities that will enable investors to understand the rights attaching to the securities being listed.
- 6.25** If any class securities may be partially redeemed or repurchased, state the manner of selecting the securities to be redeemed or repurchased.



## **INSTRUCTION**

*This section requires only a brief summary of the provisions that are material from an investment standpoint. The provisions attaching to the securities being listed or any other class of securities do not need to be set out in full. They may, in the issuer's discretion, be attached as a schedule to the Listing Statement.*

### **7. Consolidated capitalization**

**7.1** Describe any material change in, and the effect of the material change on, the share and loan capital of the issuer, on a consolidated basis, since the date of the issuer's financial statements for its most recently completed financial period included in the Listing Statement, including any material change that will result from the issuance of the securities being listed under the Listing Statement.

### **8. Options to purchase securities**

**8.1** State, in tabular form, as at a specified date within 30 days before the date of the Listing Statement, information about options to purchase securities of the issuer, or a subsidiary of the issuer that are held or will be held upon completion of the listing by

- (a) all executive officers and past executive officers of the issuer, as a group, and all directors and past directors of the issuer who are not also executive officers, as a group, indicating the aggregate number of executive officers and the aggregate number of directors to whom the information applies,



- (b) all executive officers and past executive officers of all subsidiaries of the issuer, as a group, and all directors and past directors of those subsidiaries who are not also executive officers of the subsidiary, as a group, excluding, in each case, individuals referred to in paragraph (a), indicating the aggregate number of executive officers and the aggregate number of directors to whom the information applies,
  - (c) all other employees and past employees of the issuer as a group,
  - (d) all other employees and past employees of subsidiaries of the issuer as a group,
  - (e) all consultants of the issuer as a group, and
  - (f) any other person or company, other than the underwriter(s), naming each person or company.
- 8.2** Describe any material change to the information required to be included in the Listing Statement under subsection 8.1 to the date of the Listing Statement.
- 8.3** The issuer must also include a summary of the salient terms of all Security Based Compensation Arrangements.

#### *INSTRUCTIONS*

- (1) *Describe the options, warrants, or other similar securities stating the material provisions of each class or type of option, including*
  - (a) *the designation and number of the securities under option,*



- (b) *the purchase price of the securities under option or the formula by which the purchase price will be determined, and the expiration dates of the options,*
  - (c) *if reasonably ascertainable, the market value of the securities under option on the date of grant,*
  - (d) *if reasonably ascertainable, the market value of the securities under option on the specified date, and*
  - (e) *with respect to options referred to in paragraph (1)(f), the particulars of the grant including the consideration for the grant.*
- (2) *For the purposes of paragraph (1)(f), provide the information required for all options except warrants and special warrants.*

## **9. Prior sales and Financings**

**9.1** For each class of securities of the issuer listed under the Listing Statement and for securities that are convertible into those classes of securities, state, for the 12-month period before the date of the Listing Statement,

- (a) the price at which the securities have been issued or are to be issued by the issuer or sold by the selling securityholder,
- (b) the number of securities issued or sold at that price, and



- (c) the date on which the securities were issued or sold.

*Trading price and volume*

- 9.2** For each class of securities of the issuer that is traded or quoted on a Canadian marketplace, identify the marketplace and the price ranges and volume traded or quoted on the Canadian marketplace on which the greatest volume of trading or quotation generally occurs.
- 9.3** If a class of securities of the issuer is not traded or quoted on a Canadian marketplace but is traded or quoted on a foreign marketplace, identify the foreign marketplace and the price ranges and volume traded or quoted on the foreign marketplace on which the greatest volume or quotation generally occurs.
- 9.4** Provide the information required under sections 9.2 and 9.3 on a monthly basis for each month or, if applicable, partial months of the 12-month period before the date of the Listing Statement.

*Prior or Concurrent Financings*

- 9.5** In addition to the disclosure in section 9.1 above, where (i) the issuer is undertaking a financing which is to close concurrently with the securities proposed to be listed under this Listing Statement, or (ii) the issuer has completed a financing within the six month period preceding the date of this Listing Statement, provide, where applicable and in connection with the financing(s), the information required under sections 20.1, 20.2, 20.3, 20.4, 20.5, 20.6, 20.7, 20.10 and 20.12 of Form 41-101F1. Also include information required under sections 6.1, 6.2, 6.3, 6.4, 6.5, 6.6, 6.7, 6.8, 6.9, 6.10, 6.11 and 9 of Form 41-101F1.

**10. Escrowed securities and securities subject to contractual restriction on transfer**



**10.1** State as of a specified date within 30 days before the date of the Listing Statement, in substantially the following tabular form, the number of securities of each class of securities of the issuer held, to the knowledge of the issuer, in escrow or that are subject to a contractual restriction on transfer and the percentage that number represents of the outstanding securities of that class.

**ESCROWED SECURITIES AND SECURITIES**

**SUBJECT TO CONTRACTUAL RESTRICTION ON TRANSFER**

Designation of class	Number of securities held in escrow or that are subject to a contractual restriction on transfer	Percentage of class

**10.2** In a note to the table disclose the name of the depository, if any, and the date of and conditions governing the release of the securities from escrow or the date the contractual restriction on transfer ends, as applicable.

**10.3** Describe any material change to the information required to be included in the Listing Statement under section 10.1 to the date of the Listing Statement.

**INSTRUCTIONS**

(1) *For purposes of this section, escrow includes securities subject to a pooling agreement.*



- (2) *For the purposes of this section, securities subject to contractual restrictions on transfer as a result of pledges made to lenders are not required to be disclosed.*

## **11. Principal securityholders**

**11.1** Provide the following information for each principal securityholder of the issuer:

- (a) the name,
- (b) the number or amount of securities owned, controlled or directed of the class being listed,
- (c) the number or amount of securities of the class being listed for the account of the securityholder,
- (d) the number or amount of securities of the issuer of any class to be owned, controlled or directed after the listing, and the percentage that number or amount represents of the total outstanding,
- (e) whether the securities referred to in paragraph (b), (c) or (d) are owned both of record and beneficially, of record only, or beneficially only.

**11.2** If securities are being listed in connection with a restructuring transaction, indicate, to the extent known, the holdings of each person or company described in section 11.1(a) that will exist after effect has been given to the transaction.



- 11.3** If, to the knowledge of the issuer or the underwriter of the securities being listed, more than 10% of any class of voting securities of the issuer is held, or is to be held, subject to any voting trust or other similar agreement, disclose, to the extent known, the designation of the securities, the number or amount of the securities held or to be held subject to the agreement and the duration of the agreement. State the names and addresses of the voting trustees and outline briefly their voting rights and other powers under the agreement.
- 11.4** If, to the knowledge of the issuer or the underwriter of the securities being listed, any principal securityholder is an associate or affiliate of another person or company named as a principal securityholder, disclose, to the extent known, the material facts of the relationship, including any basis for influence over the issuer held by the person or company other than the holding of voting securities of the issuer.
- 11.5** In addition to the above, include in a footnote to the table the required calculation(s) on a fully-diluted basis.
- 11.6** Describe any material change to the information required to be included in the Listing Statement under subsection 11.1 to the date of the Listing Statement.

#### **INSTRUCTION**

*If a company, partnership, trust or other unincorporated entity is a principal securityholder of an issuer, disclose, to the extent known, the name of each individual who, through ownership of or control or direction over the securities of that company, trust or other unincorporated entity, or membership in the partnership, as the case may be, is a principal securityholder of that entity.*

#### **12. Directors and Executive Officers**





*Name, occupation and security holding*

- 12.1** Provide information for directors and executive officers of the issuer in accordance with section 10.1 of National Instrument 51-102 Form 51-102F2 as at the date of the Listing Statement. In addition, disclose each director and executive officer's experience as a director of any other reporting issuer within the past five years.
- 12.2** If information similar to the information required under subsection 12.1 is provided for any director or executive officer, who is not serving in such capacity as at the date of the Listing Statement, clearly indicate this fact.

*Cease trade orders, bankruptcies, penalties or sanctions*

- 12.3** Provide information for directors and executive officers of the issuer in accordance with section 10.2 of National Instrument 51-102 Form 51-102F2 as if the references in that section to "date of the AIF" read "date of the Listing Statement".

*Conflicts of interest*

- 12.4** Disclose particulars of existing or potential material conflicts of interest between the issuer or a subsidiary of the issuer and a director or officer of the issuer or of a subsidiary of the issuer.

*Management of junior issuers*

- 12.5** A junior issuer must provide the following information for each member of management



- (a) state the individual's name, age, position and responsibilities with the issuer and relevant educational background,
- (b) state whether the individual works full time for the issuer or what proportion of the individual's time will be devoted to the issuer,
- (c) state whether the individual is an employee or independent contractor of the issuer,
- (d) state the individual's principal occupations or employment during the five years before the date of the Listing Statement, disclosing with respect to each organization as of the time such occupation or employment was carried on
  - (i) its name and principal business,
  - (ii) if applicable, that the organization was an affiliate of the issuer,
  - (iii) positions held by the individual, and
  - (iv) whether it is still carrying on business, if known to the individual,
- (e) describe the individual's experience in the issuer's industry,
- (f) state whether the individual has entered into a non-competition or non-disclosure agreement with the issuer.

*INSTRUCTION*



*For purposes of this section, “management” means all directors, officers, employees and contractors whose expertise is critical to the issuer, its subsidiaries and proposed subsidiaries in providing the issuer with a reasonable opportunity to achieve its stated business objectives.*

### **13. Executive Compensation**

- 13.1** Include in the Listing Statement a Statement of Executive Compensation prepared in accordance with National Instrument 51-102 Form 51-102F6 and describe any intention to make any material changes to that compensation.

### **14. Indebtedness of Directors and Executive Officers**

#### *Aggregate indebtedness*

- 14.1** Provide information for the issuer in accordance with section 10.1 of National Instrument 51-102 Form 51-102F5 as if the reference in that section to “date of the information circular” read “date of the Listing Statement.”

#### *Indebtedness of directors and executive officers under securities purchase and other programs*

- 14.2** Provide information for the issuer in accordance with section 10.2 of National Instrument 51-102 Form 51-102F5 as if the reference in this section to “date of the information circular” read “date of the Listing Statement”.

- 14.3** Do not disclose the information required under section 14.2 for



- (a) any indebtedness that has been entirely repaid on or before the date of the Listing Statement, or
- (b) routine indebtedness (as defined in paragraph 10.3(c) of National Instrument 51-102 Form 51-102F5 as if reference in this paragraph to “the company” read “the issuer”).

## **15. Audit Committees and Corporate Governance**

### *Audit committees*

- 15.1** Include in the Listing Statement the disclosure for the issuer in accordance with Form 52-110F1, as applicable, as if the issuer was neither a venture issuer nor an IPO venture issuer.
- 15.2** Include in the Listing Statement the disclosure for the issuer in accordance with Form 52-110F2, as applicable, if the issuer is a venture issuer or an IPO venture issuer.

### *Corporate governance*

- 15.3** Include in the Listing Statement the disclosure in accordance with Form 58-101F1, as applicable, if the issuer is neither a venture issuer nor an IPO venture issuer.
- 15.4** Include in the Listing Statement the disclosure in accordance with Form 58-101F2, as applicable, if the issuer is a venture issuer or an IPO venture issuer.



## **16. Risk Factors**

- 16.1** Disclose risk factors relating to the issuer and its business, such as cash flow and liquidity problems, if any, experience of management, the general risks inherent in the business carried on by the issuer, environmental and health risks, reliance on key personnel, regulatory constraints, economic or political conditions and financial history and any other matter that would be likely to influence an investor's decision to purchase securities of the issuer.
- 16.2** If there is a risk that securityholders of the issuer may become liable to make an additional contribution beyond the price of the security, disclose that risk.
- 16.3** Describe any risk factors material to the issuer that a reasonable investor would consider relevant to an investment in the securities being listed and that are not otherwise described under section 16.1 or 16.2.

### *INSTRUCTIONS*

- (1) *Disclose risks in the order of seriousness from the most serious to the least serious.*
- (2) *A risk factor must not be de-emphasized by including excessive caveats or conditions.*

## **17. Promoters**



- 17.1** For a person or company that is, or has been within the two years immediately preceding the date of the Listing Statement, a promoter of the issuer or subsidiary of the issuer, state
- (a) the person or company's name,
  - (b) the number and percentage of each class of voting securities and equity securities of the issuer or any of its subsidiaries beneficially owned, or controlled or directed, directly or indirectly, by the person or company,
  - (c) the nature and amount of anything of value, including money, property, contracts, options or rights of any kind received or to be received by the promoter directly or indirectly from the issuer or from a subsidiary of the issuer, and the nature and amount of any assets, services or other consideration received or to be received by the issuer or a subsidiary of the issuer in return, and
  - (d) for an asset acquired within the two years before the date of the Listing Statement, or to be acquired, by the issuer or by a subsidiary of the issuer from a promoter,
    - (i) the consideration paid or to be paid for the asset and the method by which the consideration has been or will be determined,
    - (ii) the person or company making the determination referred to in subparagraph (i) and the person or company's relationship with the issuer or the promoter, or an affiliate of the issuer or the promoter, and
    - (iii) the date that the asset was acquired by the promoter and the cost of the asset to the promoter.



**17.2** If a promoter referred to in section 17.1 is, as at the date of the Listing Statement, or was within 10 years before the date of the Listing Statement, a director, chief executive officer, or chief financial officer of any person or company, that

- (a) was subject to an order that was issued while the promoter was acting in the capacity as director, chief executive officer or chief financial officer, or
- (b) was subject to an order that was issued after the promoter ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while the promoter was acting in the capacity as director, chief executive officer or chief financial officer,

state the fact and describe the basis on which the order was made and whether the order is still in effect.

**17.3** For the purposes of section 17.2 “order” means

- (a) a cease trade order,
- (b) an order similar to a cease trade order, or
- (c) an order that denied the relevant person or company access to any exemption under securities legislation,

that was in effect for a period of more than 30 consecutive days.

**17.4** If a promoter referred to section 17.1

- (a) is, as at the date of the Listing Statement, or has been within the 10 years before the date of the Listing Statement, a director or executive officer of any person or company that, while the promoter was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets, state the fact, or



- (b) has, within the 10 years before the date of the Listing Statement, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the promoter, state the fact.
- 17.5** Describe the penalties or sanctions imposed and the grounds on which they were imposed or the terms of the settlement agreement and the circumstances that gave rise to the settlement agreement, if a promoter referred to in section 17.1 has been subject to
- (a) any penalties or sanctions imposed by a court relating to provincial and territorial securities legislation or by a provincial and territorial securities regulatory authority or has entered into a settlement agreement with a provincial and territorial securities regulatory authority, or
  - (b) any other penalties or sanctions imposed by a court or regulatory body that would be likely to be considered important to a reasonable investor in making an investment decision.
- 17.6** Despite section 17.5, no disclosure is required of a settlement agreement entered into before December 31, 2000 unless the disclosure would likely be considered important to a reasonable investor in making an investment decision.

## **INSTRUCTIONS**

- (1) *The disclosure required by sections 17.2, 17.4 and 17.5 also applies to any personal holding companies of any of the persons referred to in sections 17.2, 17.4 and 17.5.*
- (2) *A management cease trade order which applies to a promoter referred to in section 17.1 is an “order” for the purposes of section 17.2(a) and must be disclosed, whether or not the director, chief executive officer or chief financial officer was named in the order.*





- (3) *For the purposes of this section, a late filing fee, such as a filing fee that applies to the late filing of an insider report, is not a “penalty or sanction.”*
- (4) *The disclosure in section 17.2(a) only applies if the promoter was a director, chief executive officer or chief financial officer when the order was issued against the person or company. The issuer does not have to provide disclosure if the promoter became a director, chief executive officer or chief financial officer after the order was issued.*

## **18. Legal Proceedings and Regulatory Actions**

### *Legal proceedings*

- 18.1** Describe any legal proceedings the issuer is or was a party to, or that any of its property is or was the subject of, since the beginning of the most recently completed financial year for which financial statements of the issuer are included in the Listing Statement.
- 18.2** Describe any such legal proceedings the issuer knows to be contemplated.
- 18.3** For each proceeding described in sections 18.1 and 18.2, include the name of the court or agency, the date instituted, the principal parties to the proceeding, the nature of the claim, the amount claimed, if any, whether the proceeding is being contested, and the present status of the proceeding.

### **INSTRUCTION**



*Information with respect to any proceeding that involves a claim for damages if the amount involved, exclusive of interest and costs, does not exceed 10% of the current assets of the issuer may be omitted. However, if any proceeding presents in large degree the same legal and factual issues as other proceedings pending or known to be contemplated, include the amount involved in the other proceedings in computing the percentage.*

### *Regulatory actions*

#### **18.4** Describe any

- (a) penalties or sanctions imposed against the issuer by a court relating to provincial and territorial securities legislation or by a securities regulatory authority within the three years immediately preceding the date of the Listing Statement,
- (b) any other penalties or sanctions imposed by a court or regulatory body against the issuer necessary for the Listing Statement to contain full, true and plain disclosure of all material facts relating to the securities being listed, and
- (c) settlement agreements the issuer entered into before a court relating to provincial and territorial securities legislation or with a securities regulatory authority within the three years immediately preceding the date of the Listing Statement.

#### **19. Interests of management and others in material transactions**

- 19.1** Provide information for the issuer for this section in accordance with section 13.1 of Form 51-102F2 as if the reference in that section to “within the three most recently completed financial years or during the current financial year that has materially affected or is reasonably expected to materially affect your company” read “within the three years



before the date of the Listing Statement that has materially affected or is reasonably expected to materially affect the issuer or a subsidiary of the issuer”.

## **20. Auditors, Transfer Agents and Registrars and Investor Relations Arrangements**

### *Auditors*

**20.1** State the name and address of the auditor of the issuer.

### *Transfer agents, registrars, trustees or other agents*

**20.2** For each class of securities, state the name of any transfer agent, registrar, trustee, or other agent appointed by the issuer to maintain the securities register and the register of transfers for such securities and indicate the location (by municipality) of each of the offices of the issuer or transfer agent, registrar, trustee or other agent where the securities register and register of transfers are maintained or transfers of securities are recorded.

### *Investor Relations Arrangements*

**20.3** If any written or oral agreement or understanding has been reached with any person to provide any promotional or investor relations services for the issuer, disclose (i) the name, principal business and place of business of the person providing, and the nature of, the services; (ii) the background of the person providing the services; (iii) whether the person will have direct or indirect beneficial ownership of, control or direction over, or a combination of direct or indirect beneficial ownership of and of control or direction over, securities of the issuer; and (iv) the consideration both monetary and non-monetary to be paid by the issuer, including whether any payments will be made in advance of services being provided.



## 21. Material contracts

### 21.1 Give particulars of any material contract entered into

- (a) since the beginning of the last financial year ending before the date of this Listing Statement; or
- (b) is otherwise in effect, other than contracts entered into in the ordinary course of business that are not
  - (i) contracts to which directors, officers or promoters are parties, other than employment contracts,
  - (ii) a continuing contract to sell the majority of the issuer's products or services or to purchase the majority of the issuer's requirements of goods, services or raw materials,
  - (iii) a franchise or licence or other agreement to use a patent, formula, trade secret, process or trade name,
  - (iv) a financing or credit agreement with terms that have a direct correlation with anticipated cash distributions,
  - (v) an external management or external administration agreement, or
  - (vi) a contract on which the issuer's business is substantially dependent.



## INSTRUCTIONS

- (1) *Set out a complete list of all contracts for which particulars must be given under this section, indicating those that are disclosed elsewhere in the Listing Statement. Particulars need only be provided for those contracts that do not have the particulars given elsewhere in the Listing Statement.*
- (2) *Particulars of contracts must include the dates of, parties to, consideration provided for in, and general nature and key terms of, the contracts.*
- (3) *Disclosure is not required of a provision of a contract if it may be omitted or made unreadable when filed pursuant to section 9.3 of National Instrument 41-101. However, if an issuer avails itself of this exemption then it must include a description of the type of information that has been omitted or marked to be unreadable immediately after the provision in the copy of the material contract filed by the issuer.*

## 22. Experts

### *Names of experts*

#### 22.1 Name each person or company

- (a) who is named as having prepared or certified a report, valuation, statement or opinion in any document filed as part of the Listing Statement, and
- (b) whose profession or business gives authority to the report, valuation, statement or opinion made by the person or company.



*Interest of experts*

**22.2** For each person or company referred to in section 22.1, provide the disclosure in accordance with section 16.2 of Form 51-102F2, as of the date of the Listing Statement, as if that person or company were a person or company referred to in section 16.1 of Form 51-102F2.

**23. Other material facts**

**23.1** Give particulars of any material facts about the securities being listed that are not disclosed under any other Items and are necessary in order for the Listing Statement to contain full, true and plain disclosure of all material facts relating to the securities to be listed.

**24. Financial Statement Disclosure for Issuers**

*Interpretation of “issuer”*

**24.1** The financial statements of an issuer required under this Section to be included in a Listing Statement must include

- (a) the financial statements of any predecessor entity that formed, or will form, the basis of the business of the issuer, even though the predecessor entity is, or may have been, a different legal entity, if the issuer has not existed for three years,
- (b) the financial statements of a business or businesses acquired by the issuer within three years before the date of the Listing Statement or proposed to be acquired, if a reasonable investor reading the Listing Statement would regard the



primary business of the issuer to be the business or businesses acquired, or proposed to be acquired, by the issuer, and

- (c) the restated combined financial statements of the issuer and any other entity with which the issuer completed a transaction within three years before the date of the prospectus or proposes to complete a transaction, if the issuer accounted for or will account for the transaction as a combination in which all of the combining entities or businesses ultimately are controlled by the same party or parties both before and after the combination, and that control is not temporary.

### **Annual financial statements**

**24.2** Subject to section 24.14 and 24.15, include audited, in accordance with NI 52-107, annual financial statements of the issuer consisting of

- (a) a statement of comprehensive income, a statement of changes in equity, and a statement of cash flows for each of the three most recently completed financial years ended more than 120 days before the date of the Listing Statement,
- (b) a statement of financial position as at the end of the two most recently completed financial years described in paragraph (a),
- (c) a statement of financial position as at the beginning of the earliest comparative period for which financial statements that are included in the Listing Statement comply with IFRS in the case of an issuer that
  - (i) discloses in its annual financial statements an unreserved statement of compliance with IFRS, and
  - (ii) does any of the following
    1. applies an accounting policy retrospectively in its annual financial statements,
    2. makes a retrospective restatement of items in its annual financial statements, or
    3. reclassifies items in its annual financial statements,
- (d) in the case of an issuer's first IFRS financial statements, the opening IFRS statement of financial position at the date of transition to IFRS, and



- (e) notes to the annual financial statements.
- 24.3** If an issuer presents the components of profit or loss in a separate income statement, the separate income statement must be displayed immediately before the statement of comprehensive income filed under subsection 24.2.
- 24.4** If the issuer has not completed three financial years, include the financial statements described under subsection 24.2 for each completed financial year ended more than 120 days before the date of the Listing Statement.
- 24.5** If the issuer has not included in the Listing Statement financial statements for a completed financial year, include the financial statements described under subsection 24.2 or 24.4 for a period from the date the issuer was formed to a date not more than 90 days before the date of the Listing Statement.
- 24.6** If an issuer changed its financial year end during any of the financial years referred to in this section and the transition year is less than nine months, the transition year is deemed not to be a financial year for the purposes of the requirement to provide financial statements for a specified number of financial years in this section.
- 24.7** Despite subsection 24.6, all financial statements of the issuer for a transition year referred to in subsection 24.6 must be included in the Listing Statement.
- 24.8** Subject to section 24.14, if financial statements of any predecessor entity, business or businesses acquired by the issuer, or of any other entity are required under this section, then include
- (a) statements of comprehensive income, statements of changes in equity, and statements of cash flow for the entities or businesses for as many periods before the acquisition as may be necessary so that when these periods are added to the periods for which the issuer's statements of comprehensive income, statements of changes in equity, and statements of cash flow are included in the prospectus, the results of the entities or businesses, either separately or on a consolidated basis, total three years,
  - (b) statements of financial position for the entities or businesses for as many periods before the acquisition as may be necessary so that when these periods are added to the periods for which the issuer's statements of financial position are included in the prospectus, the financial position of the entities or businesses, either separately or on a consolidated basis, total two years,
  - (c) if the entities or businesses have not completed three financial years, the financial statements described under paragraphs (a) and (b) for each completed financial year of the entities or businesses for which the issuer's financial statements in the prospectus do not include the financial statements of the entities or businesses,





- either separately or on a consolidated basis, and ended more than 120 days before the date of the Listing Statement, or
- (d) if an entity's or business's first IFRS financial statements are included under paragraphs (a), (b) or (c), the opening IFRS statement of financial position at the date of transition to IFRS, and
  - (e) a statement of financial position as at the beginning of the earliest comparative period for which financial statements that are included in the prospectus comply with IFRS in the case of an issuer that
    - (i) discloses in its annual financial statements an unreserved statement of compliance with IFRS, and
    - (ii) does any of the following
      1. applies an accounting policy retrospectively in its financial statements,
      2. makes a retrospective restatement of items in its financial statements, or
      3. reclassifies items in its financial statements.

### **Interim financial reports**

**24.9** Subject to section 24.14 and 24.15, include audited, in accordance with NI 52-107, comparative interim financial report of the issuer for the most recent interim period, if any, ended

- (a) subsequent to the most recent financial year in respect of which annual financial statements of the issuer are included in the Listing Statement, and
- (b) more than 60 days before the date of the Listing Statement.

**24.10** The interim financial report referred to in subsection 24.9 must include

- (a) a statement of financial position as at the end of the interim period and a statement of financial position as at the end of the immediately preceding financial year, if any,
- (b) a statement of comprehensive income, a statement of changes in equity, and a statement of cash flows, all for the year-to-date interim period, and comparative financial information for the corresponding interim period in the immediately preceding financial year, if any,



- (c) for interim periods other than the first interim period in an issuer's financial year, a statement of comprehensive income for the three month period ending on the last day of the interim period and comparative financial information for the corresponding period in the immediately preceding financial year, if any,
- (d) a statement of financial position as at the beginning of the earliest comparative period for which financial statements that are included in the Listing Statement comply with IFRS in the case of an issuer that
  - (i) discloses in its interim financial report an unreserved statement of compliance with International Accounting Standard 34 *Interim Financial Reporting*, and
  - (ii) does any of the following
    1. applies an accounting policy retrospectively in its interim financial report,
    2. makes a retrospective restatement of items in its interim financial report, or
    3. reclassifies items in its interim financial report,
- (e) in the case of the first interim financial report required to be filed in the year of adopting IFRS, the opening IFRS statement of financial position at the date of transition to IFRS, and
- (f) notes to the interim financial report.

**24.11** If an issuer presents the components of profit or loss in a separate income statement, the separate income statement must be displayed immediately before the statement of comprehensive income filed under subsection 24.10.

**24.12** If the issuer is required to include under subsection 24.9, a comparative interim financial report of the issuer for the second or third interim period in the year of adopting IFRS, include

- (a) the issuer's first interim financial report in the year of adopting IFRS, or
- (b) both
  - (i) the opening IFRS statement of financial position at the date of transition to IFRS, and
  - (ii) the annual and date of transition to IFRS reconciliations required by IFRS 1 *First time Adoption of International Financial Reporting Standards* to



explain how the transition from previous GAAP to IFRS affected the issuer's reported financial position, financial performance and cash flows.

**24.13** Subsection 24.12 does not apply to an issuer that was a reporting issuer in at least one jurisdiction immediately before filing the Listing Statement.

### **Exceptions to financial statement requirements**

**24.14** Despite section 24.2, an issuer is not required to include the following financial statements in a Listing Statement

- (a) the statement of comprehensive income, the statement of changes in equity, and the statement of cash flows for the third most recently completed financial year, if the issuer is a reporting issuer in at least one jurisdiction immediately before filing the Listing Statement,
- (b) the statement of comprehensive income, the statement of changes in equity, and the statement of cash flows for the third most recently completed financial year, and the financial statements for the second most recently completed financial year, if
  - (i) the issuer is a reporting issuer in at least one jurisdiction immediately before filing the Listing Statement, and
  - (ii) the issuer includes financial statements for a financial year ended less than 120 days before the date of the Listing Statement,
- (c) the statement of comprehensive income, the statement of changes in equity, and the statement of cash flows for the third most recently completed financial year, and the statement of financial position for the second most recently completed financial year, if the issuer includes financial statements for a financial year ended less than 90 days before the date of the Listing Statement,
- (d) the statement of comprehensive income, the statement of changes in equity, and the statement of cash flows for the third most recently completed financial year, and the financial statements for the second most recently completed financial year, if
  - (i) the issuer is a reporting issuer in at least one jurisdiction immediately before filing the Listing Statement,
  - (ii) the issuer includes audited financial statements for a period of at least nine months commencing the day after the most recently completed financial year for which financial statements are required under section 24.2,



- (iii) the business of the issuer is not seasonal, and
  - (iv) none of the financial statements required under section 24.2 are for a financial year that is less than nine months,
- (e) the statement of comprehensive income, the statement of changes in equity, and the statement of cash flows for the third most recently completed financial year, and the statement of financial position for the second most recently completed financial year, if
- (i) the issuer includes audited financial statements for a period of at least nine months commencing the day after the most recently completed financial year for which financial statements are required under section 24.2,
  - (ii) the business of the issuer is not seasonal, and
  - (iii) none of the financial statements required under section 24.2 are for a financial year that is less than nine months, or
- (f) the separate financial statements of the issuer and the other entity for periods prior to the date of the transaction, if the restated combined financial statements of the issuer and the other entity are included in the Listing Statement under paragraph 24.1(c).

### **Exceptions to audit requirement**

**24.15** The audit requirement in this Listing Statement does not apply to the following financial statements

- (a) any financial statements for the second and third most recently completed financial years required under section 24.2, if
  - (i) those financial statements were previously included in a final Listing Statement without an auditor's report pursuant to an exemption under applicable securities legislation, and



- (ii) an auditor has not issued an auditor's report on those financial statements,
- (b) any financial statements for the second and third most recently completed financial years required under section 24.2, if
  - (i) the issuer is a junior issuer, and
  - (ii) the financial statements for the most recently completed financial year required under section 24.2 is not less than 12 months in length, or
- (c) any interim financial reports required under section 24.3.

*Additional financial statements or financial information filed or released*

**24.16** If the issuer files financial statements for a more recent period than required under section 24.2 or 24.8 before the Listing Statement is filed, the issuer must include in the Listing Statement those more recent financial statements.

**24.17** If historical financial information about the issuer is publicly disseminated by, or on behalf of, the issuer through news release or otherwise for a more recent period than required under section 24.2, the issuer must include the content of the news release or public communication in the Listing Statement.

**25. Credit supporter disclosure, including financial statements**



**25.1** If a credit supporter has provided a guarantee or alternative credit support for all or substantially all of the payments to be made under the securities being listed, include statements by the credit supporter providing disclosure about the credit supporter that would be required under Items 2, 3, 5, 12, 16, 18, 20, 24 if the credit supporter were the issuer of the securities to be listed and such other information about the credit supporter as is necessary to provide full, true and plain disclosure of all material facts relating to the securities to be listed.

## **26. Exemptions for Certain Issues of Guaranteed Securities**

### **Definitions and interpretation**

**26.1** In this item

- (a) the impact of subsidiaries, on a combined basis, on the financial statements of the parent entity is “minor” if each item of the summary financial information of the subsidiaries, on a combined basis, represents less than three percent of the total consolidated amounts,
- (b) a parent entity has “limited independent operations” if each item of its summary financial information represents less than three percent of the total consolidated amounts,
- (c) a subsidiary is a “finance subsidiary” if it has minimal assets, operations, revenues or cash flows other than those related to the issuance, administration and repayment of the security being listed and any other securities guaranteed by its parent entity,



- (d) “parent credit supporter” means a credit supporter of which the issuer is a subsidiary,
- (e) “parent entity” means a parent credit supporter for the purposes of sections 26.2 and 26.3 and an issuer for the purpose of section 26.4,
- (f) “subsidiary credit supporter” means a credit supporter that is a subsidiary of the parent credit supporter, and
- (g) “summary financial information” includes the following line items:
  - (i) sales or revenues,
  - (ii) income from continuing operations,
  - (iii) net earnings or loss, and
  - (iv) unless the accounting principles used to prepare the financial statements of the entity permits the preparation of the entity’s statement of financial position without classifying assets and liabilities between current and non-current and the entity provides alternative meaningful financial information which is more appropriate to the industry,
    - (A) current assets,
    - (B) non-current assets,



(C) current liabilities, and

(D) non-current liabilities.

**26.2** For the purposes of this Section, consolidating summary financial information must be prepared on the following basis

- (a) an entity's annual or interim summary financial information must be derived from the entity's financial information underlying the corresponding consolidated financial statements of the parent entity included in the Listing Statement,
- (b) the parent entity column must account for investments in all subsidiaries under the equity method, and
- (c) all subsidiary entity columns must account for investments in non-credit supporter subsidiaries under the equity method.

*Issuer is wholly-owned subsidiary of parent credit supporter*

**26.3** An issuer is not required to include the issuer disclosure required by Items 2, 3, 5, 16, 18, 20 and 24 if

- (a) a parent credit supporter has provided full and unconditional credit support for the securities being listed,





- (b) the securities being listed are non-convertible debt securities, non-convertible preferred shares, or convertible debt securities or convertible preferred shares that are convertible, in each case, into non-convertible securities of the parent credit supporter,
- (c) the parent credit supporter is the beneficial owner of all the issued and outstanding voting securities of the issuer,
- (d) no other subsidiary of the parent credit supporter has provided a guarantee or alternative credit support for all or substantially all of the payments to be made under the securities being listed, and
- (e) the issuer includes in the Listing Statement
  - (i) a statement that the financial results of the issuer are included in the consolidated financial results of the parent credit supporter, if
    - (A) the issuer is a finance subsidiary, and
    - (B) the impact of any subsidiaries of the parent credit supporter on a combined basis, excluding the issuer, on the consolidated financial statements of the parent credit supporter is minor, or
  - (ii) for the periods covered by the parent credit supporter's interim and annual consolidated financial statements included in the Listing Statement under Section 25, consolidating summary financial information for the parent credit supporter presented with a separate column for each of the following



- (A) the parent credit supporter;
- (B) the issuer;
- (C) any other subsidiaries of the parent credit supporter on a combined basis;
- (D) consolidating adjustments;
- (E) the total consolidated amounts.

*Issuer is wholly-owned subsidiary of, and one or more subsidiary credit supporters controlled by, parent credit supporter*

**26.4** An issuer is not required to include the issuer disclosure required by Items 2, 3, 5, 16, 18, 20 and 24, or the credit supporter disclosure of one or more subsidiary credit supporters required by section 25, if

- (a) a parent credit supporter and one or more subsidiary credit supporters have each provided full and unconditional credit support for the securities being listed,
- (b) the guarantees or alternative credit supports are joint and several,
- (c) the securities being listed are non-convertible debt securities, non-convertible preferred shares, or convertible debt securities or convertible preferred shares



that are convertible, in each case, into non-convertible securities of the parent credit supporter,

- (d) the parent credit supporter is the beneficial owner of all the issued and outstanding voting securities of the issuer,
- (e) the parent credit supporter controls each subsidiary credit supporter and the parent credit support has consolidated the financial statements of each subsidiary credit supporter into the parent credit supporter's financial statements that are included in the Listing Statement, and
- (f) the issuer includes in the Listing Statement, for the periods covered by the parent credit supporter's financial statements included in the Listing Statement under section 25, consolidating summary financial information for the parent credit supporter presented with a separate column for each of the following:
  - (i) the parent credit supporter;
  - (ii) the issuer;
  - (iii) each subsidiary credit supporter on a combined basis;
  - (iv) any other subsidiaries of the parent credit supporter on a combined basis;
  - (v) consolidating adjustments;



(vi) the total consolidated amounts.

**26.5** Despite Section 26.3(f), the information set out in a column in accordance with

- (a) Section 26.3(f)(iv) may be combined with the information set out in accordance with any of the other columns in Section 26.3(f) if the impact of any subsidiaries of the parent credit supporter on a combined basis, excluding the issuer and all subsidiary credit supporters, on the consolidated financial statements of the parent credit supporter is minor, and
- (b) Section 26.3(f)(ii), may be combined with the information set out in accordance with any of the other columns in Section 26.3(f) if the issuer is a finance subsidiary.

*One or more credit supporters controlled by issuer*

**26.6** An issuer is not required to include the credit supporter disclosure for one or more credit supporters required by section 25, if

- (a) one or more credit supporters have each provided full and unconditional credit support for the securities being listed,
- (b) there is more than one credit supporter, the guarantee or alternative credit supports are joint and several,
- (c) the securities being listed are non-convertible debt securities, non-convertible preferred shares, or convertible debt securities or convertible preferred shares that are convertible, in each case, into non-convertible securities of the issuer,



- (d) the issuer controls each credit supporter and the issuer has consolidated the financial statements of each credit supporter into the issuer's financial statements that are included in the Listing Statement, and
- (e) the issuer includes in the Listing Statement
  - (i) a statement that the financial results of the credit supporter(s) are included in the consolidated financial results of the issuer, if
    - (A) the issuer has limited independent operations, and
    - (B) the impact of any subsidiaries of the issuer on a combined basis, excluding the credit supporter(s) but including any subsidiaries of the credit supporter(s) that are not themselves credit supporters, on the consolidated financial statements of the issuer is minor, or
  - (ii) for the periods covered by the issuer's financial statements included in the Listing Statement under section 24, consolidating summary financial information for the issuer, presented with a separate column for each of the following:
    - (A) the issuer,
    - (B) the credit supporters on a combined basis,
    - (C) any other subsidiaries of the issuer on a combined basis,



(D) consolidating adjustments,

(E) the total consolidated amounts.

## 27. Significant Acquisitions

### *Application and definitions*

**27.1** This Section does not apply to a completed or proposed transaction by the issuer that was or will be accounted for as a reverse takeover or a transaction that is a proposed reverse takeover that has progressed to a state where a reasonable person would believe that the likelihood of the reverse takeover being completed is high.

**27.2** As applicable to this Listing Statement, the audit requirement in section 4.2 of National Instrument 41-101 does not apply to any financial statements or other information included in the Listing Statement under this Section, other than the financial statements or other information for the most recently completed financial year of a business or related businesses acquired, or proposed to be acquired, by the issuer.

**27.3** In this Section, “**significant acquisition**” means an acquisition of a business or related businesses that,

- (a) if the issuer was a reporting issuer in at least one jurisdiction on the date of the acquisition, is determined to be a significant acquisition under section 8.3 of National Instrument 51-102, or



- (b) if the issuer was not a reporting issuer in any jurisdiction on the date of the acquisition, would be determined to be a significant acquisition under section 8.3 of National Instrument 51-102, as if
- (i) the issuer was a reporting issuer on the date of the acquisition,
  - (ii) the references to a “venture issuer” were read as an “IPO venture issuer” if the issuer is an IPO venture issuer,
  - (iii) for the purposes of the optional tests, the issuer used its financial statements for the most recently completed interim period or financial year that is included in the Listing Statement,
  - (iv) for the purposes of the profit or loss test, the most recently completed financial year of the business or related businesses were the financial year of the business ended before the date of the Listing Statement, and the 12 months ended on the last day of the most recently completed interim period of the business or related businesses were the 12 months ended on the last day of the most recently completed interim period before the date of the Listing Statement,
  - (v) subsection 8.3(11.1) of National Instrument 51-102 did not apply,
  - (vi) references to “annual audited statements filed” meant “audited annual financial statements included in the Listing Statement,” and
  - (vii) in subsection 8.3(15) of National Instrument 51-102, the reference to “been required to file, and has not filed,” meant “been required to include, and has not included, in the Listing Statement.”



*Completed acquisitions for which issuer has filed business acquisition report*

- 27.4** If an issuer completed an acquisition of a business or related businesses since the beginning of its most recently completed financial year for which financial statements are included in the Listing Statement, and it has filed a business acquisition report under Part 8 of National Instrument 51-102 for the acquisition, include all of the disclosure included in, or incorporated by reference into, that business acquisition report.

*Completed acquisitions for which issuer has not filed business acquisition report because issuer was not reporting issuer on date of acquisition*

- 27.5** An issuer must include the disclosure required under section 27.6, if
- (a) the issuer completed an acquisition of a business or related businesses since the beginning of the issuer's most recently completed financial year for which financial statements of the issuer are included in the Listing Statement,
  - (b) the issuer was not a reporting issuer in any jurisdiction on the date of the acquisition,
  - (c) the acquisition is a significant acquisition, and
  - (d) the acquisition was completed more than
    - (i) 90 days before the date of the Listing Statement, if the financial year of the acquired business ended 45 days or less before the acquisition, or





- (ii) 75 days before the date of the Listing Statement.

**27.6** For an acquisition to which section 27.5 applies, include all the disclosure that would be required to be included in, or incorporated by reference into, a business acquisition report filed under Part 8 of National Instrument 51-102, as if

- (a) the issuer was a reporting issuer in at least one jurisdiction on the date of the acquisition,
- (b) the business acquisition report was filed as at the date of the Listing Statement,
- (c) the issuer was a venture issuer at the date of the acquisition, if the issuer is an IPO venture issuer,
- (d) subsections 8.4(4) and 8.4(6) of National Instrument 51-102 did not apply, and
- (e) references to financial statements filed or required to be filed meant financial statements included in the Listing Statement.

*Results consolidated in financial statements of issuer*

**27.7** Despite section 27.4 and subsection 27.5, an issuer may omit the financial statements or other information of a business required to be included in the Listing Statement, if at least nine months of the acquired business or related businesses financial performance have been reflected in the issuer's most recent audited financial statements included in the Listing Statement.



*Recently completed acquisitions*

**27.8** Include the information required under subsection 27.9 for any significant acquisition completed by the issuer

- (a) since the beginning of the issuer's most recently completed financial year for which financial statements of the issuer are included in the Listing Statement, and
- (b) for which the issuer has not included any disclosure under section 27.4 or section 27.6.

**27.9** For a significant acquisition to which section 27.8 applies, include the following

- (a) the information required by sections 2.1 through 2.6 of National Instrument 51-102 Form 51-102F4, and
- (b) the financial statements of or other information about the acquisition under section 27.10 for the acquired business or related businesses, if
  - (i) the issuer was not a reporting issuer in any jurisdiction immediately before filing the Listing Statement, or
  - (ii) the issuer was a reporting issuer in at least one jurisdiction immediately before filing the Listing Statement, and the inclusion of the financial statements or other information is necessary for the Listing Statement to contain full, true and plain disclosure of all material facts relating to the securities to be listed.



**27.10** The requirement to include financial statements or other information under paragraph 27.9(b) must be satisfied by including

- (a) if the issuer was a reporting issuer in at least one jurisdiction on the date of acquisition, the financial statements or other information that will be required to be included in, or incorporated by reference into, a business acquisition report filed under Part 8 of National Instrument 51-102,
- (b) if the issuer was not a reporting issuer in any jurisdiction on the date of acquisition, the financial statements or other information that would be required by section 27.6, or
- (c) satisfactory alternative financial statements or other information.

*Probable acquisitions*

**27.11** Include the information required under subsection 27.12 for any proposed acquisition of a business or related businesses by an issuer that has progressed to a state where a reasonable person would believe that the likelihood of the issuer completing the acquisition is high, and that, if completed by the issuer at the date of the Listing Statement, would be a significant acquisition.

**27.12** For a proposed acquisition of a business or related businesses by the issuer that has progressed to a state where a reasonable person would believe that the likelihood of the issuer completing the acquisition is high and to which subsection 27.11 applies, include

- (a) the information required by sections 2.1 through 2.6 of National Instrument 51-102 Form 51-102F4, modified as necessary to convey that the acquisition has not been completed, and



- (b) the financial statements or other information of the probable acquisition under subsection 27.13 for the acquired business or related businesses, if
  - (i) the issuer was not a reporting issuer in any jurisdiction immediately before filing the Listing Statement, or
  - (ii) the issuer was a reporting issuer in at least one jurisdiction immediately before filing the Listing Statement, and the inclusion of the financial statements or other information is necessary for the Listing Statement to contain full, true and plain disclosure of all material facts relating to the securities to be listed.

**27.13** For a proposed acquisition of a business or related businesses by the issuer that has progressed to a state where a reasonable person would believe that the likelihood of the issuer completing the acquisition is high and to which subsection 27.12 applies, the requirement to include financial statements or other information under subsection 27.12(b) must be satisfied by including

- (a) if the issuer was a reporting issuer in at least one jurisdiction immediately before filing the Listing Statement, the financial statements or other information that would be required to be included in, or incorporated by reference into, a business acquisition report filed under Part 8 of National Instrument 51-102, as if the date of the acquisition were the date of the Listing Statement,
- (b) if the issuer was not a reporting issuer in any jurisdiction immediately before filing the Listing Statement, the financial statements or other information that would be required to be included by subsection 27.6, as if the acquisition had been completed before the filing of the Listing Statement and the date of the acquisition were the date of the Listing Statement, or



- (c) satisfactory alternative financial statements or other information.

*Pro forma financial statements for multiple acquisitions*

**27.14** Despite sections 27.4, 27.5, 27.6, 27.8, 27.9, 27.10, 27.11, 27.12 and 27.13, an issuer is not required to include in its Listing Statement the pro forma financial statements otherwise required for each acquisition, if the issuer includes in its Listing Statement one set of pro forma financial statements that

- (a) reflects the results of each acquisition since the beginning of the issuer's most recently completed financial year for which financial statements of the issuer are included in the Listing Statement,
- (b) is prepared as if each acquisition had occurred at the beginning of the most recently completed financial year of the issuer for which financial statements of the issuer are included in the Listing Statement, and
- (c) is prepared in accordance with
  - (i) if no disclosure is otherwise required for a probable acquisition under sections 27.11, 27.12 and 27.13, the section in this Section that applies to the most recently completed acquisition; or
  - (ii) sections 27.11, 27.12 and 27.13.

*Additional financial statements or financial information of business filed or released*



- 27.15** An issuer must include in its Listing Statement annual and interim financial reports of a business or related businesses for a financial period that ended before the date of the acquisition and is more recent than the periods for which financial statements are required under section 27.8, 27.9 and 27.10 or sections 27.11, 27.12 and 27.13 if, before the Listing Statement is filed, the financial statements of the business for the more recent period have been filed.
- 27.16** If, before the Listing Statement is filed, historical financial information of a business or related businesses for a period more recent than the period for which financial statements are required under section 27.8, 27.9 and 27.10 or sections 27.11, 27.12 and 27.13, is publicly disseminated by news release or otherwise by or on behalf of the issuer, the issuer shall include in the Listing Statement the content of the news release or public communication.



**CERTIFICATE**

The undersigned solemnly declare that:

1. Each of the undersigned is an officer or director of the issuer and has been duly authorized to sign this form;
2. This Listing Statement contains full, true and plain disclosure of all material information relating to [full legal name of issuer] and 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 prevent a statement that is made from being false or misleading in light of the circumstances in which it was made; and
3. They are making this solemn declaration believing it to be true and knowing it is of the same force and effect as if made under the *Canada Evidence Act*.

Dated at \_\_\_\_\_ this \_\_\_ day of \_\_\_\_\_, 20\_\_.

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Signature of CEO

Name

NOTARIAL SEAL

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Signature of CFO

Name



NOTARIAL SEAL

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Signature of Director

Name

NOTARIAL SEAL

---

Signature of Director

Name

NOTARIAL SEAL

---

Signature of Promoter (if applicable)

Name

NOTARIAL SEAL



**FORM 3**  
**PERSONAL INFORMATION FORM FOR RELATED PERSONS**

**General Instructions**

1. All terms defined in AlphaV+ Requirements have the same meaning in this form.
2. This form is to be completed by
  - (a) every individual who is or proposed to become a Related Person of an Issuer;
  - (b) each investor relations or promotional service provider person; and
  - (c) any person required by the Exchange to complete this form.
3. If you have submitted a completed form to the Exchange within the past 36 months and the information on the previously submitted form has not changed, you may provide a sworn declaration (Form 3A) to that effect in lieu of completing a new form.
4. This form must be sworn before a notary public in the jurisdiction in which it is sworn. If the jurisdiction does not have notary publics, it must be sworn before a person who meets the requirements of the *Canada Evidence Act*. All attachments must be initialled by you and the notary public.
5. The Exchange will only accept originally-executed copies of this form.
6. All questions must have a response. The response of "N/A" or "Not Applicable" will not be accepted for any questions, except Questions 1(B), 2(iii) and (v) and 5.
7. For the purposes of answering the questions in this form, the term "issuer" includes an investment fund manager.
8. An individual who makes a false statement by statutory declaration commits an offence under applicable securities legislation and an indictable offence under the *Criminal Code* (Canada). The Exchange may verify the information contained in this form, including verification of any previous criminal record. If incomplete or misleading information is provided, the Exchange may disqualify the individual from association with the issuer and/or other issuers.
9. Please place a checkmark (✓) in the appropriate space provided. If your answer to any of questions 6 to 10 is "YES", you must, in an attachment, provide complete details, including the circumstances, relevant dates, names of the parties involved and final disposition, if known. Any attachment must be initialled by the person completing this Form. Responses must consider all time periods.

**DEFINITIONS**

**"Offence"** An offence includes:

- (a) a summary conviction or indictable offence under the *Criminal Code* (Canada);
- (b) a quasi-criminal offence (for example under the *Income Tax Act* (Canada), the *Immigration Act* (Canada) or the tax, immigration, drugs, firearms, money laundering or securities legislation of any Canadian or foreign jurisdiction);
- (c) a misdemeanour or felony under the criminal legislation of the United States of America, or any state or territory therein; or
- (d) an offence under the criminal legislation of any other foreign jurisdiction;

**NOTE: If you have received a pardon under the *Criminal Records Act* (Canada) for an Offence that relates to fraud (including any type of fraudulent activity), misappropriation of money or other property, theft, forgery, falsification of books or documents or similar Offences, you must disclose the pardoned Offence in this Form. In such circumstances:**

**(a) the appropriate written response would be “Yes, pardon granted on (date)”;** and

**(b) you must provide complete details in an attachment to this Form.**

**“Proceedings”** means:

- (a) a civil or criminal proceeding or inquiry which is currently before a court;
- (b) a proceeding before an arbitrator or umpire or a person or group of persons authorized by law to make an inquiry and take evidence under oath in the matter;
- (c) a proceeding before a tribunal in the exercise of a statutory power of decision making where the tribunal is required by law to hold or afford the parties to the proceeding an opportunity for a hearing before making a decision; or
- (d) a proceeding before a self-regulatory entity authorized by law to regulate the operations and the standards of practice and business conduct of its members (including where applicable, issuers listed on a stock exchange) and individuals associated with those members and issuers, in which the self-regulatory entity is required under its by-laws, rules or policies to hold or afford the parties the opportunity to be heard before making a decision, but does not apply to a proceeding in which one or more persons are required to make an investigation and to make a report, with or without recommendations, if the report is for the information or advice of the person to whom it is made and does not in any way bind or limit that person in any decision the person may have the power to make;

**“securities regulatory authority” or “SRA”** means a body created by statute in any Canadian or foreign jurisdiction to administer securities law, regulation and policy (e.g. securities commission), but does not include an exchange or other self regulatory entity;

**“self regulatory entity” or “SRE”** means:

- (a) a stock, derivatives, commodities, futures or options exchange;
- (b) an association of investment, securities, mutual fund, commodities, or future dealers;
- (c) an association of investment counsel or portfolio managers;
- (d) an association of other professionals (e.g. legal, accounting, engineering); and
- (e) any other group, institution or self-regulatory organization, recognized by a securities regulatory authority, that is responsible for the enforcement of rules, policies, disciplines or codes under any applicable legislation, or considered an SRE in another country.

**1. A. IDENTIFICATION OF INDIVIDUAL COMPLETING FORM**

Attach a legible photocopy of a piece of identification issued in the past 5 years from a government authority (such as a driver’s licence or passport) containing a recognizable photograph of you and your signature. If the piece of identification is not a passport, it must contain your full first and last names, date of birth, sex and current mailing address.

I have attached a copy of the identification required above:  Yes  No

LAST NAME(S)	FIRST NAME(S)	FULL MIDDLE NAME(S) (No initials. If none, please state)			
NAME(S) MOST COMMONLY KNOWN BY:					
NAME OF ISSUER					
PRESENT or PROPOSED POSITION(S) WITH THE ISSUER – check (√) all positions below that are applicable.	(√)	IF DIRECTOR / OFFICER DISCLOSE THE DATE ELECTED / APPOINTED			IF OFFICER – PROVIDE TITLE  IF OTHER – PROVIDE DETAILS
		Month	Day	Year	
Director					
Officer					
Other					

<b>B. Other than the name given in Question 1A above, provide any legal names, assumed names or nicknames under which you have carried on business or have otherwise been known, including information regarding any name change(s) resulting from marriage, divorce, court order or any other process. Use an attachment if necessary.</b>	<b>FROM</b>		<b>TO</b>	
	<b>MM</b>	<b>YY</b>	<b>MM</b>	<b>YY</b>

<b>C.</b>	<b>GENDER</b>		<b>DATE OF BIRTH</b>			<b>PLACE OF BIRTH</b>		
			<b>Month</b>	<b>Day</b>	<b>Year</b>	<b>City</b>	<b>Province/State</b>	<b>Country</b>
	Male							
	Female							

<b>D.</b>	<b>MARITAL STATUS</b>	<b>FULL NAME OF SPOUSE – include common-law</b>	<b>OCCUPATION OF SPOUSE</b>

<b>E.</b>	<b>TELEPHONE AND FACSIMILE NUMBERS AND E-MAIL ADDRESS</b>		
<b>RESIDENTIAL</b>	(     )	<b>FACSIMILE</b>	(     )
<b>BUSINESS</b>	(     )	<b>E-MAIL*</b>	

\* Please provide an email address that Alpha Exchange may use to contact you regarding this PIF. This email address may be used to exchange personal information relating to you.

**F. RESIDENTIAL HISTORY – Provide all residential addresses for the past 10 YEARS starting with your current principal residential address. If you are unable to recall the complete residential address for a period which is beyond five years from the date of completion of this Form, the municipality and province or state and country must be identified. Alpha Exchange reserves the right to require the full address.**

STREET ADDRESS, CITY, PROVINCE/STATE, COUNTRY & POSTAL/ZIP CODE	FROM		TO	
	MM	YY	MM	YY

**2. CITIZENSHIP**

	YES	NO
(i) Are you a Canadian citizen?		
(ii) Are you a person lawfully in Canada as an immigrant but are not yet a Canadian citizen?		
(iii) If “Yes” to Question 2(ii), the number of years of continuous residence in Canada:		
(iv) Do you hold citizenship in any country other than Canada?		
(v) If “Yes” to Question 2(iv), the name of the country(ies):		
(vi) Provide your Canadian social insurance number: (If none, state “none”)		
(vii) Provide your U.S. social security number: (If none, state “none”)		

**3. EMPLOYMENT HISTORY**

Provide your complete employment history for the **5 YEARS** immediately prior to the date of this Form starting with your current employment. Use an attachment if necessary. If you were unemployed during this period of time, please state this and identify the period of unemployment.

EMPLOYER NAME	EMPLOYER ADDRESS	POSITION HELD	FROM		TO	
			MM	YY	MM	YY

#### 4. INVOLVEMENT WITH ISSUERS

YES		NO
A.	Are you or have you during the last 10 years ever been a director, officer, promoter, insider or control person for any reporting issuer?	

B. If "YES" to 4A above, provide the names of each reporting issuer. State the position(s) held and the period(s) during which you held the position(s). Use an attachment if necessary.

NAME OF REPORTING ISSUER	POSITION(S) HELD	MARKET TRADED ON	FROM		TO	
			MM	YY	MM	YY

C.	<p>While you were a director, officer or insider of an issuer, did any exchange or other self-regulatory entity ever refuse approval for listing or quotation of the issuer, including (i) a listing resulting from a business combination, reverse take-over or similar transaction involving the issuer that is regulated by an SRE or SRA, (ii) a backdoor listing or qualifying acquisition involving the issuer (either on Alpha Exchange or another exchange) or (iii) a qualifying transaction, reverse takeover or Change of Business involving the issuer (either on Alpha Exchange or another exchange)? If yes, attach full particulars.</p>		
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**5. EDUCATIONAL HISTORY**

**A. PROFESSIONAL DESIGNATION(S) – Identify any professional designation held and professional associations to which you belong, for example, Barrister & Solicitor, C.A., C.M.A., C.G.A., P.Eng., P.Geol., CFA, etc. and indicate which organization and the date the designations were granted.**

PROFESSIONAL DESIGNATION And MEMBERSHIP NUMBER	GRANTOR OF DESIGNATION And CANADIAN OR FOREIGN JURISDICTION	DATE GRANTED	
		MM	YY

**Describe the current status of any designation and/or association (e.g. active, retired, non-practicing, suspended)**

**B. Provide your post-secondary educational history starting with the most recent.**

SCHOOL	LOCATION	DEGREE OR DIPLOMA	DATE OBTAINED		
			MM	DD	YY

**6. OFFENCES – If you answer “YES” to any item in Question 6, you must provide complete details in an attachment. If you have received a pardon under the Criminal Records Act (Canada) for an Offence that relates to fraud (including any type of fraudulent activity), misappropriation of money or other property, theft, forgery, falsification of books or documents or similar Offences, you must disclose the pardoned Offence in this Form.**



YES		NO
A.	Have you ever, in any Canadian or foreign jurisdiction, pled guilty to or been found guilty of an Offence?	
B.	Are you the subject of any current charge, indictment or proceeding for an Offence, in any Canadian or foreign jurisdiction?	
C.	To the best of your knowledge, are you currently or have you <b>ever</b> been a director, officer, promoter, insider or control person of an issuer, in any Canadian or foreign jurisdiction, at the time of events, where the issuer:	
(i)	pled guilty to or was found guilty of an Offence?	
(ii)	is now the subject of any charge, indictment or proceeding for an Offence?	

7. **BANKRUPTCY** – If you answer “YES” to any item in Question 7, you must provide complete details in an attachment and attach a copy of any discharge, release or other applicable document. You must answer “YES” or “NO” for EACH of (A), (B) and (C), below.

YES		NO
A.	Have <u>you</u> , in any Canadian or foreign jurisdiction, within the past <b>10 years</b> had a petition in bankruptcy issued against you, made a voluntary assignment in bankruptcy, made a proposal under any bankruptcy or insolvency legislation, been subject to any proceeding, arrangement or compromise with creditors, or had a receiver, receiver-manager or trustee appointed to manage your assets?	
B.	Are you now an undischarged bankrupt?	
C.	To the best of your knowledge, are you currently or have you <b>ever</b> been a director, officer, promoter, insider or control person of an <u>issuer</u> , in any Canadian or foreign jurisdiction, at the time of events, or for a period of 12 months preceding the time of events, where the issuer:	

(i)	has made a petition in bankruptcy, a voluntary assignment in bankruptcy, a proposal under any bankruptcy or insolvency legislation, been subject to any proceeding, arrangement or compromise with creditors or had a receiver, receiver-manager or trustee appointed to manage the issuer's assets?		
(ii)	is now an undischarged bankrupt?		

**8. PROCEEDINGS** – If you answer “YES” to any item in Question 8, you must provide complete details in an attachment.

YES		NO
<b>A.</b>	<b>CURRENT PROCEEDINGS BY SECURITIES REGULATORY AUTHORITY OR SELF REGULATORY ENTITY. Are you now, in any Canadian or foreign jurisdiction, the subject of:</b>	
(i)	a notice of hearing or similar notice issued by an SRA or SRE?	
(ii)	a proceeding or to your knowledge, under investigation, by an SRA or SRE?	
(iii)	settlement discussions or negotiations for settlement of any nature or kind whatsoever with an SRA or SRE?	

YES		NO
<b>B.</b>	<b>PRIOR PROCEEDINGS BY SECURITIES REGULATORY AUTHORITY OR SELF REGULATORY ENTITY. Have you <u>ever</u>:</b>	
(i)	been reprimanded, suspended, fined, been the subject of an administrative penalty, or been the subject of any proceedings of any kind whatsoever, in any Canadian or foreign jurisdiction, by an SRA or SRE?	
(ii)	had a registration or licence for the trading of securities, exchange or commodity futures contracts, real estate, insurance or mutual fund products cancelled, refused, restricted or suspended, by an SRA or SRE?	
(iii)	been prohibited or disqualified by an SRA or SRE under securities, corporate or any other legislation from acting as a director or officer of a reporting issuer or been prohibited or restricted by an SRA or SRE from acting as a director, officer or employee of, or an agent or consultant to, a reporting issuer?	

(iv)	had a cease trading or similar order issued against you or an order issued against you by an SRA or SRE that denied you the right to use any statutory prospectus or registration exemption?		
(v)	had any other proceeding of any nature or kind taken against you by an SRA or SRE?		

**C. SETTLEMENT AGREEMENT(S)**

Have you ever entered into a settlement agreement with an SRA, SRE, attorney general or comparable official or body, in any Canadian or foreign jurisdiction, in a matter that involved actual or alleged fraud, theft, deceit, misrepresentation, conspiracy, breach of trust, breach of fiduciary duty, insider trading, unregistered trading in securities or exchange or commodity futures contracts, illegal distributions, failure to disclose material facts or changes or similar conduct, or any other settlement agreement with respect to any other violation of securities legislation in a Canadian or foreign jurisdiction or the rules, by-laws or policies of any SRE?		
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**D. To the best of your knowledge, are you now or have you ever been a director, officer, promoter, insider, or control person of an issuer at the time of such event, in any Canadian or foreign jurisdiction, for which a securities regulatory authority or self regulatory entity has:**

(i)	refused, restricted, suspended or cancelled the registration or licensing of an issuer to trade securities, exchange or commodity futures contracts, or to sell or trade real estate, insurance or mutual fund products?		
(ii)	issued a cease trade or similar order or imposed an administrative penalty of any nature or kind whatsoever against the issuer, other than an order for failure to file financial statements that was revoked within 30 days of its issuance?		
(iii)	refused a receipt for a prospectus or other offering document, denied any application for listing or quotation or any other similar application, or issued an order that denied the issuer the right to use any statutory prospectus or registration exemptions?		
(iv)	issued a notice of hearing, notice as to a proceeding or similar notice against the issuer?		

<p>(v) commenced any other proceeding of any nature or kind against the issuer, including a trading halt, suspension or delisting of the issuer, in connection with an alleged or actual contravention of an SRA's or SRE's rules, regulations, policies or other requirements, but excluding halts imposed (i) in the normal course for proper dissemination of information, or (ii) pursuant to a business combination, reverse take-over or similar transaction involving the issuer that is regulated by an SRE or SRA, including a qualifying transaction, reverse takeover or Change of Business involving the issuer (either on Alpha Exchange or another exchange)?</p>		
<p>(vi) entered into a settlement agreement with the issuer in a matter that involved actual or alleged fraud, theft, deceit, misrepresentation, conspiracy, breach of trust, breach of fiduciary duty, insider trading, unregistered trading in securities or exchange or commodity futures contracts, illegal distributions, failure to disclose material facts or changes or similar conduct by the issuer, or any other violation of securities legislation or the rules, by-laws or policies of an SRE?</p>		

**9. CIVIL PROCEEDINGS** – If you answer “YES” to any item in Question 9, you must provide complete details in an attachment.

YES		NO
<b>A. JUDGMENT, GARNISHMENT AND INJUNCTIONS</b>		
<p>(i) Has a court in any Canadian or foreign jurisdiction rendered a judgment, ordered garnishment or issued an injunction or similar ban (whether by consent or otherwise) against <u>you</u> in a claim based in whole or in part on fraud, theft, deceit, misrepresentation, conspiracy, breach of trust, breach of fiduciary duty, insider trading, unregistered trading, illegal distributions, failure to disclose material facts or changes, or allegations of similar conduct?</p>		
<p>(ii) rendered a judgment, ordered garnishment or issued an injunction or similar ban (whether by consent or otherwise) against <u>an issuer</u> of which you are currently or have ever been a director, officer, promoter, insider or control person in a claim based in whole or in part on fraud, theft, deceit, misrepresentation, conspiracy, breach of trust, breach of fiduciary duty, insider trading, unregistered trading, illegal distributions, failure to disclose material facts or changes, or allegations of similar conduct?</p>		

<b>B. CURRENT CLAIMS</b>			
(i)	Are <u>you</u> now subject, in any Canadian or foreign jurisdiction, to a claim that is based in whole or in part on actual or alleged fraud, theft, deceit, misrepresentation, conspiracy, breach of trust, breach of fiduciary duty, insider trading, unregistered trading, illegal distributions, failure to disclose material facts or changes, or allegations of similar conduct?		
(ii)	To the best of your knowledge, are you currently or have you ever been a director, officer, promoter, insider or control person of <u>an issuer</u> that is now subject, in any Canadian or foreign jurisdiction, to a claim that is based in whole or in part on actual or alleged fraud, theft, deceit, misrepresentation, conspiracy, breach of trust, breach of fiduciary duty, insider trading, unregistered trading, illegal distributions, failure to disclose material facts or changes, or allegations of similar conduct?		

<b>C. SETTLEMENT AGREEMENT</b>			
(i)	Have <u>you</u> ever entered into a settlement agreement, in any Canadian or foreign jurisdiction, in a civil action that involved actual or alleged fraud, theft, deceit, misrepresentation, conspiracy, breach of trust, breach of fiduciary duty, insider trading, unregistered trading, illegal distributions, failure to disclose material facts or changes, or allegations of similar conduct?		
(ii)	To the best of your knowledge, are you currently or have you ever been a director, officer, promoter, insider or control person of <u>an issuer</u> that has entered into a settlement agreement, in any Canadian or foreign jurisdiction, in a civil action that involved actual or alleged fraud, theft, deceit, misrepresentation, conspiracy, breach of trust, breach of fiduciary duty, insider trading, unregistered trading, illegal distributions, failure to disclose material facts or changes, or allegations of similar conduct?		

## 10. INVOLVEMENT WITH OTHER ENTITIES

YES	NO
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<b>A.</b>	Has your employment in a sales, investment or advisory capacity with any employer engaged in the sale of real estate, insurance or mutual funds ever been suspended or terminated for cause? If yes, attach full particulars.		
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<b>B.</b>	Has your employment with a firm or company registered under the securities laws of any Canadian or foreign jurisdiction as a securities dealer, broker, investment advisor or underwriter, ever been suspended or terminated for cause? If yes, attach full particulars.		
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<b>C.</b>	Has your employment as an officer of an issuer ever been suspended or terminated for cause? If yes, attach full particulars.		
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## **Acknowledgement and Consent to Collection and Use of Personal Information**

I HAVE READ AND UNDERSTOOD THE PERSONAL INFORMATION COLLECTION POLICY ("PRIVACY POLICY") OF ALPHA EXCHANGE INC. I HEREBY AUTHORIZE AND CONSENT TO THE COLLECTION AND USE BY ANY OF ALPHA EXCHANGE AND ITS SUBSIDIARIES, AFFILIATES, REGULATORS AND AGENTS OF ANY INFORMATION WHATSOEVER (WHICH MAY INCLUDE PERSONAL, CREDIT, OR OTHER INFORMATION) FROM ANY SOURCE, INCLUDING WITHOUT LIMITATION AN INVESTIGATIVE AGENCY OR A RETAIL CREDIT AGENCY AS PERMITTED BY LAW IN ANY JURISDICTION IN CANADA OR ELSEWHERE. I ACKNOWLEDGE AND AGREE THAT SUCH INFORMATION MAY BE SHARED WITH AND RETAINED BY ALPHA EXCHANGE INC. AND ITS SUBSIDIARIES, AFFILIATES, REGULATORS AND AGENTS INDEFINITELY.

**Date:** \_\_\_\_\_

**Signature:** \_\_\_\_\_

## Statutory Declaration

I, \_\_\_\_\_ (Name of Person Completing this Form) Do Solemnly Declare  
That:

- (a) I have read and understand the questions, cautions and acknowledgements in this Form;
- (b) I agree that should any of my responses to any of the questions set forth in 6, 7, 8, 9 and 10 of this PF cease to be true and correct, I will immediately file a new PIF with the Exchange;
- (c) I acknowledge and agree that this PIF may be assigned or transferred by the Exchange to any person without providing me with notice or obtaining my consent and that this PIF shall thereafter continue to be binding on me and may be enforced against me by any such assignee or transferee. I understand that I am prohibited from transferring or assigning this PIF or any acceptance, approval or other right granted by the Exchange;
- (d) The answers I have given to the questions in this Form and in any attachments to the Form are true and correct except where stated to be to the best of my knowledge in which case I believe the answers to be true; and
- (e) I make this solemn declaration conscientiously believing it to be true and knowing that it is of the same force and effect as if made under oath and by virtue of the *Canada Evidence Act*.

SWORN/DECLARED before me at the This \_\_\_ day of \_\_\_\_\_, 20\_\_  
City of \_\_\_\_\_ in the Province (or  
State) of \_\_\_\_\_

This \_\_\_ day of \_\_\_\_\_, 20\_\_

\_\_\_\_\_  
Notary Public

\_\_\_\_\_  
NOTARY'S SEAL

\_\_\_\_\_  
Signature of person completing this form

(the date of execution must not be more than 30 days prior to filing with the Exchange)





## **PERSONAL INFORMATION COLLECTION POLICY**

### **Collection Use and Disclosure**

Alpha Exchange Inc. and its affiliates, their authorized agents, subsidiaries and divisions, (collectively referred to as “Alpha”) collects the information (which may include personal, confidential, non-public, criminal or other information) in the Personal Information Form and in other forms that are submitted by you and/or by the Listed Issuer or an entity applying to be an Issuer and use it for the following purposes:

- to conduct background checks,
- to verify the information that has been provided about you,
- to consider your suitability to act as an officer, director, insider, promoter, investor relations provider or, as applicable, an employee or consultant, of an entity applying to be an Issuer or an Issuer,
- to consider the eligibility of an applicant to be an issuer,
- to detect and prevent fraud,
- to conduct enforcement proceedings, and
- to perform other investigations as required by and to ensure compliance with AlphaV+ Requirements, securities legislation and other legal and regulatory requirements governing the conduct and protection of the public markets in Canada.

As part of this process, Alpha also collects additional information about you from other sources, including but not limited to, securities regulatory authorities in Canada or elsewhere, investigative, law enforcement or self-regulatory organizations, regulations services providers and each of their subsidiaries, affiliates, regulators and authorized agents, to ensure that the purposes set out above can be accomplished.

The information Alpha collects about you may also be disclosed to these agencies and organizations or as otherwise permitted or required by law, and they may use it in their own investigations for the purposes described above.

Alpha may from time to time use third parties to process information and/or provide other administrative services. In this regard, we may share the information with our carefully selected service providers.

If you fail to accurately complete the Personal Information Form or to consent to this Personal Information Form Collection Policy, we may (i) refuse to allow you to act as an officer, director, insider, promoter, investor relations provider or, as applicable, an employee or consultant of an issuer, (ii) refuse to allow an applicant to be listed as an issuer, and/or (iii) refuse to accept a transaction proposed by an issuer.

### **Security**

The personal information that is retained by Alpha is kept in a secure environment and is updated from time to time. Only those employees of Alpha who require access to your information in order to accomplish the purposes identified above, will be given

access to your file. Employees of Alpha who have access to your information are made aware of how to keep it confidential.

### **Accuracy**

Information about you maintained by Alpha that is identified by you as inaccurate or obsolete will be replaced or removed, as applicable.

### **Questions**

If you have any questions or enquiries with respect to the privacy principles outlined above or about our practices, please send a written request to: Head of Legal and Operations, Alpha Exchange Inc., 70 York Street, Suite 1501, Toronto, ON M5J 1S9.

**FORM 3A  
DECLARATION**

This Declaration Form (the "Declaration") is to be completed only if (i) the individual has submitted a Personal Information Form to Alpha Exchange Inc. (the "Exchange") within 36 months preceding the signing of this Declaration and (ii) the information disclosed in that Personal Information Form has not changed. **In all cases, Exhibit 1 – Release and Discharge Relating to Consent to Disclosure of Criminal Record Information, must be completed and a photocopy of a piece of identification issued by a government authority (such as a driver's license or passport) that is acceptable to the Exchange, is legible and contains a recognizable photograph of the individual taken within the last 5 years, must be attached. If the piece of identification is not a passport, it must contain the individual's full given name, surname, date of birth, gender and current mailing address.**

**Individual's Name (Please Print):**

**Name of Issuer (State the name of the issuer for which this Declaration is being provided):**

**STATUTORY DECLARATION**

I, \_\_\_\_\_ hereby solemnly declare that:

\_\_\_\_\_  
(Please Print - Name of Individual )

- a) The information contained in the Personal Information Form that was submitted to the Exchange with respect to \_\_\_\_\_ [legal name of Issuer] (the "Issuer") on \_\_\_\_\_, 20\_\_\_\_ [date of PIF] (the "PIF") and any attachments to it, continues to be true and correct, except where stated in the PIF to be to the best of my knowledge, in which case I continue to believe the answers to be true;
- b) I have read the PIF Personal Information Collection Policy of the Exchange attached hereto as Exhibit 2 as well as the Notice of Collection, Use and Disclosure of Personal Information by Securities Regulatory Authorities ("SRA") attached hereto as Exhibit 3 (Exhibit 3 relates to the use of this PIF and collection of information for the sole purposes of the SRAs (collectively, the "PIF Collection Policy");
- c) I consent to the collection, use and disclosure of the information in the PIF, and any further information collected, used and disclosed, as set out in the PIF Collection Policy;
- d) I hereby agree to (i) submit to the jurisdiction of the Exchange and to Market Regulation Services Inc. and any successor or assignee of either of them, and wherever applicable, the directors and committees thereof, and (ii) be bound by and comply with all applicable rules,

policies, rulings and regulations of the Exchange (collectively, the "Exchange Requirements");

- e) I agree that any acceptance, approval or other right granted by the Exchange may be revoked, terminated, or suspended at any time in accordance with the then applicable Exchange Requirements. In the event of any revocation, termination, or suspension, I agree to immediately terminate my association or involvement with any issuer to the extent required by the Exchange. I agree not to resume my association or involvement, except with the prior written approval of the Exchange;
- f) This declaration and the rights and powers of the Exchange pursuant to the Exchange Requirements shall be governed by the laws of the Province of Ontario and the laws of Canada applicable therein, without regard to conflict of law principles;
- g) I acknowledge and agree that this declaration may be assigned or transferred by the Exchange to any person without providing me with notice or obtaining my consent and that this declaration shall thereafter continue to be binding on me and may be enforced against me by any such assignee or transferee. I understand that I am prohibited from transferring or assigning this declaration or any acceptance, approval or other right granted by the Exchange;
- h) I understand that where I am providing this form to a SRA, I am under the jurisdiction of the SRA to which I submit this form, and it is a breach of securities legislation to provide false or misleading information to the SRA;
- i) I make this solemn declaration conscientiously believing it to be true and knowing it is of the same legal force and effect as if made under oath and under the *Canada Evidence Act*.

(the date of execution must not be more than 30 days prior to filing with the Exchange)

**Signature of Person Completing this Form**

DECLARED before me at City of \_\_\_\_\_

in the Province (or State) of \_\_\_\_\_

This day of \_\_\_\_\_,

(Day)

(Month)

(Year)

**Signature of Notary Public**

**Seal or Stamp of Notary Public**

My Appointment Expires: \_\_\_\_\_

\*Note:

THIS DECLARATION MUST BE DECLARED BEFORE A PERSON WHO IS A NOTARY PUBLIC IN AND FOR THE JURISDICTION IN WHICH IT IS DECLARED UNLESS THAT JURISDICTION DOES NOT HAVE NOTARIES, IN WHICH CASE THIS DECLARATION MUST BE DECLARED BEFORE A LAWYER IN THAT JURISDICTION, OR OTHER PERSON THAT SATISFIES THE REQUIREMENTS SET OUT IN THE CANADA EVIDENCE ACT.



<b>EXHIBIT 2</b> <b>PIF PERSONAL INFORMATION COLLECTION POLICY</b>
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### **Collection, Use and Disclosure**

Alpha Exchange Inc. and its affiliates, their authorized agents, subsidiaries and divisions, (collectively referred to as “Alpha”) collects the information (which may include personal, confidential, non-public, criminal or other information) in the Personal Information Form and in other forms that are submitted by you and/or by the Listed Issuer or an entity applying to be an Issuer and use it for the following purposes:

- to conduct background checks,
- to verify the information that has been provided about you,
- to consider your suitability to act as an officer, director, insider, promoter, investor relations provider or, as applicable, an employee or consultant, of an entity applying to be an Issuer or an Issuer,
- to consider the eligibility of an applicant to be an issuer,
- to detect and prevent fraud,
- to conduct enforcement proceedings, and
- to perform other investigations as required by and to ensure compliance with AlphaV+ Requirements, securities legislation and other legal and regulatory requirements governing the conduct and protection of the public markets in Canada.

As part of this process, Alpha also collects additional information about you from other sources, including but not limited to, securities regulatory authorities in Canada or elsewhere, investigative, law enforcement or self-regulatory organizations, regulations services providers and each of their subsidiaries, affiliates, regulators and authorized agents, to ensure that the purposes set out above can be accomplished.

The information Alpha collects about you may also be disclosed to these agencies and organizations or as otherwise permitted or required by law, and they may use it in their own investigations for the purposes described above.

Alpha may from time to time use third parties to process information and/or provide other administrative services. In this regard, we may share the information with our carefully selected service providers.

If you fail to accurately complete the Personal Information Form or to consent to this Personal Information Form Collection Policy, we may (i) refuse to allow you to act as an officer, director, insider, promoter, investor relations provider or, as applicable, an employee or consultant of an issuer, (ii) refuse to allow an applicant to be listed as an issuer, and/or (iii) refuse to accept a transaction proposed by an issuer.

### **Security**

The personal information that is retained by Alpha is kept in a secure environment and is updated from time to time. Only those employees of Alpha who require access to your information in order to accomplish the purposes identified above, will be given access to your file. Employees of Alpha who have access to your information are made aware of how to keep it confidential.

**Accuracy**

Information about you maintained by Alpha that is identified by you as inaccurate or obsolete will be replaced or removed, as applicable.

**Questions**

If you have any questions or enquiries with respect to the privacy principles outlined above or about our practices, please send a written request to: Head of Legal and Operations, Alpha Exchange Inc., 70 York Street, Suite 1501, Toronto, ON M5J 1S9.



**FORM 3B  
OTHER TRADED ISSUER DECLARATION**

This Declaration Form (the “Declaration”) is to be completed only if (i) the individual has submitted a Personal Information Form to another Canadian exchange within 18 months preceding the signing of this Declaration and (ii) the information disclosed in that Personal Information Form has not changed. **In all cases, Exhibit 1 – Release and Discharge Relating to Consent to Disclosure of Criminal Record Information, must be completed and a photocopy of a piece of identification issued by a government authority (such as a driver's license or passport) that is acceptable to Alpha Exchange Inc. (the “Exchange”), is legible and contains a recognizable photograph of the individual taken within the last 5 years, must be attached. If the piece of identification is not a passport, it must contain the individual’s full given name, surname, date of birth, gender and current mailing address. An individual must include a copy of the personal information form submitted to another exchange that this declaration is based upon.**

Individual’s Name (Please Print):

Name of Other Listed Issuer (State the name of the issuer for which this Declaration is being provided):

**STATUTORY DECLARATION**

I, \_\_\_\_\_ hereby solemnly declare that:

\_\_\_\_\_  
(Please Print - Name of Individual )

- a) The information contained in the Personal Information Form that was submitted to the \_\_\_\_\_ [*name of the other Canadian exchange*] (the “Other Exchange”) with respect to \_\_\_\_\_ [*legal name of the Other Listed Issuer*] (the “Issuer”) on \_\_\_\_\_, 20\_\_\_\_ [*date of PIF*] (the “PIF”) and any attachments to it, continues to be true and correct, except where stated in the PIF to be to the best of my knowledge, in which case I continue to believe the answers to be true;
- b) The Other Exchange has not notified me of any issues in respect of my involvement with an issuer listed on their exchange and I have not been requested to cease to be a Related Person of an Issuer by the Other Exchange;
- c) I have read the PIF Personal Information Collection Policy of the Exchange attached hereto as

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Exhibit 2 as well as the Notice of Collection, Use and Disclosure of Personal Information by Securities Regulatory Authorities (“SRA”) attached hereto as Exhibit 3 (Exhibit 3 relates to the use of this PIF and collection of information for the sole purposes of the SRAs (collectively, the “PIF Collection Policy”);

- d) I hereby agree to (i) submit to the jurisdiction of the Exchange and to Market Regulation Services Inc. and any successor or assignee of either of them, and wherever applicable, the directors and committees thereof, and (ii) be bound by and comply with all applicable rules, policies, rulings and regulations of the Exchange (collectively, the “Exchange Requirements”);
- e) I consent to the collection, use and disclosure of the information in the PIF, and any further information collected, used and disclosed, as set out in the PIF Collection Policy;
- f) I agree that any acceptance, approval or other right granted by the Exchange may be revoked, terminated, or suspended at any time in accordance with the then applicable Exchange Requirements. In the event of any revocation, termination, or suspension, I agree to immediately terminate my association or involvement with any issuer to the extent required by the Exchange. I agree not to resume my association or involvement, except with the prior written approval of the Exchange;
- g) I acknowledge and agree that this declaration may be assigned or transferred by the Exchange to any person without providing me with notice or obtaining my consent and that this declaration shall thereafter continue to be binding on me and may be enforced against me by any such assignee or transferee. I understand that I am prohibited from transferring or assigning this declaration or any acceptance, approval or other right granted by the Exchange;
- h) This declaration and the rights and powers of the Exchange pursuant to the Exchange Requirements shall be governed by the laws of the Province of Ontario and the laws of Canada applicable therein, without regard to conflict of law principles;
- i) I understand that where I am providing this form to a SRA, I am under the jurisdiction of the SRA to which I submit this form, and it is a breach of securities legislation to provide false or misleading information to the SRA;
- j) I make this solemn declaration conscientiously believing it to be true and knowing it is of the same legal force and effect as if made under oath and under the *Canada Evidence Act*.

(the date of execution must not be more than 30 days prior to filing with the Exchange)

---

**Signature of Person Completing this Form**

DECLARED before me at City of \_\_\_\_\_

in the Province (or State) of \_\_\_\_\_

This day of \_\_\_\_\_,

\_\_\_\_\_  
(Day)

\_\_\_\_\_  
(Month)

\_\_\_\_\_  
(Year)

**Signature of Notary Public**

**Seal or Stamp of Notary Public**

My Appointment Expires: \_\_\_\_\_

\*Note:

THIS DECLARATION MUST BE DECLARED BEFORE A PERSON WHO IS A NOTARY PUBLIC IN AND FOR THE JURISDICTION IN WHICH IT IS DECLARED UNLESS THAT JURISDICTION DOES NOT HAVE NOTARIES, IN WHICH CASE THIS DECLARATION MUST BE DECLARED BEFORE A LAWYER IN THAT JURISDICTION, OR OTHER PERSON THAT SATISFIES THE REQUIREMENTS SET OUT IN THE CANADA EVIDENCE ACT.



<b>PIF PERSONAL INFORMATION COLLECTION POLICY</b>
---

### **Collection, Use and Disclosure**

Alpha Exchange Inc. and its affiliates, their authorized agents, subsidiaries and divisions, (collectively referred to as "Alpha") collects the information (which may include personal, confidential, non-public, criminal or other information) in the Personal Information Form and in other forms that are submitted by you and/or by the Listed Issuer or an entity applying to be an Issuer and use it for the following purposes:

- to conduct background checks,
- to verify the information that has been provided about you,
- to consider your suitability to act as an officer, director, insider, promoter, investor relations provider or, as applicable, an employee or consultant, of an entity applying to be an Issuer or an Issuer,
- to consider the eligibility of an applicant to be an issuer,
- to detect and prevent fraud,
- to conduct enforcement proceedings, and
- to perform other investigations as required by and to ensure compliance with AlphaV+ Requirements, securities legislation and other legal and regulatory requirements governing the conduct and protection of the public markets in Canada.

As part of this process, Alpha also collects additional information about you from other sources, including but not limited to, securities regulatory authorities in Canada or elsewhere, investigative, law enforcement or self-regulatory organizations, regulations services providers and each of their subsidiaries, affiliates, regulators and authorized agents,

to ensure that the purposes set out above can be accomplished.

The information Alpha collects about you may also be disclosed to these agencies and organizations or as otherwise permitted or required by law, and they may use it in their own investigations for the purposes described above.

Alpha may from time to time use third parties to process information and/or provide other administrative services. In this regard, we may share the information with our carefully selected service providers.

If you fail to accurately complete the Personal Information Form or to consent to this Personal Information Form Collection Policy, we may (i) refuse to allow you to act as an officer, director, insider, promoter, investor relations provider or, as applicable, an employee or consultant of an issuer, (ii) refuse to allow an applicant to be listed as an issuer, and/or (iii) refuse to accept a transaction proposed by an issuer.

### **Security**

The personal information that is retained by Alpha is kept in a secure environment and is updated from time to time. Only those employees of Alpha who require access to your information in order to accomplish the purposes identified above, will be given access to your file. Employees of Alpha who have access to your information are made aware of how to keep it confidential.

### **Accuracy**

Information about you maintained by Alpha that is identified by you as inaccurate or obsolete will be replaced or removed, as applicable.

### **Questions**

If you have any questions or enquiries with respect to the privacy principles outlined above or about our practices, please send a

written request to: Head of Legal and  
Operations, Alpha Exchange Inc., 70 York

Street, Suite 1501, Toronto, ON M5J 1S9.

**FORM 4**  
**LISTING AGREEMENT FOR ALL LISTED ISSUERS**

**IN CONSIDERATION** for the listing of its securities on Alpha Venture Plus, the undersigned (the “AlphaV+ Listed Issuer”) agrees with Alpha Exchange Inc. (“Exchange”) as follows:

1. The AlphaV+ Listed Issuer will comply with all relevant AlphaV+ Requirements applicable to AlphaV+ Listed Issuers, including Exchange policies and procedural requirements which may be in effect from time to time for all securities listed on the Exchange.
2. Without limiting the generality of the preceding section, the AlphaV+ Listed Issuer will
  - a) promptly provide the Exchange and its regulator all such information or documentation concerning the AlphaV+ Listed Issuer as the Exchange or its regulator may require;
  - b) not undergo a material change in its business and affairs without notifying the Exchange prior to the close of such change;
  - c) notify the Exchange at least seven trading days (or such less time as specified in the Alpha Venture Plus Handbook) in advance of any dividend or distribution record date;
  - d) maintain transfer and registration facilities in the City of Toronto (except for certain Foreign Issuers to the extent that such Foreign Issuer’s registrar and transfer agent can settle trades with the Clearing Corporation) where all listed securities are directly transferable and registerable, with no fee for transfer or registration other than government stock transfer taxes;
  - e) post all forms, notices, particulars, reports, statements and information required by the Exchange as required;
  - f) not change the provisions attaching to any warrants, convertible debentures, rights or other securities outstanding from time to time (other than debt securities that are not convertible into equity securities) without the consent of the Exchange;
  - g) comply with Canadian securities laws applicable to venture issuers and if the Exchange becomes aware of failure of an AlphaV+ Issuer to comply with securities laws applicable to it, the Exchange may take any remedial actions available to it;

- h) ensure that all references to a listing market the AlphaV+ Listed Issuer should refer to Alpha Venture Plus;
  - i) remove or cause the resignation of any Related Person of an Issuer the Exchange deems unacceptable; and
  - j) pay when due, all applicable fees or charges, established by the Exchange. The current fees and charges are set out in Form 4A and may be amended from time to time.
3. The AlphaV+ Listed Issuer acknowledges that the Exchange has the right, at any time and without notice, to halt or suspend trading in any of the AlphaV+ Listed Issuer's securities without giving any reason for such action, or to delist the securities provided that the Exchange will not delist the securities without given the AlphaV+ Listed Issuer an opportunity to be heard.

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Signature of Authorized Person	Name
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Position	Date
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Signature of Authorized Person	Name
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Position	Date
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**FORM 4A**  
**Alpha Venture Plus Listing Fees Schedule**

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## A. Original Listing Fees

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### 1. Corporate Issuers

Listing Capitalization		Base Fee	+ Variable Fee Rate for Listing Capitalization in Excess of Base Listing Capitalization
Base Listing Capitalization			
\$0	up to less than \$6M	\$5,000	0.09%
\$6M	and above	\$ 10,400	0.08%
The maximum fee is \$24,000.			

The Listing Application must be accompanied by a non-refundable fee of \$2,000 which shall be applied to the Original Listing Fee.

If a Foreign Issuer is dual-listed on an Accepted Foreign Exchange the corresponding total Corporate Issuer fee as calculated above shall be discounted by 25% subject to a minimum base fee of \$5,000.

If the Foreign Issuer is undertaking an initial public offering exclusively on the Exchange then the Original Listing Fee will apply without a discount.

If an Other Listed Issuer is undertaking an original listing at the Exchange the corresponding total Corporate Issuer fee as calculated above shall be discounted by 25% subject to a minimum base fee of \$3,000.

## B. Annual Sustaining Fees

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### 1. Corporate Issuers

Listing Capitalization		Base Fee	+ Variable Fee Rate for Listing Capitalization in Excess of Base Listing Capitalization
Base Listing Capitalization			
\$0	up to \$5M	\$3,000	
\$5M	up to \$100M	\$3,100	0.005%
\$100M	up to \$440M	\$9,000	0.005%
\$440M	and above	\$26,250	0.005%

The maximum fee is \$48,000.

The fee schedule above for a Corporate Issuer also applies to a Foreign Issuer.

### C. Additional Listing Fees

---

#### 1. Corporate Issuers

Listing Capitalization		Base Fee	+ Variable Fee Rate for Listing Capitalization in Excess of Base Listing Capitalization
Base Listing Capitalization			
\$0	up to less than \$6M	\$750	0.20%
\$6M	and above	\$ 12,750	0.07%
The maximum fee is \$30,000.			

The above fee is applicable to an additional listing of an existing class or series already listed on the Exchange.

### D. Supplemental Listing Fees

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For all Listed Issuers the supplemental listing fee will be the Original Listing Fees for each type of issuer as determined in this fee schedule.

### E. Other Fees

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#### 1. Consolidations/Split

After an Original Listing, if the securities are consolidated, the fee for the consolidation shall be \$2,000. Stock splits will be charged a fee of \$750 + 0.5% of deemed value of securities issued to a maximum amount of \$10,000.

#### 2. Name / Symbol Change

If the name or stock symbol of a Listed Issuer is to be changed, without any change in the capital structure, the fee shall be \$500.

#### 3. Normal Course Issuer Bids/Stock Exchange Take-Over Bid/Issuer Bid

Concurrently upon filing of a notice with the Exchange that a Listed Issuer wishes to undertake a normal course issuer bid, stock exchange take-over bid or issuer bid, such issuer shall submit a fee of \$2,000 to the Exchange.

#### **4. Security Holder Rights Plan**

A Listed Issuer shall pay a fee of \$2,000 to the Exchange upon the filing of a security holder rights plan or any material amendment thereto that requires security holder approval.

#### **5. Stock option amendment and escrow amendments and transfers**

A Listed Issuer shall pay a fee of \$500 to the Exchange upon the filing of a stock option agreement amendment or escrow agreement amendments and escrow transfers.

#### **6. Stock Option Plan**

A Listed Issuer shall pay \$0.0008 per security reserved for issuance pursuant to a stock option plan that is reviewed by Alpha with a minimum fee of \$500 and a maximum fee of \$10,000.

#### **7. Personal Information Form (PIF)**

The Exchange will levy a charge to cover expenses that it has incurred relating to a review that the Exchange deems necessary, as to the suitability of any Person to be involved with a Listed Issuer or an associate or affiliate of an Issuer in the amount of \$500 except for the cost for processing a PIF of a non-Canadian or Non-U.S. resident Related Person of an Issuer which will be determined based on the cost for such jurisdiction in addition to the \$500 PIF processing fee noted above.

#### **8. Change of Business or Backdoor Listing**

A Listed Issuer shall pay the Original Listing Fee for the additional shares issued pursuant to a backdoor listing or change of business. The issuer shall pay a non-refundable fee of \$7,500, which shall be applied to the Original Listing Fee paid if additional shares are issued.

#### **9. Investor Relations and Promoters**

The fee to process a notice in respect of an investor relations service provider or a promoter is \$500.

#### **10. Recovery of Certain Issuer Related Expenditures**

The Exchange may levy a charge to cover expenses that it has incurred relating to:

- (i) due diligence, research or assessment procedures which the Exchange deems necessary in connection with any notice or application that has been filed or that, in the opinion of the Exchange, ought to have been filed; or

- (ii) any review or investigation that the Exchange deems necessary respecting the business or affairs of an Issuer or any Person involved or to be involved with an Issuer.

## 11. HST/GST

The fee in this Listing Fee Schedule do not include the Canadian Goods and Services Tax (GST), Harmonized Sales Tax (HST) or any other taxes that may be applicable. All fee in this Listing Fee Schedule are subject to the GST or HST as applicable which must be added to all fees, unless the issuer, prior to or at the time of payment of any fee, provides satisfactory evidence to the Exchange in accordance with Appendix A of this Listing Fee Schedule as prescribed under the *Excise Tax Act* (Canada), as to proof of non-residence and non-registration for GST/HST purposes. All fees in this Listing Fee Schedule may be subject to other taxes which will be added if applicable. All applicable taxes will be added to all fees in this Listing Fee Schedule.

### F. How to Calculate Fees

1. Refer to the appropriate fee schedule (Original Listing Fee or Annual Sustaining Fee or Additional Listing Fee).
2. Locate the Listing Capitalization band of the securities to be listed.
3. Multiply the corresponding Variable Fee Rate by the difference between the Listing Capitalization and the corresponding Base Listing Capitalization.
4. Add the result of the calculation in point 3 to the corresponding Base Fee.

In the event of an application being made whereby more than one class of security is being admitted, a separate fee will be charged for each class of security.

#### Listing Fees Formula

$$[(\text{Listing (or Market) Capitalization} - \text{Base Listing (or Market) Capitalization}) * \text{Applicable Variable Rate}] + \text{Base Fee}$$

#### Example

For a Corporate Issuer listing a \$7,000,000 IPO. Look for Corporate Issuer, under Original Listing Fee title.

$$[\$7\text{M Listing Capitalization} - \$6\text{M Base Listing Capitalization}] \times .08\% \text{ variable fee rate} = \$800 + \$10,400 \text{ base fee} = \$11,200$$

**Example of a Foreign Issuer Dual-Listed on an Accepted Foreign Exchange**

For a Corporate Issuer listing a \$7,000,000 IPO. Look for Corporate Issuer, under Original Listing Fee title.

$[\$7\text{M Listing Capitalization} - \$6\text{M Base Listing Capitalization}] \times .08\% \text{ variable fee rate} =$   
 $\$800 + \$10,400 \text{ base fee} = \$11,200$

Less the discount of 25%.  $(\$11,200 \times (1 - 0.25))$

Final fee = \$8,400

## **G. General Information and definitions relating to the fee schedule**

---

### **Original Listing Fees:**

The Original Listing Fee is a one-time fee payable for listing on the Exchange, based on the Listing Capitalization, and calculated separately for each class of Listed Securities.

For Corporate Issuers, a non-refundable amount of \$2,000 must be submitted at the time of the application. This amount will be credited as part of the Original Listing Fee. This \$2,000 initial payment is not required for Other Listed Issuer moving their listing exclusively to the Exchange or that will be dually listed on the TSX, TSXV or CNSX.

The Exchange will not charge an Original Listing Fee for any securities that are transferred from the TSX, TSXV or CNSX to list exclusively on the Exchange. Nor will the Exchange will charge an Original Listing Fee for the securities of an issuer that is dually listed on the TSX, TSXV or CNSX.

### **Annual Sustaining Fees:**

The Annual Sustaining Fee is payable annually by all Listed Issuers for maintaining a listing on the Exchange. The Annual Sustaining Fee is calculated and billed at the end of January of each year and is based on the Market Capitalization as at the last trading day of the preceding calendar year.

In the first year of listing, the Listed Issuer's annual fee will be pro-rated based on the date of listing and based on the Market Capitalization as reported in the Listed Issuer's latest filing on record with the Exchange as of the date of listing.

The Listed Issuer's Annual Sustaining Fee is calculated on the total securities outstanding for each Corporate Issuer. Total securities outstanding means the aggregate number of securities for each series of a listed security as shown in the most recent periodic report required to be filed with the appropriate regulatory authority or in more recent information held by the Exchange.

### **Additional Listing Fees:**

After an Original Listing, if additional securities of the same class of a listed security are to be listed, Additional Listing Fees apply.

### **Supplemental Listing Fees:**

If securities of a listed issuer are to be listed and those securities are not of a class already listed Supplemental Listing Fees apply.

## **Definitions:**

“Accepted Foreign Exchange” means an exchange that is not located within Canada and for which an issuer listed on such exchange has demonstrated that such exchange and the jurisdiction’s securities laws requirements are similar to that of Alpha Exchange and Ontario securities laws.

“Corporate Issuer” means an issuer that is not an ETF or a Structured Product Issuer.

“Foreign Issuer” means a Corporate Issuer which is incorporated or organized outside of Canada and is or not already listed on another recognized exchange or marketplace.

“Issue Price Per Security” means the price at which the Listed Issuer’s securities are issued or issuable pursuant to a private placement or a prospectus offering, where this price is known at the time of calculating the fee. For securities where there is a varying exercise or conversion price, the Issue Price per Security is the exercise or conversion price of the first exercise or conversion period.

“Listing Capitalization” is calculated as: Issue Price Per Security or, if not known, the Market Price Per Security multiplied by the number of securities to be listed (number of securities issued, together with any securities which have been authorized for issuance for a specific purpose at a later date).

“Listed Issuer” is an issuer with one or more classes of securities listed on Alpha which meets the AlphaV+ Listing Handbook requirements.

“Market Capitalization” is calculated as (for each class of Listed Securities) the number of Listed Securities issued and outstanding for each class multiplied by the closing price of such securities on the last trading day of the calendar year.

“Market Price Per Security” means: (i) for an Original Listing Fee, the VWAP for the five (5) trading days immediately after listing on the Exchange; or (ii) for an Additional Listing Fee, generally the VWAP for the five (5) trading days immediately preceding the notice to the Exchange.

“Other Listed Issuer” means an Issuer which is at the time of applying for the listing of a security is listed on a Canadian exchange other than Alpha Exchange but does not include an Accepted Foreign Exchange.

“VWAP” means: the volume weighted average trading price of the Listed Securities, calculated by dividing the total value by the total volume of securities traded for the relevant period.



**APPENDIX A**  
**SATISFACTORY EVIDENCE AS PROOF OF NON-RESIDENCE AND NON-REGISTRATION FOR GST/HST PURPOSES**

The following example of written documentation, to be kept on file, will generally be acceptable to the Minister of National Revenue as certification that the person to whom the supply is made is a non-resident in Canada and is not registered for GST/HST purposes:

(a) In the case of a non-resident, unregistered individual:

I, \_\_\_\_\_, (name and complete address of individual) certify that I am not resident in Canada for purposes of the *Excise Tax Act* and that I am not registered under that Act.

Where applicable, I agree to advise Alpha Exchange Inc. in the event there is any change to my residence status or should I become registered for the purposes of the *Excise Tax Act*.

\_\_\_\_\_  
Date

\_\_\_\_\_  
Signature of Individual

(b) In the case of a non-resident, unregistered person, other than an individual:

I, \_\_\_\_\_, (name and title of authorized individual) certify that (name of person, other than individual) is not resident in Canada for purposes of the *Excise Tax Act* and that (name of person, other than individual) is not registered under that Act.

Where applicable, I agree to advise Alpha Exchange Inc. in the event there is any change to the residence status of (name of person, other than individual) or should (name of person, other than individual) become registered for the purposes of the *Excise Tax Act*.

\_\_\_\_\_  
Date

\_\_\_\_\_  
Signature of Individual

\_\_\_\_\_  
Print name of individual

\_\_\_\_\_  
Title

**FORM 5  
QUARTERLY UPDATE**

**Name of Listed Issuer:** \_\_\_\_\_

**Trading symbol:** \_\_\_\_\_

**Please select the applicable quarter:**

- 1<sup>st</sup> Quarter      Date: \_\_\_\_\_
- 2<sup>nd</sup> Quarter      Date: \_\_\_\_\_
- 3<sup>rd</sup> Quarter      Date: \_\_\_\_\_
- 4<sup>th</sup> Quarter      Date: \_\_\_\_\_

**Initial Form**       **Amended Form**      **Date:** \_\_\_\_\_

Complete the following table for each class of Listed Securities for the period beginning on the date of the last quarterly update:

Class	Number of securities issued and outstanding at beginning of quarter (A)	Number of securities issued during the quarter (B)	Number of securities redeemed during the quarter (C)	Total securities issued and outstanding at the end of the quarter (A+B-C)	Number of securities reserved for issuance at beginning of quarter (D)	Number of new securities reserved for issuance during the quarter (E)	Number of securities previously but no longer reserved for issuance (F) <sup>1</sup>	Total number reserved for issuance at the end of quarter (D+E-F)

Provide the following information for securities listed in (B), (C), (E) and (F) (other than grants of Security Based Compensation Arrangements<sup>2</sup>) during the quarter:

Date of Issue or Reservation	Type of security	Type of transaction	Number issued or reserved <sup>3</sup>	Price	Consideration (cash, property, etc.)	Details of any related person involvement	Final Approval Number <sup>4</sup>

<sup>1</sup> For example, shares reserved for issuance on exercise of warrants that expired during the period.

<sup>2</sup> Include shares issued on exercise of Security Based Compensation Arrangements in this table.

<sup>3</sup> For redemptions or securities no longer reserved for issuance, put the amount in brackets.

<sup>4</sup> The Alpha Exchange final approval number given in the notice of Alpha Exchange approving original issuance of the security.


Give the following information for Security Based Compensation Arrangements granted during the quarter:

Date	Class of security	Name of Optionee and Relationship to Issuer	Number	Exercise Price	Expiry Date

Total number of securities reserved for issuance on exercise of options at the beginning of the quarter:

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Total number of securities reserved for issuance on exercise of options at the end of the quarter:

---

## CERTIFICATE

The undersigned certifies that:

1. The undersigned is an officer or director of the Listed Issuer and has been duly authorized to sign this form;
2. To the best of the undersigned's knowledge after reasonable inquiry, the Listed Issuer is in compliance with applicable securities legislation and AlphaV+ Requirements;<sup>5</sup> and
3. All information in this form is true and complete and the form contains no misrepresentations 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.

---

Signature of Authorized Person

Name

---

Position

Date

---

<sup>5</sup> If the Listed Issuer is not in compliance (e.g. has not filed required financial statements), add "except as follows:" and provide details.



**FORM 6  
NOTICE OF PROSPECTUS OFFERING**

**Notice type:**

Preliminary Notice  Final Notice

**Name of Listed Issuer:**

**Trading symbol:**

**Date:**

**If this is updating a prior notice, give date(s) of those notices:**

**Date of news release announcing the offering:**

**Date of preliminary prospectus:**

**Date of (final) prospectus:**

Provide the following information concerning the offering:

Type of security <sup>1</sup>	Number to be issued <sup>2</sup>	Price per security <sup>3</sup>	Conversion or exercise price (if applicable)	Net proceeds to the issuer per security

If securities other than currently-listed securities are sold in the offering, provide details of the security:<sup>4</sup>

<sup>1</sup> Describe the security to be offered (for example, unit of one share and ½ share purchase warrant, convertible debenture, etc.).

<sup>2</sup> If not determined, provide highest and lowest number contemplated.

<sup>3</sup> If not determined, provide a price range.

<sup>4</sup> For convertible securities, include the conversion or exercise price and terms, expiry date, number of listed securities issuable on conversion or exercise and any other significant terms. For debentures, include the interest rate, conversion price and terms and default provisions.

If the securities are Listed Securities with different particulars (e.g. flow through shares, special warrants), describe:

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Describe the terms and conditions of the offering:

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Summarize the intended use of proceeds:

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Give full particulars of any direct or indirect involvement by related persons in the offering (including purchases in the offering, receipt of any brokerage or finder's fees or receipt of any proceeds):

---

Disclose if the offering could result in a Person being in a position to materially affect control of the AlphaV+ Issuer:

---

Provide the following information with respect to any agent's or broker's or finder's fee, commission or other compensation paid in connection with the offering:

<b>Name</b>	<b>Relationship to Listed Issuer</b>	<b>Cash compensation</b>	<b>Securities compensation</b>	<b>Other compensation</b>	<b>Exercise price of any convertible security</b>	<b>Expiry date</b>

Describe the plan of distribution:

---

**CERTIFICATE**

The undersigned certifies that:

1. The undersigned is an officer or director of the Listed Issuer and has been duly authorized to sign this form;
2. To the best of the undersigned's knowledge after reasonable inquiry, the Listed Issuer is in compliance with applicable securities legislation and AlphaV+ Requirements;<sup>5</sup> and
3. All information in this form is true and complete and the form contains no misrepresentations 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.

---

Signature of Authorized Person

Name

---

Position

Date

---

<sup>5</sup> If the Listed Issuer is not in compliance (e.g. has not filed required financial statements), add "except as follows:" and provide details.



## Acknowledgement - Personal Information

“Personal Information” means any information about an identifiable individual, and includes the information contained in any tables, as applicable, found in this Form.

The undersigned hereby acknowledges and agrees that it has obtained the express written consent of each individual to:

- (a) the disclosure of Personal Information by the undersigned to Alpha Exchange pursuant to this Form; and
- (b) the collection, use and disclosure of Personal Information by Alpha Exchange for the purposes described in Alpha Exchange’s Personal Information disclosure policies or as otherwise identified by Alpha Exchange, from time to time.

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Signature of Authorized Person	Name
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Position	Date
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**FORM 7  
NOTICE OF PRIVATE PLACEMENT**

**Notice type:**  Preliminary Notice  Final Notice

**Name of Listed Issuer:**

**Trading symbol:**

**Date:**

**Date of news release announcing the offering:**

**Date of request for price protection (if applicable):**

**Closing market price on the day prior to the earlier of the date of this notice or the date price protection was granted:**

**Number of securities issued and outstanding as of the date of this notice:**

**Was the pricing of the private placement determined when there was any materially undisclosed information**  Yes  No

Provide the following information concerning the offering:

Type of security <sup>6</sup>	Number to be issued <sup>7</sup>	Percentage of the number of listed securities outstanding prior to the placement <sup>8</sup>	Price per security <sup>9</sup>	Conversion or exercise price (if applicable)	Prospectus Exemption

<sup>6</sup> Describe the security to be offered (for example, unit of one share and ½ share purchase warrant, convertible debenture, flow through common shares, etc.). Indicate whether the securityholders have voting rights in all or certain circumstances.

<sup>7</sup> If not determined, provide highest and lowest number contemplated.

<sup>8</sup> Calculate on a partially diluted basis assuming all of the placees exercise any conversion or exercise rights attaching to the securities purchased, but no other holders of convertible securities.

<sup>9</sup> If not determined, provide a price range.

If securities other than currently-listed securities are sold in the offering, provide details of the security:<sup>10</sup>

---

If the securities are listed securities with different particulars (e.g. flow through shares, special warrants), describe:

---

Provide the following information with respect to direct or indirect participation by any related person or person who will become a Related Person of an Issuer on closing of the offering:<sup>11</sup>

<b>Name</b>	<b>Holding prior to offering<sup>12</sup></b>	<b>Percentage of outstanding prior to offering<sup>13</sup></b>	<b>Number of securities to be purchased</b>	<b>Holding following the offering<sup>14</sup></b>	<b>Percentage of outstanding following offering<sup>15</sup></b>

Describe the terms and conditions of the offering (including if this private placement is being undertaken to settle any debts):

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Summarize the intended use of proceeds:

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<sup>10</sup> For convertible securities, include the conversion or exercise price and terms, expiry date, number of listed securities issuable on conversion or exercise and any other significant terms. For debentures, include the interest rate, conversion price and terms and default provisions.

<sup>11</sup> If the offering will result in a new related person, the person must file a Personal Information Form (Form 3) with the Exchange and obtain Exchange approval prior to closing. The purchase by the person may close in escrow pending receipt of Exchange Approval.

<sup>12</sup> List separately securities held and securities to be issued on conversion of any securities held.

<sup>13</sup> Calculate on a partially diluted basis assuming the person converts or exercises all convertible securities held, but no other holders do.

<sup>14</sup> List separately securities held and securities to be issued on conversion of any securities held.

<sup>15</sup> Calculate on a partially diluted basis assuming the person converts or exercises all convertible securities held, but no other holders do.

---

Give full particulars of any direct or indirect involvement by related persons in the offering not disclosed above (including receipt of any brokerage or finder's fees or receipt of any proceeds):

---

Provide the following information with respect to any agent's or broker's or finder's fee, commission or other compensation paid in connection with the offering:

Name	Relationship to Issuer	Cash compensation	Securities compensation	Other compensation	Exercise price of any convertible security	Expiry date

Disclose details in respect of past private placements involving Related Persons of an Issuer within the past 12 months including the number and amount of securities issued to such related persons:

---

Disclose if the private placement could result in a placee being in a position to materially affect control of the AlphaV+ Listed Issuer:

---

### **CERTIFICATE**

The undersigned certifies that:

1. The undersigned is an officer or director of the Listed Issuer and has been duly authorized to sign this form;

2. To the best of the undersigned's knowledge after reasonable inquiry, the Listed Issuer is in compliance with applicable securities legislation and AlphaV+ Requirements;<sup>16</sup> and
3. All information in this form is true and complete and the form contains no misrepresentations 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.

---

Signature of Authorized Person

Name

---

Position

Date

---

<sup>16</sup> If the Listed Issuer is not in compliance (e.g. has not filed required financial statements), add "except as follows:" and provide details.

## Acknowledgement - Personal Information

“Personal Information” means any information about an identifiable individual, and includes the information contained in any tables, as applicable, found in this Form.

The undersigned hereby acknowledges and agrees that it has obtained the express written consent of each individual to:

- (a) the disclosure of Personal Information by the undersigned to Alpha Exchange pursuant to this Form; and
- (b) the collection, use and disclosure of Personal Information by Alpha Exchange for the purposes described in Alpha Exchange’s Personal Information disclosure policies or as otherwise identified by Alpha Exchange, from time to time.

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Signature of Authorized Person	Name
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Position	Date
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**FORM 7A  
PRICE RESERVATION FORM**

**Name of Listed Issuer:**

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**Trading symbol:**

---

**Date:**

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**If this is updating a prior notice, give date(s) of those notices:**

---

**Proposed Price:**

(please refer to Section 6.05(2) of the Handbook for details on the maximum discount permitted)

**Was this form submitted when there was any materially undisclosed information:**

Yes  No

(Alpha Exchange may deny the price reservation when materially undisclosed information existed)

If Insiders of the Issuer will be subscribing or otherwise obtaining securities under the transaction, disclose, on a fully diluted basis:

<b>Name of Insider</b>	<b>Number of Securities to be subscribed for/received by the Insider</b>	<b>Percentage of Securities to be issued pursuant to the transaction</b>	<b>Percentage of issued and outstanding Listed Shares on a post transaction basis</b>

*Note: For purposes of this item include any party that will be considered an Insider post-closing of the transaction on a fully diluted basis.*

Provide details as to the anticipated size and structure of the transaction, if known:

---

### CERTIFICATE

The undersigned certifies that:

1. The undersigned is an officer or director of the Listed Issuer and has been duly authorized to sign this form;
2. To the best of the undersigned's knowledge after reasonable inquiry, the Listed Issuer is in compliance with applicable securities legislation and Exchange requirements;<sup>17</sup> and
3. All information in this form is true and complete and the form contains no misrepresentations 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.

---

Signature of Authorized Person

Name

---

Position

Date

---

<sup>17</sup> If the Listed Issuer is not in compliance (e.g. has not filed required financial statements), add "except as follows:" and provide details.



**FORM 8  
NOTICE OF ACQUISITION**

**Notice type:**  Preliminary Notice  Final Notice

**Name of Listed Issuer:**

**Trading symbol:**

**Date:**

**If this is updating a prior notice, give date(s) of those notices:**

**Date of news release announcing the acquisition:**

**Closing market price on the day prior to the date of this notice:**

**Total number of securities issued and outstanding as of the date of this notice:**

**Is security holder approval required for this acquisition:**  Yes  No

Describe the assets to be acquired. The description must be sufficiently detailed that a reader will understand the transaction without reference to any other material:

---

Describe the acquisition, including the date, the parties and the terms of the transaction. The description must be sufficiently detailed that a reader will understand the transaction without reference to any other material:

---

Describe how the purchase price was determined (e.g. arm's length negotiations, special committee of the Board, etc.):

---

Provide details of any valuation or appraisal of the subject of the acquisition known to the Listed Issuer:

---

Provide the following information concerning the acquisition:

Type of security <sup>1</sup>	Number to be issued <sup>2</sup>	Percentage of the number of listed securities outstanding prior to the acquisition <sup>3</sup>	Price per security <sup>4</sup>	Conversion or exercise price (if applicable)	Prospectus Exemption

If securities other than currently-listed securities are sold in the offering, provide details of the security<sup>5</sup>:

---

If the securities are Listed Securities with different particulars (e.g. flow through shares, special warrants), describe:

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---

<sup>1</sup> Describe the security to be offered (for example, unit of one share and ½ share purchase warrant, convertible debenture, flow through common shares, etc.). Indicate whether the securityholders have voting rights in all or certain circumstances.

<sup>2</sup> If not determined, provide highest and lowest number contemplated.

<sup>3</sup> Calculate on a partially diluted basis assuming all of the securities issued in connection with the acquisition are exercised or converted, but no other holders of convertible securities.

<sup>4</sup> If not determined, provide a price range.

<sup>5</sup> For convertible securities, include the conversion or exercise price and terms, expiry date, number of listed securities issuable on conversion or exercise and any other significant terms. For debentures, include the interest rate, conversion price and terms and default provisions.

Provide the following information with respect to direct or indirect participation by any related person or person who will become a related person on closing of the acquisition<sup>6</sup>:

<b>Name</b>	<b>Holding prior to acquisition<sup>7</sup></b>	<b>Percentage of outstanding<sup>8</sup> prior to acquisition</b>	<b>Number of securities to be acquired</b>	<b>Holding following the acquisition<sup>9</sup></b>	<b>Percentage of outstanding<sup>10</sup> following acquisition</b>

Give full particulars of any direct or indirect involvement by related persons in the offering not disclosed above (including receipt of any brokerage or finder's fees or receipt of any proceeds):

Provide the following information with respect to any agent's or broker's or finder's fee, commission or other compensation paid in connection with the offering:

<b>Name</b>	<b>Relationship to Issuer</b>	<b>Cash compensation</b>	<b>Securities compensation</b>	<b>Other compensation</b>	<b>Exercise price of any convertible security</b>	<b>Expiry date</b>

<sup>6</sup> If the offering will result in a new related person, the person must file a Personal Information Form (Form 3) with the Exchange and obtain Exchange approval prior to closing. The purchase by the person may close in escrow pending receipt of Exchange Approval.

<sup>7</sup> List separately securities held and securities to be issued on conversion of any securities held.

<sup>8</sup> Calculate on a partially diluted basis assuming the person converts or exercises all convertible securities held, but no other holders do.

<sup>9</sup> List separately securities held and securities to be issued on conversion of any securities held.

<sup>10</sup> Calculate on a partially diluted basis assuming the person converts or exercises all convertible securities held, but no other holders do.

If the securities to be issued are only partial consideration for the acquisition, describe the additional consideration. Include any future payments or expenditures the issuer may be required to make under the acquisition agreement:

---

Disclose if the acquisition could result in a Person being in a position to materially affect control of the AlphaV+ Listed Issuer:

---

### CERTIFICATE

The undersigned certifies that:

1. The undersigned is an officer or director of the Listed Issuer and has been duly authorized to sign this form;
2. The undersigned confirms that the acquisition is neither a Change of Business nor a backdoor listing.
3. To the best of the undersigned's knowledge after reasonable inquiry, the Listed Issuer is in compliance with applicable securities legislation and AlphaV+ Requirements;<sup>11</sup> and
4. All information in this form is true and complete and the form contains no misrepresentations 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.

---

Signature of Authorized Person

Name

---

Position

Date

---

<sup>11</sup> If the Listed Issuer is not in compliance (e.g. has not filed required financial statements), add "except as follows:" and provide details.

## Acknowledgement - Personal Information

“Personal Information” means any information about an identifiable individual, and includes the information contained in any tables, as applicable, found in this Form.

The undersigned hereby acknowledges and agrees that it has obtained the express written consent of each individual to:

- (a) the disclosure of Personal Information by the undersigned to Alpha Exchange pursuant to this Form; and
- (b) the collection, use and disclosure of Personal Information by Alpha Exchange for the purposes described in Alpha Exchange’s Personal Information disclosure policies or as otherwise identified by Alpha Exchange, from time to time.

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Signature of Authorized Person	Name
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Position	Date
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**FORM 9**  
**NOTICE OF SECURITY BASED COMPENSATION ARRANGEMENT GRANT OR AMENDMENT**

**Name of Listed Issuer:**

**Trading symbol:**

**Date:**

**Number of securities issued and outstanding as of the date of this notice:**

**1. SECURITY BASED COMPENSATION ARRANGEMENT GRANTS**

Provide the following information for each Security Based Compensation Arrangement grant:

<b>Name of Optionee</b>	<b>Position with Issuer</b>	<b>Date of Grant (YYYY-MM-DD)</b>	<b>No. of shares in option grant</b>	<b>Exercise price</b>	<b>Closing Market Price the day prior to the grant</b>	<b>Total number of options held</b>

Provide the following information for all outstanding grants under a Security Based Compensation Arrangement, including those listed above:

<b>Total number of granted securities</b>	<b>Percentage of the number of listed securities outstanding prior to the date of this notice<sup>1</sup></b>	<b>Exercise prices<sup>2</sup></b>	<b>Expiry dates<sup>3</sup></b>	<b>Number of shares remaining available for issuance under the plan</b>

<sup>1</sup> Calculate on a partially diluted basis assuming all of the optionees exercise their options, but no other holders of convertible securities do.

<sup>2</sup> Give the number exercisable at each price (e.g. 10,000 @ 10.25 and 5,000 @ 10.36)

<sup>3</sup> Give the number for each date (e.g. 10,000 on June 30, 2011 and 5,000 on June 30, 2012)

## 2. AMENDED GRANTS:

Name of Optionee	Number of Optioned Shares	Original Date of Grant	Original Exercise Price	Amended Exercise Price (if applicable)	Original Expiry Date	Amended Expiry Date (if applicable)

If amendments are proposed to directors or officers options, disclose the date shareholder approval was obtained for the amendment:

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## 3. ADDITIONAL INFORMATION

If shareholder approval is required for the option grant, state when the approval was or is expected to be given:

---

## CERTIFICATE

The undersigned certifies that:

1. The undersigned is an officer or director of the Listed Issuer and has been duly authorized to sign this form;
2. To the best of the undersigned's knowledge after reasonable inquiry, the Listed Issuer is in compliance with applicable securities legislation and AlphaV+ Requirements;<sup>4</sup> and
3. All information in this form is true and complete and the form contains no misrepresentations 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.

---

<sup>4</sup> If the Listed Issuer is not in compliance (e.g. has not filed required financial statements), add "except as follows:" and provide details.



Signature of Authorized Person

Name

---

Position

Date

**Acknowledgement - Personal Information**

“Personal Information” means any information about an identifiable individual, and includes the information contained in any tables, as applicable, found in this Form.

The undersigned hereby acknowledges and agrees that it has obtained the express written consent of each individual to:

- (a) the disclosure of Personal Information by the undersigned to Alpha Exchange pursuant to this Form; and
  
- (b) the collection, use and disclosure of Personal Information by Alpha Exchange for the purposes described in Alpha Exchange’s Personal Information disclosure policies or as otherwise identified by Alpha Exchange, from time to time.

---

Signature of Authorized Person

Name

---

Position

Date

**FORM 10  
NOTICE OF ISSUER BID**

**Name of Listed Issuer:**

**Trading symbol:**

**Date:**

**Date of news release announcing the issuer bid:**

**Number of securities issued and outstanding as of the date of this notice:**

**Describe the issuer bid:**

**Normal Course:**

Yes  No

*If "Yes" then please use Form 16A*

**Substantial Issuer Bid:**

Yes  No

(where a Listed Issuer repurchases more of its securities than the number permitted under the normal course issuer bid rules by making a formal bid under securities laws)

**Maximum number of shares to be acquired under the bid:**

**Percentage that number represents of the issued and outstanding securities as of the date of this notice:**

**Price<sup>5</sup>:**

**Expiry date of the bid:**

<sup>5</sup> If the securities are to be purchased at market price, state "market price [subject to a maximum of \$X]". If the price is to be determined by auction, describe the auction process.

**Describe any agreements to tender to the bid:**

---

---

Give full particulars of any direct or indirect involvement by related persons in the bid (including receipt of any brokerage or finder's fees):

---

**CERTIFICATE**

The undersigned certifies that:

1. The undersigned is an officer or director of the Listed Issuer and has been duly authorized to sign this form;
2. To the best of the undersigned's knowledge after reasonable inquiry, the Listed Issuer is in compliance with applicable securities legislation and AlphaV+ Requirements and will conduct the issuer bid in compliance with applicable securities legislation;<sup>6</sup> and
3. All information in this form is true and complete and the form contains no misrepresentations 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.

---

Signature of Authorized Person

Name

---

Position

Date

---

<sup>6</sup> If the Listed Issuer is not in compliance (e.g. has not filed required financial statements), add "except as follows:" and provide details.

**FORM 11**  
**NOTICE OF SECURITIES EXCHANGE TAKE-OVER BID**

**Name of Listed Issuer:**

**Trading symbol:**

**Date:**

**Date of news release announcing the take-over bid:**

**Number of securities issued and outstanding as of the date of this notice:**

**Describe the securities to be issued pursuant to bid:**

**Name the target and whether or not it is already listed on an exchange (if so state the exchange):**

**Maximum number of shares to be issued under the bid:**

**Percentage that number represents of the issued and outstanding securities as of the date of this notice:**

**Price:<sup>1</sup>**

**Expiry date of the bid:**

**Describe any agreements to tender to the bid:**

---

<sup>1</sup> If the securities are to be purchased at market price, state "market price [subject to a maximum of \$X]".

Give full particulars of any direct or indirect involvement by related persons in the bid (including holding shares of the bid target and receipt of any brokerage or finder's fees):

---

Disclose if the transaction could result in a Person being in a position to materially affect control of the AlphaV+ Listed Issuer:

---

### CERTIFICATE

The undersigned certifies that:

1. The undersigned is an officer or director of the Listed Issuer and has been duly authorized to sign this form;
2. To the best of the undersigned's knowledge after reasonable inquiry, the Listed Issuer is in compliance with applicable securities legislation and AlphaV+ Requirements and will conduct the take-over bid in compliance with applicable securities legislation;<sup>2</sup> and
3. All information in this form is true and complete and the form contains no misrepresentations 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.

---

Signature of Authorized Person

Name

---

Position

Date

---

<sup>2</sup> If the Listed Issuer is not in compliance (e.g. has not filed required financial statements), add "except as follows:" and provide details.

**FORM 12  
NOTICE OF ADDITIONAL LISTING**

**Notice type:**

Preliminary Notice  Final Notice

**Name of Listed Issuer:**

**Trading symbol:**

**Date:**

**If this is updating a prior notice, give date(s) of those notices:**

**Date of news release announcing the transaction that is the subject of this notice:**

**Closing market price on the day prior to the date of this notice:**

**Total number of securities issued and outstanding as of the date of this notice:**

**Does this listing require security holder approval:**  Yes  No

Describe the particulars of the issuance (e.g. stock dividend and include any record dates):

---

Provide the following information concerning the security issuance:

Type of security <sup>1</sup>	Number to be issued <sup>2</sup>	Percentage of the number of listed securities outstanding as of the date of this notice <sup>3</sup>	Price per security <sup>4</sup>	Conversion or exercise price (if applicable)	Prospectus Exemption

If the securities are listed securities with different particulars (e.g. flow through shares, special warrants), describe:

---

Provide the following information with respect to direct or indirect participation by any related person or person who will become a related person on closing of the transaction:<sup>5</sup>

Name	Holding prior to transaction <sup>6</sup>	Percentage of outstanding prior to transaction <sup>7</sup>	Number of securities to be acquired	Holding following the transaction <sup>8</sup>	Percentage of outstanding following transaction <sup>9</sup>

Give full particulars of any direct or indirect involvement by related persons in the offering not disclosed above:

---

<sup>1</sup> Describe the security to be offered (for example, unit of one share and ½ share purchase warrant, convertible debenture, flow through common shares, etc.). Indicate whether the securityholders have voting rights in all or certain circumstances.

<sup>2</sup> If not determined, provide highest and lowest number contemplated.

<sup>3</sup> Calculate on a partially diluted basis assuming all of the securities issued in connection with the acquisition are exercised or converted, but no other holders of convertible securities.

<sup>4</sup> If not determined, provide a price range. If no consideration is received (e.g. for a stock dividend) enter "0."

<sup>5</sup> If the offering will result in a new related person, the person must file a Personal Information Form (Form 3) with the Exchange and obtain Exchange approval prior to closing. The purchase by the person may close in escrow pending receipt of Exchange Approval.

<sup>6</sup> List separately securities held and securities to be issued on conversion of any securities held.

<sup>7</sup> Calculate on a partially diluted basis assuming the person converts or exercises all convertible securities held, but no other holders do.

<sup>8</sup> List separately securities held and securities to be issued on conversion of any securities held.

<sup>9</sup> Calculate on a partially diluted basis assuming the person converts or exercises all convertible securities held, but no other holders do.

Disclose if the additional listing could result in a Person being in a position to materially affect control of the AlphaV+ Listed Issuer:

---

### CERTIFICATE

The undersigned certifies that:

1. The undersigned is an officer or director of the Listed Issuer and has been duly authorized to sign this form;
2. To the best of the undersigned's knowledge after reasonable inquiry, the Listed Issuer is in compliance with applicable securities legislation and AlphaV+ Requirements;<sup>10</sup> and
3. All information in this form is true and complete and the form contains no misrepresentations 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.

---

Signature of Authorized Person

Name

---

Position

Date

---

<sup>10</sup> If the Listed Issuer is not in compliance (e.g. has not filed required financial statements), add "except as follows:" and provide details.



## Acknowledgement - Personal Information

“Personal Information” means any information about an identifiable individual, and includes the information contained in any tables, as applicable, found in this Form.

The undersigned hereby acknowledges and agrees that it has obtained the express written consent of each individual to:

- (a) the disclosure of Personal Information by the undersigned to Alpha Exchange pursuant to this Form; and
- (b) the collection, use and disclosure of Personal Information by Alpha Exchange for the purposes described in Alpha Exchange’s Personal Information disclosure policies or as otherwise identified by Alpha Exchange, from time to time.

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Signature of Authorized Person	Name
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Position	Date
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**FORM 13**  
**NOTICE OF STOCK SUBDIVISION (Stock Split)**

**Name of Listed Issuer:**

**Trading symbol:**

**Date:**

**If this is updating a prior notice, give date(s) of those notices:**

**Date of news release announcing the subdivision:**

**Closing market price on the day prior to the date of this notice:**

**Total number of securities issued and outstanding as of the date of this notice:**

**Type of subdivision:**

Push-out     Call in

**Terms of the subdivision (e.g. 2 for 1, 1.5 for one, etc.):**

**If a push-out, record date for the subdivision:**

**If a push-out, expected date of mailing the share certificates:**

**If a call-in, expected date of mailing of letters of transmittal:**

**Date of securityholder approval to the subdivision (if applicable)**

**New CUSIP number (if applicable)**

**Is the subdivision made as part of a backdoor listing or Change of Business:**

Yes  No

**Declaration date:**

**Record date:**

**Distribution date (if applicable):**

### CERTIFICATE

The undersigned certifies that:

1. The undersigned is an officer or director of the Listed Issuer and has been duly authorized to sign this form;
2. To the best of the undersigned's knowledge after reasonable inquiry, the Listed Issuer is in compliance with applicable securities legislation and AlphaV+ Requirements;<sup>1</sup> and
3. All information in this form is true and complete and the form contains no misrepresentations 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.

---

Signature of Authorized Person

Name

---

Position

Date

---

<sup>1</sup> If the Listed Issuer is not in compliance (e.g. has not filed required financial statements), add "except as follows:" and provide details.

**FORM 14  
NOTICE OF STOCK CONSOLIDATION**

**Name of Listed Issuer:**

**Trading symbol:**

**Date:**

**If this is updating a prior notice, give date(s) of those notices:**

**Date of news release announcing the consolidation:**

**Total number of securities issued and outstanding as of the date of this notice:**

**Total number of securities outstanding after giving effect to the consolidation:**

**Terms of the consolidation (e.g. 1 for 10):**

**Describe the treatment of a holding less than required for a full share (e.g. rounding up, rounding down):**

**Date of security holders' meeting to approve the consolidation:**

**Record date for the consolidation:**

**New CUSIP (if applicable)**

**Provide a choice of three symbols if the Listed Issuer is wish to change their symbol along with this consolidation:**

**Will the AlphaV+ Listed Issuer continue to meet the ongoing listings standards after the consolidation as well state the number of Board Lot holders after the**  Yes  No

**consolidation:**

---

**CERTIFICATE**

The undersigned certifies that:

1. The undersigned is an officer or director of the Listed Issuer and has been duly authorized to sign this form;
2. To the best of the undersigned's knowledge after reasonable inquiry, the Listed Issuer is in compliance with applicable securities legislation and AlphaV+ Requirements;<sup>1</sup> and
3. All information in this form is true and complete and the form contains no misrepresentations 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.

---

Signature of Authorized Person

Name

---

Position

Date

---

<sup>1</sup> If the Listed Issuer is not in compliance (e.g. has not filed required financial statements), add "except as follows:" and provide details.

**FORM 15**  
**NOTICE OF RECLASSIFICATION**  
**(Other than By Stock Split or Consolidation)**

**Name of Listed Issuer:**

**Trading symbol:**

**Date:**

**If this is updating a prior notice, give date(s) of those notices:**

**Date of news release announcing the reclassification:**

**Total number of securities issued and outstanding as of the date of this notice:**

**Total number of securities outstanding after giving effect to the reclassification:**

**Terms of the reclassification:**

**Describe the anticipated impact of the reclassification on the liquidity of the market for the listed security and on public security holders' voting rights and equity interest:**

**Date of security holders' meeting to approve the reclassification:**

**Record date for the reclassification:**

## CERTIFICATE

The undersigned certifies that:

1. The undersigned is an officer or director of the Listed Issuer and has been duly authorized to sign this form;
2. To the best of the undersigned's knowledge after reasonable inquiry, the Listed Issuer is in compliance with applicable securities legislation and AlphaV+ Requirements;<sup>1</sup> and
3. All information in this form is true and complete and the form contains no misrepresentations 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.

---

Signature of Authorized Person

Name

---

Position

Date

---

<sup>1</sup> If the Listed Issuer is not in compliance (e.g. has not filed required financial statements), add "except as follows:" and provide details.



**FORM 16A  
NOTICE OF NORMAL COURSE ISSUER BID**

**Name of Listed Issuer:**

**Type of Notice**

Draft  Final

**Trading symbol for the securities that are the subject of the bid:<sup>1</sup>**

**Date:**

**If this is updating a prior notice, give date(s) of those notices:**

**Date of news release announcing the bid:**

**Number of securities that are the outstanding as of the date of this Form:**

**Number of securities that are the subject of the bid:**

**Percentage of Public Float that is the subject of the bid:**

**Name of purchasing member and any trader IDs:**

**Will the securities acquired be cancelled after their purchase:**

Yes  No

(if "No", state how they will be dealt with)

**Amount of securities that may be acquired under the bid:** If the issuer has determined a specific number of shares, state it here. If not, state the amount as a percentage of the outstanding or public float, as the case may be.

---

<sup>1</sup> This notice may cover acquisitions of more than one class of listed securities. If this is the case, provide the information for each class of securities that is the subject of the bid.

---

**Expiry:** Give the date on which the bid will terminate, which cannot be more than one year from the date of this Final notice.

---

**Method of acquisition:** State on which exchange(s) purchases will be made.

---

**Consideration:** Describe any restrictions on the price the issuer will pay for securities, such as price, specific funds available, method of purchasing, etc.

---

**Reasons for bid:** State the reason or business purpose for the bid.

---

**Valuation:** Include a summary of any appraisal or valuation<sup>2</sup> known to the directors or officers after reasonable inquiry of the issuer, its material assets or its securities in the previous two years, together with a statement of where and when a copy of the appraisal or valuation may be inspected.

---

**Previous Purchases:** Give details of any purchases by the Listed Issuer or persons acting jointly or in concert with the Listed Issuer of the securities that are the subject of the bid in the previous twelve months.

---

---

<sup>2</sup> This includes independent and material non-independent valuations and appraisals.

**Identify any persons acting jointly or in concert with the Listed Issuer:**

---

**Participation by Related Persons:** State the name of every director or senior officer of the Listed Issuer who intends to sell shares of the Listed Issuer during the course of the bid. Where their intention is known after reasonable inquiry, state the name of every other Related Person of the Listed Issuer or person acting jointly or in concert with the Listed Issuer who intends to sell shares of the Listed Issuer during the course of the bid:

---

**Benefits to Related Persons:** State any direct or indirect benefits any person named in the previous section will receive from selling or not selling shares of the Listed Issuer during the bid. An answer is not required if the benefit will be the same as the benefit to any other shareholder who sells or does not sell during the bid.

---

**Restricted Securities:** Disclosure whether the AlphaV+ Listed Issuer proposes to make the NCIB for all classes of voting and equity securities.

---

**Related Transaction Details:** Disclosure whether the AlphaV+ Listed Issuer proposes to use any put options or forward purchase contracts in conjunctions with the NCIB. Also disclose whether there are any derivative components to the NCIB.

---

## CERTIFICATE

The undersigned certifies that:

1. The undersigned is an officer or director of the Listed Issuer and has been duly authorized to sign this form;
2. To the best of the undersigned's knowledge after reasonable inquiry, the Listed Issuer is in compliance with applicable securities legislation and Exchange requirements;<sup>3</sup>
3. There is no material information concerning material changes or plans or proposals for material changes in the affairs of the Listed Issuer that have not been previously disclosed; and
4. All information in this form is true and complete and the form contains no misrepresentations 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.

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Signature of Authorized Person

Name

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Position

Date

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<sup>3</sup> If the Listed Issuer is not in compliance (e.g. has not filed required financial statements), add "except as follows:" and provide details.



**FORM 16B  
NOTICE OF NORMAL COURSE ISSUER BID PURCHASES<sup>1</sup>**

**Name of Listed Issuer:**

**Trading symbol for the securities that are the subject of the bid:<sup>2</sup>**

**Date:**

**Date of filing of Form 16A in connection with the bid:**

**Listed Issuer's Broker:<sup>3</sup>**

**Number of securities purchased during the course of the bid:** State the total number of securities purchased under the bid to the end of the calendar month covered by this notice.

**State whether the securities were cancelled after their purchase:**

**Name of purchasing member and any trader IDs:**

**Number of securities purchased during the previous month:** State the total number of securities purchased daily and specify on which exchange(s) the purchases were made including the volume weighted average price paid. Specify whether purchases were made using the block purchase exemption.

Purchased Date	Exchange Purchased On	Block Purchase Exemptions Used (Yes or No)	Volume Weighted Average Purchase Price	Number of Securities Purchased
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<sup>1</sup> This notice is used to report purchases in the previous calendar month.

<sup>2</sup> This notice may cover acquisitions of more than one class of listed securities. If this is the case, provide the information for each class of securities that is the subject of the bid.

<sup>3</sup> If the Listed Issuer changed brokers during the period covered by this notice, provide the names of both brokers and state the date on which the change occurred.

<b>Total Purchased This Month</b>				
<b>Number Remaining Eligible to Purchase</b>				

### CERTIFICATE

The undersigned certifies that:

1. The undersigned is an officer or director of the Listed Issuer and has been duly authorized to sign this form;
2. To the best of the undersigned's knowledge after reasonable inquiry, the Listed Issuer is in compliance with applicable securities legislation and Exchange requirements;<sup>4</sup> and
3. All information in this form is true and complete and the form contains no misrepresentations 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.

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Signature of Authorized Person	Name
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Position	Date
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*Note: This certificate may be completed and signed by the Member making purchases on behalf of the Listed Issuer.*

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<sup>4</sup> If the Listed Issuer is not in compliance (e.g. has not filed required financial statements), add "except as follows:" and provide details.





**FORM 17  
NOTICE OF SIGNIFICANT TRANSACTION**

**Name of Listed Issuer:**

**Trading symbol:**

**Date:**

**If this is updating a prior notice, give date(s) of those notices:**

**Date of news release announcing acquisition:**

**Is security holder approval required for this transaction:**       Yes  No

(if "Yes", please state the date it was obtained or when it will be obtained)

**Is the issuer relying on an exemption from MI 61-101**       Yes  No

(if "Yes" then please state the exemption)

Describe the transaction. The description must be sufficiently detailed that a reader will understand the transaction without reference to any other material:

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Describe the consideration. Include any future payments or expenditures the issuer may be required to make under the acquisition agreement or any number of shares:

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Describe how the value of the consideration was determined (e.g. special committee of the Board, third party valuation, etc.):

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If the transaction is an acquisition, provide details of any valuation or appraisal of the subject of the acquisition:

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Disclose if the transaction could result in a Person being in a position to materially affect control of the AlphaV+ Listed Issuer:

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Give full particulars of any direct or indirect involvement by related persons in the transaction not disclosed above (including receipt of any brokerage or finder's fees or receipt of any proceeds):

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Provide the following information with respect to any agent's or broker's or finder's fee, commission or other compensation paid in connection with the offering:

Name	Relationship to Issuer	Cash Compensation	Securities Compensation	Other Compensation	Exercise Price of any Convertible Security	Expiry Date of Convertible Securities

### CERTIFICATE

The undersigned certifies that:

1. The undersigned is an officer or director of the Listed Issuer and has been duly authorized to sign this form;
2. To the best of the undersigned's knowledge after reasonable inquiry, the Listed Issuer is in compliance with applicable securities legislation and Exchange requirements;<sup>1</sup> and

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<sup>1</sup> If the Listed Issuer is not in compliance (e.g. has not filed required financial statements), add "except as follows:" and provide details.

3. All information in this form is true and complete and the form contains no misrepresentations 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.

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Signature of Authorized Person	Name
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Position	Date
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## Acknowledgement - Personal Information

“Personal Information” means any information about an identifiable individual, and includes the information contained in any tables, as applicable, found in this Form.

The undersigned hereby acknowledges and agrees that it has obtained the express written consent of each individual to:

- (a) the disclosure of Personal Information by the undersigned to Alpha Exchange pursuant to this Form; and
- (b) the collection, use and disclosure of Personal Information by Alpha Exchange for the purposes described in Alpha Exchange’s Personal Information disclosure policies or as otherwise identified by Alpha Exchange, from time to time.

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Signature of Authorized Person	Name
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Position	Date
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**FORM 18  
NOTICE OF CASH DIVIDEND**

**Name of Listed Issuer:**

**Trading symbol:**

**Date:**

**If this is updating a prior notice, give date(s) of those notices:**

**Date of news release announcing the cash/asset dividend:**

**Symbol of Listed Securities in relation to the dividend declaration:**

**Amount per security:**

**Currency:**

**Declaration date:**

**Record date:**

**Payable date:**

Provide any further details about the dividend:

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**CERTIFICATE**

The undersigned certifies that:

1. The undersigned is an officer or director of the Listed Issuer and has been duly authorized to sign this form;

2. To the best of the undersigned's knowledge after reasonable inquiry, the Listed Issuer is in compliance with applicable securities legislation and Exchange requirements;<sup>1</sup> and
3. All information in this form is true and complete and the form contains no misrepresentations 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.

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Signature of Authorized Person

Name

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Position

Date

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<sup>1</sup> If the Listed Issuer is not in compliance (e.g. has not filed required financial statements), add "except as follows:" and provide details.

**FORM 19  
NOTICE OF SHAREHOLDER RIGHTS PLAN**

**Name of Listed Issuer:**

**Trading symbol:**

**Date:**

**If this is updating a prior notice, give date(s) of those notices:**

**Date of news release announcing the shareholder rights plan:**

**Is this an amendment to an existing shareholder rights plan:**  Yes  No

**Date that securityholder approval was or will be obtained for the shareholder rights plan (or an amendment thereto):**

Are you aware of any specific takeover bid for the List Issuer that has been made or is contemplated:

Yes  No

If yes, please provide with full details regarding any such bid:

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Does the plan treat any existing securityholders differently from other securityholders:

Yes  No

If yes, please provide with full details:

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Provide any further details about the plan (including whether the plan has a triggering



threshold of less than 20%, and if so, why):

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## CERTIFICATE

The undersigned certifies that:

1. The undersigned is an officer or director of the Listed Issuer and has been duly authorized to sign this form;
2. To the best of the undersigned's knowledge after reasonable inquiry, the Listed Issuer is in compliance with applicable securities legislation and Exchange requirements;<sup>2</sup> and
3. All information in this form is true and complete and the form contains no misrepresentations 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.

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Signature of Authorized Person

Name

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Position

Date

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<sup>2</sup> If the Listed Issuer is not in compliance (e.g. has not filed required financial statements), add "except as follows:" and provide details.

**FORM 20  
NOTICE OF CHANGE OF INFORMATION**

**Name of Listed Issuer:**

**Trading symbol:**

**Date:**

**If this is updating a prior notice, give date(s) of those notices:**

**Date of news release announcing the change giving rise to this notice (if applicable):**

**Is this a change of the general information regarding the Listed Issuer (if "Yes" please update as applicable)**     Yes     No

**Effective date of the change:**

**New name of the Listed Issuer:**

**Requested new symbols:**

**New head office address:**  
(include the new head office address, city, province/state, postal/zip code and country)

**New Listed Issuer telephone number:**

**Is this a change in the jurisdiction of organization (if "Yes" please update as applicable and provide the amended constating documents)**     Yes     No

**Effective date of the change:**

**New jurisdiction:**

**Is this a change in fiscal year-end**  Yes  No  
(if “Yes” please update as applicable)

**Effective date of the change:**

**New fiscal year-end:**

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**Is this a change in the inter-listed status of the Listed Issuer on another market or exchange**  Yes  No  
(if “Yes” please update as applicable)

**Inter-listed market:**

**Trading symbol on the other exchange or market:**

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**Listed/delisted/suspended:**  
(if different then above please describe the change in status)

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**Effective date of the change:**

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**Is this a change in registrar and transfer agent of the Listed Issuer**  Yes  No  
(if “Yes” please update as applicable)

**Name and address and contact information of the new registrar and transfer agent:**

**Effective date of the change:**

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Provide any further details about the change not disclosed above:

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## CERTIFICATE

The undersigned certifies that:

1. The undersigned is an officer or director of the Listed Issuer and has been duly authorized to sign this form;
2. To the best of the undersigned's knowledge after reasonable inquiry, the Listed Issuer is in compliance with applicable securities legislation and Exchange requirements;<sup>1</sup> and
3. All information in this form is true and complete and the form contains no misrepresentations 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.

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Signature of Authorized Person

Name

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Position

Date

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<sup>1</sup> If the Listed Issuer is not in compliance (e.g. has not filed required financial statements), add "except as follows:" and provide details.

**FORM 21  
CERTIFIED FILING FOR PERSONS CONDUCTING  
INVESTOR RELATIONS OR PROMOTIONAL ACTIVITIES**

**Name of Listed Issuer:**

**Trading symbol:**

**Date:**

**If this is updating a prior notice, give date(s) of those notices:**

**Date of news release announcing the change giving rise to this notice (if applicable):**

1. \_\_\_\_\_ the following Person (and authorized individual if Person is not an individual), \_\_\_\_\_, is:  
[name of Person and authorized individual, if applicable].

- a.  acting as a Promoter of the Listed Issuer; and/or
- b.  conducting investor relations activities for the Listed Issuer;

2. the contact information for the promoter or investor relations provider is as follows:

Full Corporate Name: \_\_\_\_\_

Office Address: \_\_\_\_\_

Telephone Number: \_\_\_\_\_

Website: \_\_\_\_\_

Contact Person: \_\_\_\_\_

Email Address: \_\_\_\_\_

I acknowledge that such individual understands and confirms that this information will be made public on the Alpha Exchange website.

3. any agreements or understandings between the Listed Issuer and the Person for the provision of the services referred to above are, or reflect in all respects, AlphaV+ Requirements;
4. the Person, where applicable, has filed a Personal Information Form or Declaration (as applicable) with AlphaV+; and
5. there are no material changes in the affairs of the Listed Issuer which have not been publicly disclosed as of the date below.

**CERTIFICATE**

The undersigned certifies that:

1. The undersigned is an officer or director of the Listed Issuer and has been duly authorized to sign this form;
2. To the best of the undersigned’s knowledge after reasonable inquiry, the Listed Issuer is in compliance with applicable securities legislation and Exchange requirements;<sup>2</sup> and
3. All information in this form is true and complete and the form contains no misrepresentations 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.

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Signature of Authorized Person	Name
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Position	Date
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<sup>2</sup> If the Listed Issuer is not in compliance (e.g. has not filed required financial statements), add “except as follows:” and provide details.

**FORM 22  
RIGHTS OFFERING**

**Name of Listed Issuer:**

**Trading symbol:**

**Date:**

**Number of securities issued and  
outstanding as of the date of this  
notice:**

**Is this form being submitted  
confidentially:**

Yes  No

**Maximum number of securities to be  
issued under the offering:**

**Percentage that number represents of  
the issued and outstanding securities  
as of the date of this notice:**

**Price:**  
(if known)

**Declaration date:**

**Record date:**

**Payable date:**

Give full particulars of the rights offering:

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Give full particulars of any direct or indirect involvement by related persons in the bid (including receipt of any brokerage or finder's fees):

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Disclose if the transaction could result in a Person being in a position to materially affect control of the AlphaV+ Listed Issuer:

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### CERTIFICATE

The undersigned certifies that:

1. The undersigned is an officer or director of the Listed Issuer and has been duly authorized to sign this form;
2. To the best of the undersigned's knowledge after reasonable inquiry, the Listed Issuer is in compliance with applicable securities legislation and AlphaV+ Requirements and will conduct the issuer bid in compliance with applicable securities legislation;<sup>3</sup> and
3. All information in this form is true and complete and the form contains no misrepresentations 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.

---

Signature of Authorized Person

Name

---

Position

Date

---

<sup>3</sup> If the Listed Issuer is not in compliance (e.g. has not filed required financial statements), add "except as follows:" and provide details.