

Chapter 13

SROs, Marketplaces, Clearing Agencies and Trade Repositories

13.2 Marketplaces

13.2.1 TSX – Amendments to TSX Company Manual – Request for Comments

TORONTO STOCK EXCHANGE REQUEST FOR COMMENTS AMENDMENTS TO TORONTO STOCK EXCHANGE COMPANY MANUAL

Toronto Stock Exchange (“**TSX**” or the “**Exchange**”) is publishing proposed amendments to: (i) introduce website disclosure requirements for TSX listed issuers (the “**Part IV Amendments**”); and (ii) amend the disclosure requirements regarding security based compensation arrangements (the “**Part VI Amendments**”) in the TSX Company Manual (the “**Manual**”). The proposed amendments provide for public interest changes to Parts IV and VI of the Manual and to introduce Form 15 – *Disclosure of Security Based Compensation Arrangements* (“**Form 15**”). The Part IV Amendments, the Part VI Amendments, Form 15 and certain ancillary changes are collectively referred to as the “**Amendments**”. The public interest changes will be published for public comment for a thirty (30) day period.

The Amendments will be effective upon approval by the Ontario Securities Commission (the “**OSC**”) following public notice and comment. Comments should be in writing and delivered by **June 27, 2016** to:

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The Exchange Tower
130 King Street West
Toronto, Ontario M5X 1J2
Fax: (416) 947-4461
Email: tsxrequestforcomments@tsx.com

A copy should also be provided to:

Susan Greenglass
Director
Market Regulation
Ontario Securities Commission
20 Queen Street West
Toronto, Ontario M5H 3S8
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Comments will be publicly available unless confidentiality is requested.

Overview

TSX is seeking public comment on Amendments to the Manual. This Request for Comments explains the reasons for, and objectives of, the Amendments. Following the comment period, TSX will review and consider the comments received and determine whether to proceed with the Amendments as proposed or as modified as a result of comments.

PART IV AMENDMENTS

Proposed Amendments

The Part IV Amendments introduce a new Section 473 to the Manual and amend Section 461.3 as an ancillary matter.

Section 473 would introduce the requirement for listed issuers to maintain a publicly accessible website posting, as applicable, current copies of:

- a. Constatng documents;
- b. Corporate policies that impact meetings of security holders and voting;
- c. Security holder rights plans;
- d. Security based compensation arrangements (“**Arrangements**”); and
- e. Certain corporate governance documents.

The Part IV Amendments also simplify the disclosure requirement for issuers that adopt a majority voting policy under Section 461.3 by substituting the requirement for issuers to describe such policies on an annual basis in materials sent to security holders with the requirement to instead post a copy of the policy on the issuer’s website.

Please refer to the text of new Section 473 and to the ancillary amendment to Section 461.3 as set out in **Appendix A**.

Rationale for the Amendments

Section 473 is being proposed to provide participants in the Canadian capital markets with ready access to key security holder documents. Reporting issuers are required to file certain material documents with Canadian securities regulators which are publicly available on the System for Electronic Document Analysis and Retrieval (“**SEDAR**”). However, these documents may be difficult to find on SEDAR due to issuers’ differing practices for identifying and filing materials under consistent categories. Additionally, certain of the policies and corporate governance documents required in Section 473 may not be required to be filed on SEDAR. Therefore, TSX believes that Section 473 will be beneficial to security holders by making such documents more readily accessible to the investing public.

In addition, the Part IV and the Part VI Amendments should reduce listed issuers’ annual disclosure obligations regarding majority voting policies and Arrangements by instead, requiring that these documents be made publicly available on listed issuers’ websites.

TSX considers that the proposed posting requirements are neither onerous nor costly for listed issuers because virtually all TSX listed issuers currently have websites and that the disclosure will benefit security holders and the market in general by improving access to up-to-date documents. The Exchange also believes that this may reduce the printing and mailing costs of information circulars.

Practices of Other Exchanges

The table below provides a high level summary of the issuer website requirements of other exchanges:

	TSXV	CSE	Aequitas	NYSE	NASDAQ	LSE	AIM	ASX
Issuer website required	No	No	Yes	Yes	No	No	Yes	Recommended but not required
Specific documents required to be posted to issuer website	N/a	N/a	Yes	Yes	Accepts posting of certain documents on issuer’s website to satisfy requirements	N/a	Yes	Recommended but not required

New York Stock Exchange (“**NYSE**”) requires all listed issuers to have and maintain a website accessible publicly from the United States. The documents on the issuer’s website must be available in a printable English version¹. NYSE listed issuers are required to make their corporate governance guidelines and code of business conduct and ethics available on or through their website. Issuers must post the committee charters for their nominating and corporate governance committee as well as for their compensation and audit committees on their websites. If any function of those committees has been delegated to another committee, the charter of the committee to whom the function has been delegated must also be posted on the issuer’s website. NYSE listed issuers may use their websites to make certain other required disclosure. If the issuer’s website is used to meet these disclosure requirements, such fact must be disclosed in the annual proxy statement or annual report, as applicable, along with the issuer’s website address.

¹ NYSE Listed Company Manual, s. 307.00.

London Stock Exchange (“**LSE**”) AIM listed issuers are required to maintain a website that contains descriptions of: the issuer’s business, directors and board committees; details of key advisors; any other exchanges or trading platforms on which the issuer has listed securities; the number of issued and outstanding shares and information regarding the identity and percentage of shares owned by significant security holders; details of any restriction on transfer of AIM listed securities; the issuer’s country of incorporation and, if that jurisdiction is not the United Kingdom, a statement that the rights of security holders may be different from the rights security holders would have in a UK incorporated company. AIM listed issuers must also post current copies of constating documents, most recent copies of annual and quarterly reports published pursuant to AIM rules, the issuer’s most recent admission document along with any circulars or similar publications sent to security holders within the past 12 months and all notifications made by the issuer in the past 12 months.²

Other than in respect of Index Fund Shares, NASDAQ does not specifically require issuers to maintain or post specific information to the issuer’s website. NASDAQ does permit issuers to make certain disclosure by using the issuer’s website. For instance, issuers may post their annual report to shareholders on their website, provided that there is a prominent undertaking to provide shareholders a hard copy of such report, free of charge, upon request along with a press release indicating that the annual report has been filed and the address of the website where it is available.

Australian Stock Exchange (“**ASX**”) does not require issuers to maintain a website pursuant to its listing rules but does, however, recommend that a listed company provide information about itself and its corporate governance to security holders via the issuer’s website. ASX issuers are able to use their websites in certain cases to streamline the disclosure required in their annual reports by providing a link to the website address where the disclosure has been made. The ASX Corporate Governance Council Principles and Recommendations (“**CG Principles and Recommendations**”) set out a list of suggested disclosure that issuers should make on their websites which includes having a corporate governance landing page from which relevant corporate governance information can be accessed. The disclosure should include items such as: details about the board and senior executives; the charter of the board and committees; corporate governance policies and materials referenced in the CG Principles and Recommendations. Copies of annual reports, financial statements and announcements to ASX and security holders should also be included. The CG Principles and Recommendations lists additional issuer information that security holders find helpful to have included on a website, such as an overview of the business, a description of the classes of securities and the rights attached to them and a calendar of key events. While compliance with the CG Principles and Recommendations is not mandatory, ASX listed issuers who do not follow them are required to explain the reasons for their non-compliance annually in a statement.

Aequitas Neo Exchange Inc. (“**Aequitas**”) requires issuers to maintain a website with up-to-date and accurate information that is promptly corrected or removed if out of date. All news releases as well as any notices related to reprimands, suspensions or delisting from Aequitas must also be posted on the issuer’s website³.

In Canada, neither TSX Venture Exchange (“**TSXV**”) nor Canadian Securities Exchange (“**CSE**”) have specific comprehensive issuer website requirements. LSE Main Market does not have such issuer website requirements.

Questions

In responding to any of the questions below, please explain your response.

1. Is it appropriate for TSX to introduce the requirements set out in Section 473?
2. Are there any additional documents that should be included under Section 473?
3. Are there any documents that should not be included?
4. Are there any additional material costs or efforts required to comply with the proposed requirements?
5. Are there concerns that security holders may rely on the website disclosure which may not be kept current?
6. How long should issuers have after Section 473 comes into effect to establish or update their website with the required documents? Is 60 days from the date the rule comes into effect sufficient time to comply with the requirements?

² AIM Rules for Companies, rule 26.

³ See Aequitas Listing Manual, ss. 4.09, 5.05(3) and 11.07.

PART VI AMENDMENTS

Proposed Amendments

The Part VI Amendments amend Section 613(b) and (d), delete Section 613(g), amend Section 613(l) and introduce Form 15 as set out in **Appendix A**.

Section 613(b) has been amended to reflect more current security based compensation arrangements filed with TSX. Arrangements may take the form of plans (“**Plans**”) which set out the general terms and conditions of options, performance stock units, deferred stock units, restricted stock units or other awards (collectively “**Awards**”); individual Awards not granted pursuant to a Plan; financially assisted purchases of securities; and other compensation or incentive mechanisms involving the issuance of equity securities. Form 15 has been developed for the majority of Plans adopted by listed issuers.

Currently, Section 613(d) of the Manual requires that materials provided to security holders in respect of a meeting at which approval of an Arrangement will be requested must provide prescribed disclosure of the terms of the Arrangement, as well as any other material information that may be reasonably required by a security holder to approve the Arrangements (the “**Disclosure Elements**”). Where security holder approval will be sought for an Arrangement (“**Approval Meetings**”), the materials must be pre-cleared by TSX. Materials for meetings other than Approval Meetings, (“**Other Annual Meetings**”) must contain all of the Disclosure Elements, but do not need to be pre-cleared. Materials for Approval Meetings and other Annual Meetings are collectively referred to as “**Meeting Materials**”.

The Part VI Amendments are proposed to simplify the disclosure required in Meeting Materials and introduce a new form, Form 15 with a user-friendly table for the simplified disclosure.

Issuers would be required to disclose the items in Form 15 in Meeting Materials for Approval Meetings and Other Annual Meetings, with the exception of one item described below.

Disclosure required for Approval Meetings and Other Annual Meetings in respect of Arrangements:

- Maximum number of securities issuable
- Outstanding awards
- Burn rate
- Eligibility
- Vesting
- Amendments

Additional disclosure required for Approval Meetings:

- Other key terms in sufficient detail as may reasonably be required by a security holder to approve the Arrangement or amendments thereto.

The Part VI Amendments include ancillary amendments to delete Subsection 613(g) and modify Subsection 613(l), both of which currently contain requirements for the Disclosure Elements, which have been consolidated into Subsection 613(d) and Form 15.

The Part VI Amendments do not affect any requirements regarding when and how security holder approval is sought in connection with Arrangements.

New or Modified Requirements

Outstanding Awards. The Amendments require the continued disclosure of the number of awards currently outstanding under an Arrangement, however this Disclosure Element has been modified to further require that, if the award includes a multiplier, that the maximum payout under the multiplier must be used to calculate the number of listed securities issuable under the award. Issuers must also continue to disclose the percentage this number represents relative to the number of currently issued and outstanding securities. The details regarding the multiplier are to be included in a footnote to the disclosure.

Burn Rate. TSX determined to add a new Disclosure Element for the burn rate of an Arrangement following discussions with certain market participants. The proposed burn rate calculation is as follows and should be expressed as a percentage:

Number of awards granted under the Plan, net of any cancellations
during the most recently completed fiscal year X
multiplier, if applicable

Number of issued and outstanding securities as at the
beginning of the most recently completed fiscal year

If the award includes a multiplier, the maximum payout under the multiplier should be used to calculate the percentage. The annual burn rate for the most recently completed fiscal year is required for Other Annual Meetings. The annual burn rate for each of the three (3) most recently completed fiscal years is required for Approval Meetings.

Vesting. The Amendments continue to require disclosure with respect to vesting, however more specific disclosure is required regarding default vesting provisions and whether vesting is time and/or performance based.

Amendments. Amendments to awards or an Arrangement without security holder approval made during the most recently completed fiscal year must continue to be disclosed. This requirement has been modified to remove a disclosure requirement for amendments previously approved by security holders.

Other Key Terms. TSX will no longer require disclosure of Other Key Terms in Meeting Materials for Other Annual Meetings, however, this Disclosure Element continues to be required for Approval Meetings. Any of the other Disclosure Elements that TSX is proposing to delete may be included at the issuer's option. The opportunity to omit this information for Other Annual Meetings may simplify disclosure requirements while ensuring disclosure of important features of an Arrangement when security holders are being asked to approve the Arrangement or amendments.

Obtaining a Copy of the Plan. The Part VI Amendments introduce a new requirement to disclose the location on the issuer's website where a copy of any Arrangement may be found.

Date of Disclosure Elements. For annual meetings of security holders (whether Approval Meetings or Other Annual Meetings), Form 15 disclosure would be provided as at the end of the most recently completed fiscal year, which has been modified from the current requirement, that is as of the date of the materials. For Approval Meetings other than annual meetings of security holders, the information in Form 15 would continue to be provided as of the date of the materials which is generally expected to be not more than thirty (30) days prior to the date of the Meeting Materials.

Continuing Requirements

Maximum Number of Securities Issuable. The Part VI Amendments continue to require disclosure of the maximum number of securities issuable under an Arrangement, expressed as a fixed number or fixed percentage of the issuer's issued and outstanding securities. For Arrangements where the maximum is expressed as a fixed number, issuers should include the percentage that this number represents relative to the issuer's currently issued and outstanding securities.

Eligibility. The Part VI Amendments retain the requirement to disclose the eligible participants under each Arrangement.

Pre-clearance of Meeting Materials for Approval Meetings. The Part VI Amendments continue to require TSX pre-clearance of Meeting Materials for Approval Meetings.

Discontinued Requirements

The following Disclosure Elements will no longer be required under the proposed Part VI Amendments: (i) maximum securities available to insiders; (ii) maximum securities available to one person or company; (iii) method for determining exercise price; (iv) method for determining purchase price; (v) formula for calculating market appreciation of stock appreciation rights ("**SARs**"); (vi) ability to transform stock options into SARs involving issuance of securities from treasury; (vii) term; (viii) causes of cessation of entitlement and effect of employee termination; (ix) assignability; (x) procedure for amending; (xi) financial assistance; and (xii) entitlements previously granted but subject to security holder ratification.

The following table summarizes the new, modified, continuing and discontinued Disclosure Elements under the current disclosure requirements and the Part VI Amendments:

Disclosure Element	Current Disclosure Requirements	Part VI Amendments
Pre-clearance by TSX for Approval Meetings	✓	✓
Eligible participants	✓	✓
Securities issued and issuable under Arrangements; and securities issuable under awards made	✓	✓ Modified. Maximum securities issuable under Arrangements; and securities issuable under awards made (if award includes a multiplier, the maximum payout should be used and disclosed).
Maximum securities available to insiders	✓	Deleted.
Maximum securities available to one person or company	✓	Deleted.
Method for determining exercise price	✓	Deleted.
Method for determining purchase price	✓	Deleted.
Formula for calculating market appreciation of stock appreciation rights ("SARs")	✓	Deleted.
Ability to transform stock options into SARs involving issuance of securities from treasury	✓	Deleted.
Vesting	✓ Required for stock options only.	✓ Modified. Summary of default vesting provisions, if applicable, and whether vesting is time and/or performance based required for all Arrangements.
Term	✓ Required for stock options only.	Deleted.
Causes of cessation of entitlement and effect of employee termination	✓	Deleted.
Assignability	✓	Deleted.
Procedure for amending	✓	Deleted.
Financial assistance	✓	Deleted.
Entitlements previously granted but subject to security holder ratification	✓	Deleted.
Other material information / key terms	✓	✓ Modified. Approval Meetings Only
Burn rate	-	✓ New. See discussion above for details.
Obtaining copy of the Plan	-	✓ New. Proposed Section 473 issuer website disclosure requires posting of a copy of each Plan.
Amendments	✓ Section 613(g).	✓ Modified. See discussion above for details.

Rationale for the Part VI Amendments

TSX first introduced Section 613(d) in 2005 and slightly revised this section in 2011. TSX thought it appropriate to re-evaluate the relevance of the Disclosure Elements in light of the evolution of market expectations as well as changing disclosure and compensation practices.

In an effort to reduce the regulatory burden for listed issuers, TSX undertook a review of the Disclosure Elements, which included discussions with certain market participants and our Listing Advisory Committee. As a result, TSX is proposing to remove certain Disclosure Elements for Arrangements that are duplicative of disclosure requirements under Canadian securities law or that security holders may not find meaningful and to instead introduce more relevant information. In connection with removing certain Disclosure Elements currently prescribed in Section 613(d), TSX is proposing to introduce Section 473, which would require current copies of each Arrangement to be posted on an issuer's publicly accessible website. Following discussions with certain market participants, we understand that it would be preferable to have simplified disclosure supplemented with easy access to Arrangements, rather than a more substantive summary as currently prescribed.

Additionally, certain Disclosure Elements were tailored to stock options. In light of evolving security based compensation practices, TSX has adapted the Disclosure Elements to apply to a broader range of Arrangements and Section 613(b) has been updated to better reflect more current securities based compensation arrangements.

TSX believes that the simplified Disclosure Elements strike the appropriate balance between meaningful disclosure while eliminating unnecessary information. In addition, the Part IV Amendments supplement the simplified Disclosure Elements by providing a complete copy of all Arrangements, should security holders wish to review them in their entirety.

Practices of Other Exchanges

In considering the Part VI Amendments, TSX reviewed the requirements of U.S. and other Canadian exchanges. TSX believes these exchanges are the most relevant comparisons for disclosure regarding Arrangements. Generally, the disclosure requirements are a combination of exchanges' requirements and securities laws. Canadian requirements are more similar to the U.S., than other jurisdictions.

The U.S. Securities and Exchange Commission (the "SEC") requires disclosure of the following regarding Arrangements:

- vesting schedules and any performance-based vesting conditions and any other material conditions to an award;
- disclosure of re-pricings or material modification of awards; and
- whether there is an ability to amend an Arrangement to increase the cost of the plan or to alter the allocation of the plan's benefits between participants without security holder approval.

The SEC requirements generally apply to named executive officer compensation disclosure as opposed to disclosure about Arrangements in general.

Requirements of NYSE

Issuers listed on NYSE are required to file Meeting Materials under the Securities Exchange Act of 1934. Proxy-related materials must be pre-cleared with NYSE "[i]f any action to be taken at a shareholders' meeting relates to matters which may affect substantially the rights or privileges of listed securities of the company, or will result in the creation of new issues or classes of securities which the company may desire to list on the Exchange..."⁴ With some limited exceptions, NYSE also requires security holder approval of Arrangements and material revisions to Arrangements involving: a material increase in the number of securities available under the Arrangement; an expansion of the types of awards available; a material expansion of the class of participants eligible to participate; a material change to the method of determining the strike price of options; and the deletion or limitation of provisions prohibiting repricing of options.

Requirements of NASDAQ

With some limited exceptions, issuers listed on NASDAQ are required to obtain security holder approval when implementing or materially amending an Arrangement⁵. Such material amendments include: a material increase in the number of securities to be issued under the Arrangement; a material increase in benefits to participants, including any material change to: permit a repricing of outstanding options, reduce the price at which shares or options to purchase shares may be offered, or extend the

⁴ NYSE Listing Manual Section 402.02.

⁵ NASDAQ Listing Rule 5365(c).

duration of the Arrangement; a material expansion of the class of participants eligible to participate; and an expansion in the types of awards available. Listed issuers that establish or materially amend an Arrangement must give NASDAQ fifteen (15) calendar days' notice. NASDAQ reviews this notice to ensure compliance with its rules, including security holder approval requirements. There is no requirement to pre-clear Meeting Materials with NASDAQ in connection with an Approval Meeting for an Arrangement, but they must be filed on the Electronic Data Gathering, Analysis and Retrieval system ("EDGAR") or in accordance with NASDAQ rules.

Other Canadian Exchanges

Aequitas requires issuers to file and pre-clear Meeting Materials for an Approval Meeting at least ten (10) trading days prior to the circular being distributed to security holders. The Meeting Materials must contain sufficient detail to permit security holders to form a reasoned judgment concerning the Arrangement. Aequitas provides the following examples of disclosure that should be included in Meeting Materials in the commentary of its Listing Manual:

- Eligibility;
- Arrangement maximum;
- Maximum number of securities that may be issued;
- Maximum number of securities that may be awarded to related persons of the issuer and, for options, the number of securities that may be issued on exercise of the options to related persons as compensation or under an Arrangement;
- Financial assistance or support agreements with participants or related entities of the issuer to facilitate purchases under the Arrangement;
- Maximum term for options and basis for determination of exercise price;
- Details regarding options or other entitlements granted, including transferability;
- Process for amending the Arrangement and awards granted under the Arrangement, including whether discretion is granted to the issuer's board of directors to make amendments to specified material terms without security holder approval; and
- The number of votes attached to securities that will not be included for the purpose of determining whether security holder approval has been obtained.

On an annual basis, Aequitas-listed issuers are required to disclose:

- The terms of their Arrangements and any amendments adopted since the beginning of the last fiscal year;
- The process for amending the Arrangement and awards granted under the Arrangement, including whether discretion is granted to the issuer's board of directors to make amendments to specified material terms without security holder approval; and
- Whether or not security holder approval was obtained (and if, not, reasons for why) for: (i) the adoption of or amendment to, any Arrangement adopted or amended since the beginning of the issuer's last fiscal year; and (ii) for the amendment of any award since the beginning of the listed issuer's last fiscal year⁶.

TSXV does not require disclosure regarding Arrangements in Meeting Materials for annual meetings. However, TSXV and security holder approval are required at the time an Arrangement is adopted and for amendments thereto. TSXV does not require pre-filing and clearance of Meeting Materials containing disclosure about Arrangements. For Approval Meetings, TSXV requires disclosure in the Meeting Materials of the particulars of an Arrangement in sufficient detail to permit security holders to form a reasoned judgment concerning the acceptability of the Arrangement. Policy 4.4 – *Incentive Stock Options* of the TSXV Corporate Finance Manual sets out examples of appropriate disclosure for a stock option plan:

⁶ Aequitas Listing Manual, ss. 10.13(12) and (13).

- Eligibility;
- Maximum number or percentage of shares that may be reserved under the plan for issuance pursuant to the exercise of stock options;
- Plan limits for any person or category of persons, such as insiders;
- Method of determining option exercise price;
- Maximum term of options; and
- Expiry and termination provisions for options.

CSE does not have disclosure requirements for Arrangements beyond those set out in securities law.

Questions

In responding to any of the questions below, please explain your response.

1. Do proposed Section 613(d), Form 15 and the website requirements in Section 473 provide meaningful and sufficient disclosure in respect of Arrangements?
2. Are there any other key Disclosure Elements that should be included in Form 15? If so, should the disclosure be required in Meeting Materials for both Approval Meetings and Other Annual Meetings or for Approval Meetings only? Please consider the value of the additional disclosure in light of the efforts by the issuer to prepare the additional information.
3. Are there any disclosure items that should be removed from Form 15? If so, should the disclosure be removed from the Meeting Materials for both Approval Meetings and Other Annual Meetings?
4. Should the Disclosure Elements which are static terms of an Arrangement be required given that the information is available in an Arrangement on a listed issuer's website? I.e. Plan Maximum, Eligibility and Vesting. Please consider whether these items ought to be excluded for Approval Meetings and/or Other Annual Meetings?
5. Is the burn rate and the formula for calculating it useful and appropriate disclosure? In particular, is the use of the maximum payout of the multiplier appropriate? If not, please provide other measure would be preferable. Would it be more appropriate to permit the use of a historic midpoint payout of the multiplier, rather than the maximum?
6. Is it sufficient to have the burn rate only for the most recently completed year, rather than the last three years for both Approval Meetings and Other Annual Meetings?

Public Interest

TSX is publishing the Amendments for a thirty (30) day comment period, which expires ●, 2016. The Amendments will only become effective following public notice and the approval of the OSC.

**APPENDIX A
BLACKLINES OF PUBLIC INTEREST AMENDMENTS**

PART IV AMENDMENTS

461.3

[...]

If an issuer adopts a Policy to satisfy the Majority Voting Requirement, it must ~~fully describe the Policy on an annual basis, in its materials sent to holders of listed securities in connection with a meeting at which directors are being elected~~ post a copy of the Policy on its website in accordance with Sec. 473.

[...]

Website Disclosure of Security Holder Information

473. Listed issuers must maintain a publicly accessible website and post the following documents, as applicable:

- (a) Constatng documents including articles, trust indentures, partnership agreements, by-laws and other similar documents;
- (b) Corporate policies that may impact meetings of security holders and voting, including advance notice and majority voting policies;
- (c) Security holder rights plans, commonly known as poison pills;
- (d) Security based compensation arrangements; and
- (e) Corporate governance documents, including charters of board committees, code of ethical business conduct, position descriptions, board mandate, anti-corruption policies and other environmental and social policies and whistleblower policies.

The webpage(s) containing the above noted documents should be easily identifiable and accessible from the listed issuer's home page or investor relations page. If a listed issuer's website is shared with other issuers, each listed issuer should have a separate, dedicated webpage on the website.

PART VI AMENDMENTS

613.

[...]

Types of Security Based Compensation Arrangements

(b) ~~For the purposes of this Section 613 applies to security based compensation arrangements include; which involve the issuance or potential issuance of securities from treasury, such as:~~

- ~~i) stock option plans for the benefit of employees, insiders, service providers or any one of such groups;~~
- ~~ii) individual stock options granted to employees, service providers or insiders awards if not granted pursuant to a plan previously approved by the listed issuer's security holders;~~
- ~~iii) stock purchase plans where the listed issuer provides financial assistance or where the listed issuer matches the whole or a portion of the securities being purchased;~~
- ~~iv) stock appreciation rights involving issuances of securities from treasury;~~
- ~~v) full value equity-based plans involving the issuance or potential issuances of securities of the listed issuer;~~
- ~~vi) any other compensation or incentive mechanism involving the issuance or potential issuances of securities of the listed issuer; and~~
- ~~vii) security purchases from treasury by an employee, insider or service provider which are financially assisted by the listed issuer by any means whatsoever.~~

For the purposes of this Section 613, "awards" include stock options, restricted stock, full value equity-based awards (restricted stock units, deferred stock units and performance stock units), share appreciation rights and other similar grants and entitlements. The majority of security based compensation arrangements take a form of "plans" which set out the general terms and conditions in respect to awards granted to employees, officers, directors or service providers.

For greater certainty, arrangements which do not involve the issuance from treasury or potential issuance from treasury of securities of the listed issuer are not security based compensation arrangements for the purposes of this Section 613.

For the purposes of Section 613, a "service provider" is a person or company engaged by the listed issuer to provide services for an initial, renewable or extended period of twelve months or more.

[...]

Disclosure Required when Seeking Security Holder Approval & Annually

~~(d) Materials provided to security holders in respect of a meeting at which the approval of security based compensation arrangements will be requested must be pre cleared with TSX. Such materials must provide disclosure, as of the date of the materials, in respect of: On an annual basis and in connection with any security based compensation arrangement matter where security holder approval will be sought, listed issuers must disclose the items described in Form 15 – Disclosure of Security Based Compensation Arrangements in their information circular.~~

- ~~(i) the eligible participants under the arrangement;~~
- ~~(ii) each of the following, as applicable:
 - ~~i. for plans with a fixed maximum number of securities issuable (A) the total number of securities issued and securities issuable under each arrangement and (B) this total as a percentage of the number of the listed issuer's securities currently outstanding,~~
 - ~~ii. for plans with a fixed maximum percentage of securities issuable, the total number of securities issued and securities issuable under each arrangement as a percentage of the number of the listed issuer's securities currently outstanding, and~~
 - ~~iii. the total number of securities issuable under actual grants or awards made and this total as a percentage of the number of the listed issuer's securities currently outstanding;~~~~

- ~~iii) — the maximum percentage, if any, of securities under each arrangement available to insiders of the listed issuer;~~
- ~~iv) — the maximum number of securities, if any, any one person or company is entitled to receive under each arrangement and the percentage of the listed issuer's currently outstanding capital represented by these securities;~~
- ~~v) — subject to Section 613(h)(i), the method of determining the exercise price for securities under each arrangement;~~
- ~~vi) — the method of determining the purchase price for securities under security purchase arrangements, with specific disclosure as to whether the purchase price could be below the market price of the securities;~~
- ~~vii) — the formula for calculating market appreciation of stock appreciation rights;~~
- ~~viii) — the ability for the listed issuer to transform a stock option into a stock appreciation right involving an issuance of securities from treasury;~~
- ~~ix) — the vesting of stock options;~~
- ~~x) — the term of stock options;~~
- ~~xi) — the causes of cessation of entitlement under each arrangement, including the effect of an employee's termination for or without cause;~~
- ~~xii) — the assignability of security based compensation arrangements benefits and the conditions for such assignability;~~
- ~~xiii) — the procedure for amending each arrangement, including specific disclosure as to whether security holder approval is required for amendments;~~
- ~~xiv) — any financial assistance provided by the listed issuer to participants under each arrangement to facilitate the purchase of securities under the arrangement, including the terms of such assistance;~~
- ~~xv) — entitlements under each arrangement previously granted but subject to ratification by security holders; and~~
- ~~xvi) — such other material information as may be reasonably required by a security holder to approve the arrangements.~~

~~Should a security based compensation arrangement not provide for the procedure for amending the arrangement,~~

~~Where security holder approval will be required for such amendments, as provided for in Subsections 613(a) and (i). In addition, the votes attaching to any securities held by insiders who hold securities subject to the amendment will be excluded. Please see Subsection 613(l) for more information. sought in connection with a security based compensation arrangement matter, the materials must be pre-cleared with TSX.~~

Annual Disclosure Requirements

~~(g) Listed issuers must disclose on an annual basis, in their information circulars, or other annual disclosure document distributed to all security holders, the terms of their security based compensation arrangements and any amendments that were adopted in the last fiscal year (this includes amendments to individual security agreements and amendments to security based compensation arrangements, including, in both instances, those assumed or created by the listed issuer as part of an acquisition). The information circular must provide disclosure in respect of each of the items in Section 613(d), as of the date of the circular, as well as the nature of the amendments adopted in the last fiscal year, including whether or not (and if not, why not) security holder approval was obtained for the amendment.~~

Amendment Procedures

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

PART XI AMENDMENTS

This section sets out the requirements that are specifically applicable to Non-Corporate Issuers.

In addition to the specific requirements outlined in this Part XI, Non-Corporate Issuers must also comply with the following sections of the Manual:

Part IV—MAINTAINING A LISTING

All Sections, other than Shareholders' Meeting and Proxy Solicitation (Sections 455–465) and Website Disclosure of Security Holder Information (Section 473).

Form 15
Disclosure of Security Based Compensation Arrangements

General Instructions:

This Form 15 sets out the disclosure requirements for security based compensation arrangements described in Subsection 613(b) of the TSX Company Manual. These arrangements may take the form of plans ("Plans") which set out the general terms and conditions of options, performance stock units, deferred stock units, restricted stock units or other awards (collectively, "Awards"); individual Awards not granted pursuant to a Plan; financially assisted purchases of securities; and other compensation or incentive mechanisms involving the issuance of equity securities. This form has been developed for the majority of Plans adopted by listed issuers. For arrangements other than Plans, the substantive elements of the information below should be disclosed, as applicable.

Presentation of the information should be in the following tabular format. However, where the information may be better presented in another format or where customization of the table would improve the disclosure of the information, the table may be modified. Issuers with multiple or omnibus Plans which allow for the issuance of a variety of Awards may choose to use multiple columns or separate tables for disclosure.

For annual security holder meetings, the information should be prepared as at the end of the most recently completed fiscal year. For other security holder meetings where security holder approval will be sought in connection with a security based compensation arrangement matter, the information should be prepared as at the date of the materials, unless otherwise noted.

Questions regarding the content or presentation of information may be directed to your Listed Issuer Services Senior Manager:

<http://www.tsx.com/listings/tsx-and-tsxv-issuer-resources/tsx-issuer-resources/tsx-listings-staff>

<u>Plan Information Item</u>	<u>Description</u> <u>Instructions and guidance notes</u>
<u>Plan Maximum</u>	<p><u>Disclose the maximum number of securities issuable under the Plan, expressed as a fixed number or fixed percentage of the number of issued and outstanding securities.</u></p> <p><u>Where the Plan maximum is expressed as a fixed number, include the percentage this number represents relative to the number of issued and outstanding securities.</u></p>
<u>Outstanding Awards</u>	<p><u>Disclose the number of outstanding Awards under the Plan, together with the percentage this number represents relative to the number of issued and outstanding securities.</u></p> <p><u>If the Award includes a multiplier, the maximum payout of the multiplier should be used to calculate the number of listed securities issuable and the percentage this number represents relative to the number of issued and outstanding securities.¹ Details regarding the multiplier should be included in a footnote.</u></p>
<u>Burn Rate</u>	<p><u>This information may be omitted for the first fiscal year of newly adopted Plans, but must be included for new Plans adopted in replacement of similar Plans.</u></p> <p><u>Disclose the annual burn rate of the Plan, calculated as follows and expressed as a percentage:</u></p> $\frac{\text{Number of Awards granted under the Plan, net of any cancellations during the most recently completed fiscal year X multiplier, if applicable}}{\text{Number of issued and outstanding securities as at the beginning of the most recently completed fiscal year}}$ <p><u>If the Award includes a multiplier, the maximum payout of the multiplier should be used for the calculation. Details in respect to the multiplier should be provided in a footnote.</u></p> <p><u>The annual burn rate for the most recently completed fiscal year should be disclosed for the purposes of annual disclosure. The annual burn rate for each of the three</u></p>

<u>Plan Information Item</u>	<u>Description</u> <u>Instructions and guidance notes</u>
	<p><u>most recently completed fiscal years should be disclosed where security holder approval is being sought with respect to a Plan.</u></p> <p><u>Where the Plan has not existed for last three fiscal years (including predecessor plans which were similar) or was approved by security holders within the last three fiscal years, disclose the annual burn rate for each of the fiscal years completed since adoption or the most recent security holder approval.</u></p>
<u>Eligibility</u>	<u>Disclose the eligible participants under the Plan such as directors, non-executive directors, officers, employees, consultants, etc.</u>
<u>Vesting</u>	<u>Disclose whether the Awards under the Plan are subject vesting provisions, a summary of default vesting provisions (if any applicable) and whether vesting is time and/or performance based.</u>
<u>Amendments</u>	<u>Disclose any amendments to Awards or the Plan that were made without security holder approval in the most recently completed fiscal year.</u>
<u>Other Key Terms</u>	<p><u>This information may be omitted where security holder approval is not being sought in connection with a security based compensation arrangement matter.</u></p> <p><u>Disclose any other key terms of the plan in sufficient detail to enable reasonable security holders to form a reasoned judgment whether to approve the Plan or amendments thereto.</u></p> <p><u>This item may be presented in a narrative or tabular format. Issuers using a tabular format should consider using a separate line item for each key term.</u></p>
<u>Obtaining a Copy of the Plan</u>	<u>Section 473 requires that a copy of the Plan be made available on the issuer's website. Include a hyperlink or webpage address as well as a description of the location on the issuer's website where the Plan can be found.</u>

ⁱ Issuers with more than one class of participating securities may combine the number of issued and outstanding securities of each class provided that the class of securities issuable under the arrangement does not have a greater voting and/or equity entitlement as the other class(es) of participating securities.

**APPENDIX B
CLEAN VERSION OF PUBLIC INTEREST AMENDMENTS**

PART IV AMENDMENTS

461.3

[...]

If an issuer adopts a Policy to satisfy the Majority Voting Requirement, it must post a copy of the Policy on its website in accordance with Sec. 473.

[...]

Website Disclosure of Security Holder Information

473. Listed issuers must maintain a publicly accessible website and post the following documents, as applicable:

- (a) Constatng documents including articles, trust indentures, partnership agreements, by-laws and other similar documents;
- (b) Corporate policies that may impact meetings of security holders and voting, including advance notice and majority voting policies;
- (c) Security holder rights plans, commonly known as poison pills;
- (d) Security based compensation arrangements; and
- (e) Corporate governance documents, including charters of board committees, code of ethical business conduct, position descriptions, board mandate, anti-corruption policies and other environmental and social policies and whistleblower policies.

The webpage(s) containing the above noted documents should be easily identifiable and accessible from the listed issuer's home page or investor relations page. If a listed issuer's website is shared with other issuers, each listed issuer should have a separate, dedicated webpage on the website.

PART VI AMENDMENTS

613.

[...]

Types of Security Based Compensation Arrangements

(b) Section 613 applies to security based compensation arrangements which involve the issuance or potential issuance of securities from treasury, such as:

- i) stock option plans;
- ii) individual awards if not granted pursuant to a plan previously approved by the listed issuer's security holders;
- iii) stock purchase plans where the listed issuer provides financial assistance or where the listed issuer matches the whole or a portion of the securities being purchased;
- iv) stock appreciation rights involving issuances of securities from treasury;
- v) full value equity-based plans involving the issuance or potential issuances of securities of the listed issuer;
- vi) any other compensation or incentive mechanism involving the issuance or potential issuances of securities of the listed issuer; and
- vii) security purchases from treasury which are financially assisted by the listed issuer by any means whatsoever.

For the purposes of this Section 613, “awards” include stock options, restricted stock, full value equity-based awards (restricted stock units, deferred stock units and performance stock units), share appreciation rights and other similar grants and entitlements. The majority of security based compensation arrangements take a form of “plans” which set out the general terms and conditions in respect to awards granted to employees, officers, directors or service providers.

For greater certainty, arrangements which do not involve the issuance from treasury or potential issuance from treasury of securities of the listed issuer are not security based compensation arrangements for the purposes of this Section 613.

For the purposes of Section 613, a “service provider” is a person or company engaged by the listed issuer to provide services for an initial, renewable or extended period of twelve months or more.

[...]

Disclosure Required when Seeking Security Holder Approval & Annually

(d) On an annual basis and in connection with any security based compensation arrangement matter where security holder approval will be sought, listed issuers must disclose the items described in Form 15 – Disclosure of Security Based Compensation Arrangements in their information circular.

Where security holder approval will be sought in connection with a security based compensation arrangement matter, the materials must be pre-cleared with TSX.

Amendment Procedures

(l) Security based compensation arrangements (including individual option or other security amendments) cannot be amended without obtaining security holder approval unless the arrangement contains a provision empowering the listed issuer's board of directors (who may delegate this to a committee of the board) to make the specific amendment. Security holder approval is required for the introduction of and subsequent amendments to, such amending provisions.

PART XI AMENDMENTS

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All Sections, other than Shareholders' Meeting and Proxy Solicitation (Sections 455–465) and Website Disclosure of Security Holder Information (Section 473).

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Disclosure of Security Based Compensation Arrangements

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Presentation of the information should be in the following tabular format. However, where the information may be better presented in another format or where customization of the table would improve the disclosure of the information, the table may be modified. Issuers with multiple or omnibus Plans which allow for the issuance of a variety of Awards may choose to use multiple columns or separate tables for disclosure.

For annual security holder meetings, the information should be prepared as at the end of the most recently completed fiscal year. For other security holder meetings where security holder approval will be sought in connection with a security based compensation arrangement matter, the information should be prepared as at the date of the materials, unless otherwise noted.

Questions regarding the content or presentation of information may be directed to your Listed Issuer Services Senior Manager:

<http://www.tsx.com/listings/tsx-and-tsxv-issuer-resources/tsx-issuer-resources/tsx-listings-staff>

Plan Information Item	Description Instructions and guidance notes
Plan Maximum	<p>Disclose the maximum number of securities issuable under the Plan, expressed as a fixed number or fixe percentage of the number of issued and outstanding securities¹.</p> <p>Where the Plan maximum is expressed as a fixed number, include the percentage this number represents relative to the number of issued and outstanding securities¹.</p>
Outstanding Awards	<p>Disclose the number of outstanding Awards under the Plan, together with the percentage this number represents relative to the number of issued and outstanding securities¹.</p> <p>If the Award includes a multiplier, the maximum payout of the multiplier should be used to calculate the number of listed securities issuable and the percentage this number represents relative to the number of issued and outstanding securities¹. Details regarding the multiplier should be included in a footnote.</p>
Burn Rate	<p>This information may be omitted for the first fiscal year of newly adopted Plans, but must be included for new Plans adopted in replacement of similar Plans.</p> <p>Disclose the annual burn rate of the Plan, calculated as follows and expressed as a percentage:</p> $\frac{\text{Number of Awards granted under the Plan, net of any cancellations during the most recently completed fiscal year X multiplier, if applicable}}{\text{Number of issued and outstanding securities as at the beginning of the most recently completed fiscal year}}$ <p>If the Award includes a multiplier, the maximum payout of the multiplier should be used for the calculation. Details in respect to the multiplier should be provided in a footnote.</p> <p>The annual burn rate for the most recently completed fiscal year should be disclosed for the purposes of annual disclosure. The annual burn rate for each of the three most recently completed fiscal years should be disclosed where security holder</p>

Plan Information Item	Description Instructions and guidance notes
	<p>approval is being sought with respect to a Plan.</p> <p>Where the Plan has not existed for last three fiscal years (including predecessor plans which were similar) or was approved by security holders within the last three fiscal years, disclose the annual burn rate for each of the fiscal years completed since adoption or the most recent security holder approval.</p>
Eligibility	Disclose the eligible participants under the Plan such as directors, non-executive directors, officers, employees, consultants, etc.
Vesting	Disclose whether the Awards under the Plan are subject vesting provisions, a summary of default vesting provisions (if any applicable) and whether vesting is time and/or performance based.
Amendments	Disclose any amendments to Awards or the Plan that were made without security holder approval in the most recently completed fiscal year.
Other Key Terms	<p>This information may be omitted where security holder approval is not being sought in connection with a security based compensation arrangement matter.</p> <p>Disclose any other key terms of the plan in sufficient detail to enable reasonable security holders to form a reasoned judgment whether to approve the Plan or amendments thereto.</p> <p>This item may be presented in a narrative or tabular format. Issuers using a tabular format should consider using a separate line item for each key term.</p>
Obtaining a Copy of the Plan	Section 473 requires that a copy of the Plan be made available on the issuer's website. Include a hyperlink or webpage address as well as a description of the location on the issuer's website where the Plan can be found.

ⁱ Issuers with more than one class of participating securities may combine the number of issued and outstanding securities of each class provided that the class of securities issuable under the arrangement does not have a greater voting and/or equity entitlement as the other class(es) of participating securities.