OSC SME Institute

Continuous Disclosure Best Practices

December 10, 2014

Corporate Finance Branch

OSC ONTARIO SECURITIES COMMISSION

Disclaimer

- "The views expressed in this presentation are the personal views of the presenting staff and do not necessarily represent the views of the Commission or other Commission staff.
- The presentation is provided for general information purposes only and does not constitute legal or accounting advice.
- Information has been summarized and paraphrased for presentation purposes and the examples have been provided for illustration purposes only. Responsibility for making sufficient and appropriate disclosure and complying with applicable securities legislation remains with the company.
- Information in this presentation reflects securities legislation and other relevant standards that are in effect as of the date of the presentation.
- The contents of this presentation should not be modified without the express written permission of the presenters."

Presentation Outline

- Overview of Corporate Finance Branch
- Update on Continuous Disclosure Review Program Activities for the Year Ended March 31, 2014 (CSA Staff Notice 51-341)
- Financial Statements Topics
- Management's Discussion and Analysis (MD&A)
- Other Regulatory Hot Buttons

Overview of Corporate Finance Branch

Role of Corporate Finance Branch

- Regulates companies that offer their securities for sale to the public in Ontario and securities offerings in the exempt market
- Oversees disclosure of material information that investors and other market participants need to make informed investment decisions
- Reviews issuers’ filings for compliance with Ontario securities law and accounting standards:
  - Continuous disclosure filings
  - Prospectuses and other offering documents
  - Applications for exemptive relief from Ontario securities laws
- Regulates M&A transactions in areas such as take-over bids, issuer bids, business combinations, related party transactions and early warning reporting

CD Review Program

- The purpose of our CD Review Program is to ensure that investors have access to timely information that will allow them to make informed investment decisions.
- We help companies understand and comply with their CD obligations through our compliance programs, issuer outreach and education initiatives.
- Types of reviews
  - 'Full' reviews are broad in scope and generally involve a detailed review of an issuer's CD record for at least 12 months.
  - 'Issue-oriented' reviews focus on specific accounting, legal or regulatory issues that we believe warrant scrutiny.

CD Review Program (cont'd)

Issuers are selected for review using a risk-based approach

- Filing appears to be substantially non-compliant with a requirement of the Act or regulations
- Filing appears to contain information that is misleading, false, deceptive or a misrepresentation
- Assess compliance with new regulatory or accounting requirements
- Emerging risks and market conditions
- Industry specific risk areas are considered

CD Review Program (cont'd)

- Contact with issuers is generally done through comment letters
- Outcomes of reviews
  - Prospective disclosure enhancements in filings
  - Issuer outreach and education
  - Refilings and other regulatory actions for significant deficiencies
    - OSC's 3-year Refilings and Errors List
    - Enforcement referral / cease trade order / default list

Update on Continuous Disclosure Review Program Activities for the Year Ended March 31, 2014

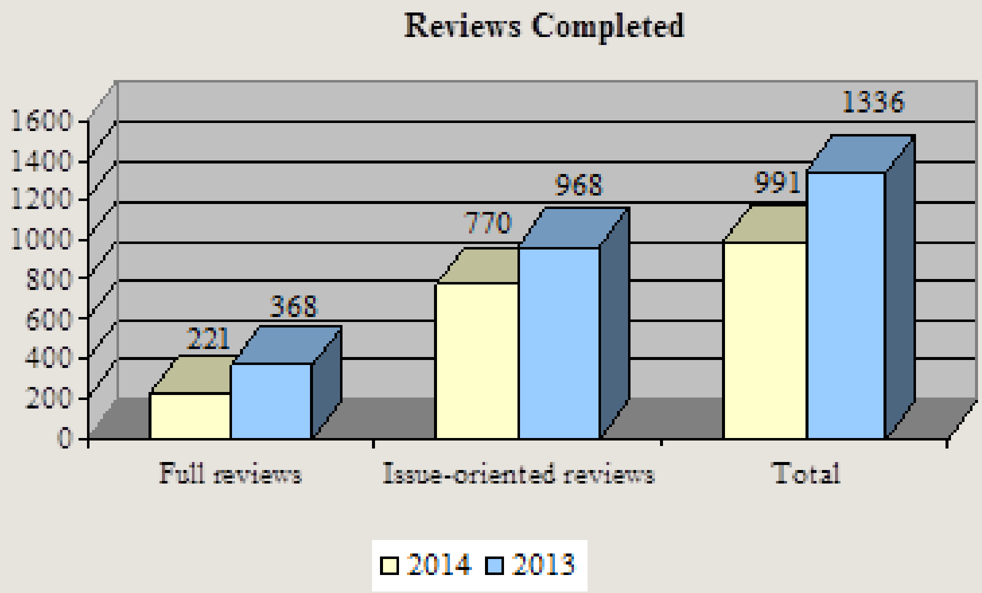
(CSA Staff Notice 51-341)

OSC
ONTARIO SECURITIES COMMISSION

CSA Staff Notice 51-341

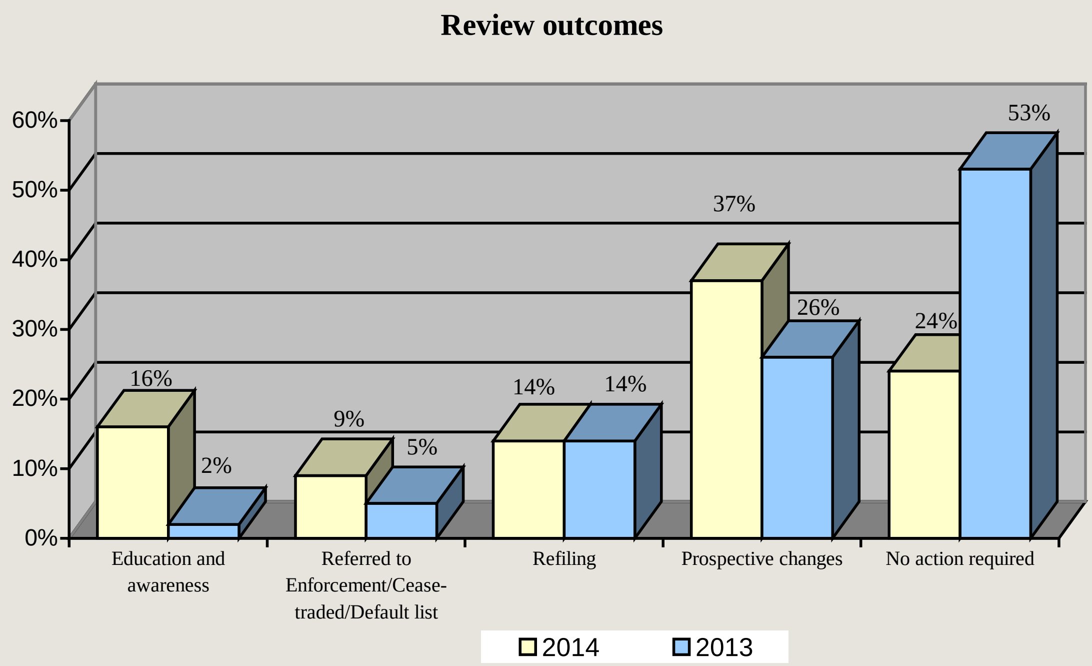
- CSA Staff Notice 51-341 *Continuous Disclosure Review Program Activities for the fiscal year ended March 31, 2014* published on July 17, 2014
- Contains the results of the CD reviews conducted by the CSA within the scope of their CD Review Program
- Reviews based on CSA Staff Notice 51-312 (revised) *Harmonized Continuous Disclosure Review Program*
- 221 full reviews and 770 issue oriented reviews completed by CSA staff in fiscal 2014

CSA Staff Notice 51-341(cont'd)



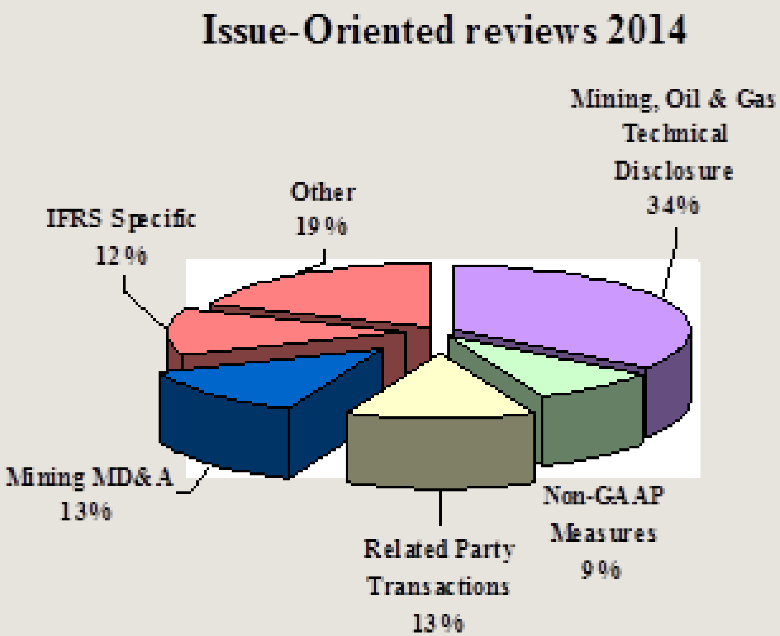
ONTARIO SECURITIES COMMISSION

CSA Staff Notice 51-341(cont'd)



ONTARIO SECURITIES COMMISSION

CSA Staff Notice 51-341(cont'd)



The "Other" category includes reviews of:

- Social Media
- Business Acquisition Reports
- Certifications
- Operating Segments
- Timely Disclosure
- Management Information Circular

CSA Staff Notice 51-341(cont'd)

The following are some of the common deficiencies identified in CSA Staff Notice 51-341:

- Financial Statement Deficiencies
  - IFRS 10, 11 and 12
  - Impairment of Assets
- Management's Discussion and Analysis (MD&A) Deficiencies
  - Non-GAAP Measures
  - Forward Looking Information
- Other Regulatory Disclosure Deficiencies
  - Executive Compensation
  - Timely and balanced disclosure

Each of the above items are discussed in further detail on the slides that follow.

Observations at a Glance

Financial Statements	MD&A	Other Regulatory Hot Buttons
• Consolidated Financial Statements (IFRS 10) • Joint Arrangements (IFRS 11) • Disclosure of Interests in Other Entities (IFRS 12) • Impairment of Assets	• Discussion of Operations • Projects not yet generating revenue • Venture Issuer Disclosures • Variance in the Use of Proceeds • Liquidity and Capital Resources • Risks and Uncertainties • Transactions between Related Parties	• Non-GAAP and Additional GAAP Measures • Executive Compensation • Emerging Market Risk • Issue-Oriented Review – Related Party Transactions • Venture Issuer Regulation

Observations at a Glance

Financial Statements	MD&A	Other Regulatory Hot Buttons
• Consolidated Financial Statements (IFRS 10) • Joint Arrangements (IFRS 11) • Disclosure of Interests in Other Entities (IFRS 12) • Impairment of Assets	• Discussion of Operations • Projects not yet generating revenue • Venture Issuer Disclosures • Variance in the Use of Proceeds • Liquidity and Capital Resources • Risks and Uncertainties • Transactions between Related Parties	• Non-GAAP and Additional GAAP Measures • Executive Compensation • Emerging Market Risk • Issue-Oriented Review – Related Party Transactions • Venture Issuer Regulation

IFRS 10 *Consolidated Financial Statements*

IFRS 11 *Joint Arrangements*

IFRS 12 *Disclosure of Interests in Other Entities*

IFRS 10, 11 and 12

Observation

Companies are not providing required disclosures under IFRS 12 to understand the impact of new IFRS 10 and 11 standards. Disclosure provided is often boilerplate

Why important ?

To better allow investors to understand how an investment is accounted for in the financial statements

Companies must provide meaningful disclosure of its subsidiaries and joint arrangements.

IFRS 10 *Consolidated Financial Statements*

Requirements

- Must consolidate entities you control
  - Control an investee when you are exposed, or have rights, to <u>variable returns</u> from your involvement with the investee and have the ability to affect those returns through your power over the investee.
  - Consider all relevant facts and circumstances when assessing whether you control an investee

IFRS 10 *Consolidated Financial Statements*

Requirements

- An investor controls an investee if and only if the investor has all of the following elements:
  - Power over the investee, i.e. the investor has existing rights that give it the ability to direct the relevant activities (the activities that significantly affect the investee's returns)
  - Exposure, or rights, to variable returns from its involvement with the investee
  - The ability to use its power over the investee to affect the amount of the investor's returns.

- For disclosure requirements refer to IFRS 12

IFRS 10 *Consolidated Financial Statements*

Observations and Findings

- No major impact reported by significant majority of issuers
- Small number of issuers were impacted
  - Special purpose / structured entities
  - Deconsolidation of entities
  - Proportionate to full control
  - De-facto control – few change in control situations

IFRS 10 *Consolidated Financial Statements*

Observations and Findings

- Significant level of judgement required
  - Often, boilerplate disclosures
  - What did management look at to determine the relevant activities?
    - Approval of operating budgets?
    - Contractual provisions?
    - Other?

IFRS 10 *Consolidated Financial Statements* Example of Boilerplate Disclosure

Repetition from the standard

Missing criteria considered

The Company controls an entity when we have power over an entity, exposure to or rights to variable returns from our involvement with an entity, and the ability to affect our returns through our power over an entity. Power exists when we have rights that give us the ability to direct the relevant activities, which are those activities that could significantly affect the entity's returns. Power can be obtained through voting rights or other contractual arrangements. As such, management has determined it has control over Rock'on Ltd.

IFRS 10 *Consolidated Financial Statements* Example of Entity-Specific Disclosure

More tailored

The Company holds 48% of voting rights in Rock'on Ltd., with the remaining 52% of voting rights being held by numerous unrelated individual shareholders, each with less than 1% holding. Previously, the Company's 48% voting interest in Rock'on Ltd. did not meet control criteria of IAS 27 on the basis that it did not give the company the outright power to govern the financial and operating policies of Rock'on Ltd.

Elaborate on criteria

In applying IFRS 10, the company has concluded that in evaluating the size of its own voting rights relative to the size and dispersion of other vote holders, the Company has the practical ability to unilaterally direct the relevant activities of the company, and therefore meets the control criteria of IFRS 10.

IFRS 11 *Joint Arrangements*

Requirements

- First assess control (IFRS 10) then assess whether control is joint. If joint control exists, apply IFRS 11
- Joint arrangements are either joint operations or joint ventures:
  - A **joint operation** is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets, and obligations for the liabilities, relating to the arrangement. Those parties are called joint operators. [IFRS 11:15] → recognize own assets, liabilities and transactions including share of those controlled jointly
  - A **joint venture** is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement. Those parties are called joint venturers. [IFRS 11:16] → equity method accounting (IAS 28)
- For disclosure requirements refer to IFRS 12

IFRS 11 *Joint Arrangements*

Requirements

- Classification as JO or JV depends on:
  1. Structure – separate vehicle?
  2. Legal form – direct rights to assets and obligations?
  3. Contractual arrangement - direct rights to assets and obligations?
  4. Other facts and circumstances

- Expanded disclosures under IFRS 12
  - Disclose significant judgements/assumptions
  - For associates/JV's, provide summarized financial information and reconciliation

IFRS 11 *Joint Arrangements*

Observations and Findings

- Large number of issuers impacted
  - Predominant change: Proportionate consolidation → Equity method (JV)
- Insufficient disclosures
  - Underlying changes
  - Judgement disclosures
    - How determined joint control / relevant activities
    - Type of joint arrangement (JA) when structured through a separate vehicle
    - What are the specific other facts and circumstances?
  - Some did not provide the required summarized financial information (IFRS 12.21(b)) or information on significant restrictions (IFRS 12.22)

IFRS 11 *Joint Arrangements* Example of Entity-Specific Disclosure

Separate vehicle

"Judgement is required to classify a joint arrangement. The Company assessed our rights and obligations arising from the arrangement, specifically the structure of the joint arrangement – whether it is structured through a separate vehicle. When the arrangement was structured through a separate vehicle, we also considered the rights and obligations arising from the legal form of the separate vehicle, the terms of the contractual arrangement and other facts and circumstances. This assessment required significant judgement and a different conclusion on joint control and on whether the arrangement is a JO or JV may materially impact the accounting.

Contractual terms

XYZ Silver Project is a joint arrangement which is structured through a separate vehicle, however the terms of the contractual arrangement indicate that we have rights to our share of the assets, liabilities, revenues and expenses of the mine and therefore concluded it was a joint operation. We recorded our share of assets and liabilities of XYZ Silver …"

IFRS 12 *Disclosure of Interests in Other Entities*

Requirements

- Disclose separately for each category below information about the significant judgements and assumptions made to determine whether it has control, joint control or significant influence (basis for the judgement)
  - Subsidiaries
  - Joint ventures
  - Joint operations
  - Associates and
  - Unconsolidated structured entities

IFRS 12 *Disclosure of Interests in Other Entities*
Example of Entity-Specific Disclosure

Identify relevant activities

"Judgement is required to determine when we have joint control, which requires an assessment of the relevant activities and when the decisions in relation to those activities require unanimous consent. We have determined that the relevant activities for our joint arrangements are those relating to the operating and capital decisions of the arrangement, such as: approval of the LOM plan and appointing, remunerating and terminating the key management personnel of the joint arrangement. This assessment often requires significant judgement and a different conclusion on joint control may materially impact the accounting."

IFRS 12 *Disclosure of Interests in Other Entities*

Requirements - Subsidiaries

- For individual subsidiaries with NCI that is material, disclose:
  - Name of subsidiary
  - Place of business
  - Ownership % of NCI
  - Profit/loss allocated to NCI during the period
  - Summarized financial information

OSC ONTARIO SECURITIES COMMISSION

IFRS 12 *Disclosure of Interests in Other Entities*

Requirements - Subsidiaries

- Summarized financial information
  - Current Assets
  - Non-current Assets
  - Current Liabilities
  - Non-current Liabilities
  - Revenue
  - Profit or loss
  - Total comprehensive income

IFRS 12 *Disclosure of Interests in Other Entities*

Requirements - Subsidiaries

- Must also disclose the nature and extent of significant restrictions on the ability to access or use assets or settle liabilities of the group
  - Statutory, contractual and regulatory restrictions
  - Example: restrictions on the ability of a sub to transfer cash or other assets to the parent or from the parent to the sub

IFRS 12 *Disclosure of Interests in Other Entities*

Requirements – Joint arrangements and associates

Must disclose information that enables users to evaluate:

- Nature, extent and financial effects of its interest in joint arrangements and associates
  - Name of joint arrangement
  - Nature of entity's relationship with the joint arrangement
  - Principal place of business
  - Proportion of ownership interest & proportion of voting rights
- Nature and changes in the risks associated with its interests in JVs (commitments, contingent liabilities)
- Nature and extent of significant restrictions

IFRS 12 *Disclosure of Interests in Other Entities*

Requirements – Joint ventures (JV)

For each JV and associate that is material, disclose:

- Whether the investment in JV is measured using equity method or at fair value
- Summarized financial information about the JV
- If JV is accounted for at equity value, the fair value (if quoted market price exists)

Must also disclose aggregate financial information about investments in JV's that are not individually material.

OSC ONTARIO SECURITIES COMMISSION

IFRS 12 *Disclosure of Interests in Other Entities*

Observations and Findings

- Some issuers used a table format, which makes it clear and easy to understand the entities and the % interest
- Some issuers did not disclose the % ownership
- Some issuers' financial statement note disclosure re: adoption of IFRS 10/11 was boilerplate (how issuers determined control/joint control)
- Some issuers did not disclose significant judgements and assumptions in assessing control (relevant activities, who makes decisions?)
- Some issuers made boilerplate disclosures of the nature and extent of significant restrictions
- For issuers with JV's, some did not provide the required summarized financial information (at all) or omitted various line items

Impairment of Assets

ONTARIO
SECURITIES
COMMISSION

Impairment

Observation

Companies are not disclosing all of the information required by paragraph 130 of IAS 36

Why important?

Investors need transparency to understand the events and circumstances that led to the recognition of an impairment loss, the amount of the loss, whether the recoverable amount was FV less costs of disposal or value in use, valuation techniques and discount rates

Judgements are required to assess for indicators of impairment, define cash generating units, and apply valuation methodologies. IAS 36 guidance is detailed, prescriptive and complex.

Common Observations

- Entities should assess for indicators of impairment at each reporting period, including:
  - Every quarter end; and
  - Every year end

- IAS 36 highlights several impairment indicators
  - Issuer should consider all external and internal sources of information in its assessment
  - If the company triggers one of the indicators, the issuer should estimate the recoverable amount of the asset

- Indicators present but no write-down taken, and no explanation to support conclusion reached

Common Observations (cont'd)

- Area of judgement and estimation uncertainty
  - MD&A disclosure requirements
  - Assumptions and factors used in assessment

- When impairment is taken, disclosures are incomplete (par 130 of IAS 36)
- Disclosures to explain events and circumstances leading to the impairment are:
  - Vague, broad
  - Not specific to the entity's circumstances or
  - Not disclosed at all

Timing of Impairment Measurement

Asset	Timing
Goodwill or Indefinite life intangibles	Each reporting period (including interim periods) only if indicator exists AND At least once a year at a fixed date – does not need to be balance sheet year end date
All other assets (subject to IAS 36)	Each reporting period (including interim periods) only if indicator exists

Indicators of Impairment

- IAS 36 includes examples of both external and internal indicators of impairment
- External indicators:
  - Significant decline in market value
  - Significant changes in technology, market, economic or legal environment for entity
  - Increase in market interest rates impacting discount rate
  - Carrying amount greater than market capitalization
- Internal indicators:
  - Obsolescence or physical damage of asset
  - Changes relating to the assets and its intended use
  - Lower economic performance compare to expectations

Impairment
Examples of Potential Indicators

- Scenarios that would likely be an indicator of impairment:
  - Company decision to no longer market a product due to the company's release of an upgraded product
  - A plan by management to dispose an asset
  - Slower than anticipated consumer demand for product offered by the company or shifting consumer preferences
  - Introduction of competing product in the market
  - Declining sales per square footage
  - Net book value exceeds total company market capitalization

Impairment
Financial Statement Disclosure

- When an impairment is taken, disclose for each asset or CGU separately, if material:
  - The events and circumstances that led to the write-down
  - Amount of the impairment loss
  - Recoverable amount of the asset or CGU
  - Whether the recoverable amount is fair value less costs of disposal (FVLCOD) or value in use (VIU)
    - If FVLCOD: level of fair value hierarchy (IFRS 13). For Level 2 and 3, description of valuation technique, each key assumption, discount rate
    - If VIU: discount rate

Impairment
Example of Insufficient IAS 36 disclosures

Valuation approach missing

No basis for key assumptions

"Issuer ABC recorded a goodwill impairment loss of $5 million. The recoverable amount of this CGU was based on the estimated fair value less costs to sell based on estimated cash flows over a 5 year period and a discount rate of 12%."

Impairment
Example of Enhanced IAS 36 disclosures

Valuation approach

Issuer ABC recorded a goodwill impairment loss of $5 million.The recoverable amount was based on FVLCS using discounted cash flow (DCF) methodology. The significant assumptions applied in goodwill impairment test are described below.

Key assumptions

Cash Flows: Estimated cash flows are based on budgeted earnings before interest, taxes, depreciation and amortization (EBITDA) for the next three years. The forecast is extended for an additional two years based on an analysis of industry reports, historical and forecast volume changes, growth rates, and inflation rates.

Impairment
Example of Enhanced IAS 36 disclosures (cont'd)

Basis for assumptions

Discount rate: The weighted average cost of capital (WACC) was determined to be in the range of 10% to 14% and is based on market capital structure of debt, risk-free rate, equity risk premium, beta adjustment to the equity risk premium based on a review of betas of comparable publicly traded companies, an unsystematic risk premium, and after-tax cost of debt based on corporate bond yields.

Terminal value growth rate: Five years of cash flows have been included in the DCF models. Maintainable debt-free net cash flow beyond the forecast period is estimated to approximate the 20X7 cash flows increased by a terminal growth rate of 2% and is based on the industry's expected growth rates, forecast inflation rates, and management's experience.

Impairment – MD&A Disclosure

- Indicators of impairment present
  - No corresponding disclosure to explain factors leading to this conclusion
- Discussion of trends impacting the company in the current period and in future periods
- Critical accounting estimates (CAE)
  - Impairment is often identified by issuer as CAE
  - Discussion of relevant indicators – entity specific

Impairment – MD&A Disclosure
Examples of Boilerplate Disclosures

- The recoverable amounts of the CGUs declined due to:
  - “lower then expected profitability”
  - “the weakening of industry expectations”
  - “reduced expectations”
  - “decreasing revenues”
  - “weaker than expected performance”
  - “changes in the market conditions”
  - “market capitalization compared to net assets was lower”

Impairment – MD&A Disclosures
Examples of Entity Specific Disclosures – Indicators of Impairment

- *"An impairment loss was recognized due to increases in industry-wide capital and operating costs, and a decline in demand for the entity's product over the next 3 years, due to growth in demand for competing products."*
- *"Industry is undergoing dramatic change, as consumers are showing a preference to online products. This has significantly decreased sales for our in-store products and resulted in a write-down of manufacturing assets."*
- *"Increased competition, higher churn and lower revenues per user for cable and wireless led to the impairment loss of the CGU."*

Impairment of Goodwill

- All goodwill is allocated to CGU, or groups of CGUs
  - How goodwill is allocated in operations is often unclear
- Allocate to CGUs expected to benefit from the synergies of the business combination at date of acquisition
- At a minimum, goodwill must be tested for impairment annually, at the same time every year
  - Consider indicators of impairment at each reporting period

Impairment of Goodwill
Examples of Potential Indicators

- Examples of goodwill impairment indicator:
  - Restructuring occurs and the entity does not achieve the savings that were expected from the restructuring
  - Regulatory restrictions that were unforeseen in a certain market and acquirer now learns not able to achieve the planned sales level
  - Competitor introduces a new product and the acquirer will not be able to achieve the planned sales level at acquisition
  - Market capitalization less than carrying value

Impairment and the Audit Committee

- Audit Committee is an important gatekeeper for investors
- Valuation of Goodwill and intangibles represent a significant area of judgement and estimates:
  - Management should keep the Audit Committee abreast of those significant judgements and estimates, even if the conclusion is that there is no change and impairment is not necessary
  - Assessment of impairment, along with all significant judgements and assumptions should be included in audit committee materials

Management's Discussion & Analysis

MD&A Background

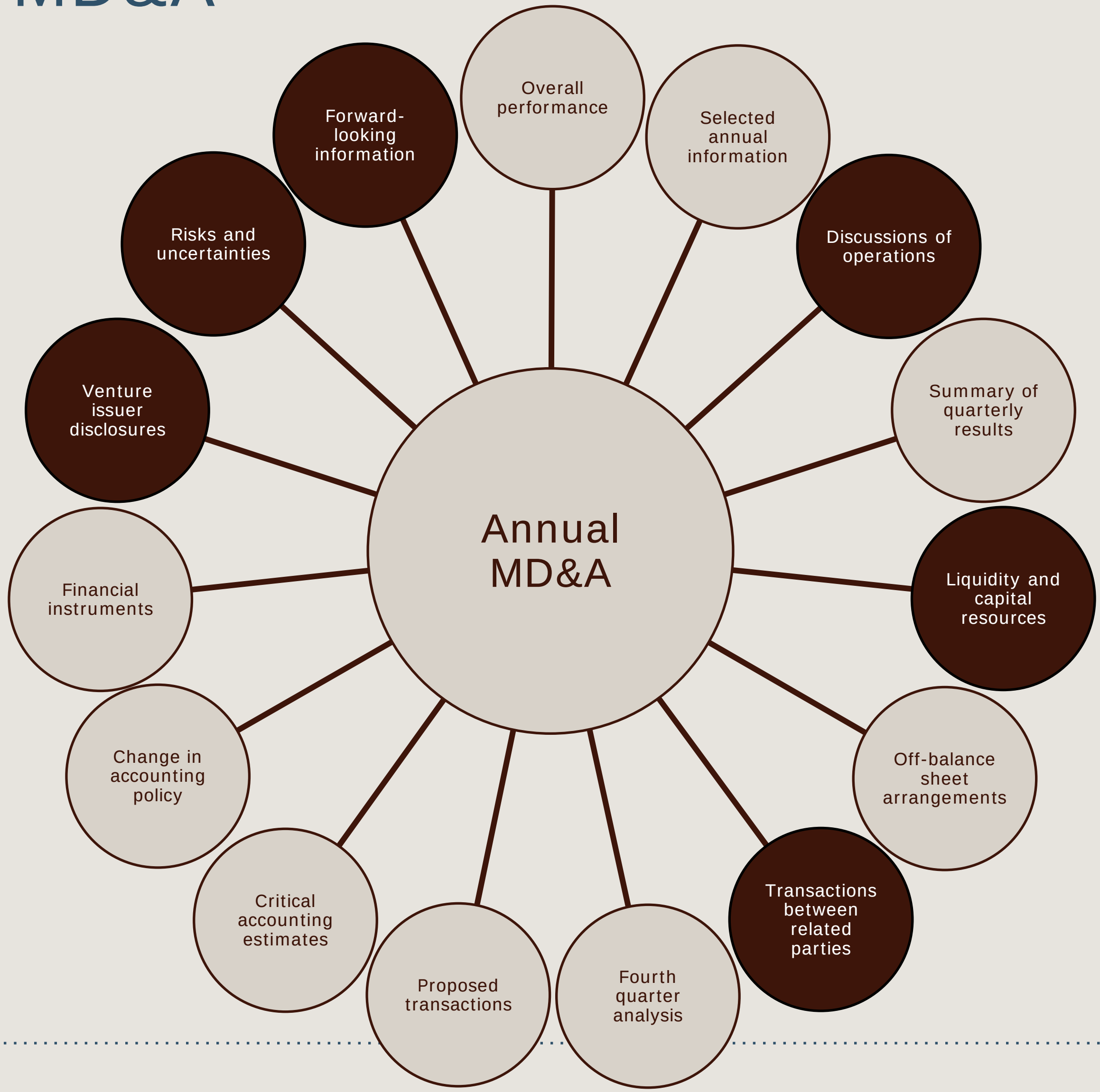
- MD&A is a narrative explanation "through the eyes of management" which:
  - Provides a balanced discussion of a company's results, financial condition and future prospects – openly reporting bad news as well as good news
  - Helps current and prospective investors understand what the financial statements show and do not show
  - Discusses trends and risks that have affected or are reasonably likely to affect the financial statements in the future
  - Provides information about the quality and potential variability of company's earnings and cash flow

The MD&A should complement and supplement the company's financial statements.

General Considerations

- Focus on material information
- Would a reasonable investor's decision whether or not to buy, sell or hold securities of the Company likely be influenced or changed if the information in question was omitted or misstated?
  - Yes, then likely material
- Explain the whys
- Ensure that financial information readily reconciles with financial statements
- Ensure that discussion reconciles with technical report, if one has been filed
- Use plain language
- Ensure technical disclosure complies with NI 43-101 and NI 51-101

Annual MD&A



Annual MD&A
Overall performance
Selected annual information
Discussions of operations
Summary of quarterly results
Liquidity and capital resources
Off-balance sheet arrangements
Transactions between related parties
Fourth quarter analysis
Proposed transactions
Critical accounting estimates
Change in accounting policy
Financial instruments
Venture issuer disclosures
Risks and uncertainties
Forward-looking information

Observations at a Glance

Financial Statements	MD&A	Other Regulatory Hot Buttons
• Consolidated Financial Statements (IFRS 10) • Joint Arrangements (IFRS 11) • Disclosure of Interests in Other Entities (IFRS 12) • Impairment of Assets	• Discussion of Operations • Projects not yet generating revenue • Venture Issuer Disclosures • Variance in the Use of Proceeds • Liquidity and Capital Resources • Risks and Uncertainties • Transactions between Related Parties	• Non-GAAP and Additional GAAP Measures • Executive Compensation • Emerging Market Risk • Issue-Oriented Review – Related Party Transactions • Venture Issuer Regulation

Discussion of Operations

Discussion of Operations

- Companies should provide an in-depth analysis of:
  - Net sales or total revenues by operating segment
  - Cost of sales or gross profit
  - Significant projects that have not generated operating revenues
  - Venture Issuers disclosure
  - Previous financing.

Simply repeating variances that can be calculated from the financial statements does not help investors understand trends. Omitting the analysis of a material variance or simply qualitatively explaining a variance without quantifying the impact of the explanation is not sufficient.

Discussion of Operations

Observations

Discussion of operations is boilerplate and does not provide entity-specific disclosure about changes in revenues and cost of sales.

Why important?

Investors require meaningful discussion of operations so that they can better understand the reasons for any changes.

Provide analysis of operations by discussing why revenues and costs have changed.

Discussion of Operations – Hot Buttons

Areas	Considerations
Revenues	• Have changes caused by the following factors been disclosed? ▪ Selling prices ▪ Volume / quantity of goods and services ▪ Introduction of new products or services ▪ Any other factors
Costs	• Have changes caused by the following factors been disclosed? ▪ Labour and material costs ▪ Price changes ▪ Inventory adjustments
Segments	• Does the disclosure discuss performance of all reportable segments disclosed in the financial statements?

Discussion of Operations
Example of Boilerplate Disclosure

Repetition from financial statements

No discussion of variances

Revenue increased from $900,000 to $1,080,000, a 20% increase. Gross profit increased from $400,000 to $408,000, a 2% increase.

Discussion of Operations
Example of Entity-Specific Disclosure

Discussion of variances

Quantification of factors

Relationship with gross profit

Revenue increased from $900,000 to $1,080,000, a 20% increase. Gross profit increased from $400,000 to $408,000, a 2% increase. Three factors caused revenue to increase by $180,000:

- increased sales volume of Product X-$60,000;
- decreased unit price of Product X-($30,000); and
- the introduction of a new product during the fourth quarter, Product Y-$150,000.

In late 2013, we anticipated new competition entering our market, so we discounted our remaining Product X units to encourage their sale and to allow us to focus on its replacement, Product Y. Discounts on Product X caused the reduced gross profit percentage. We expect to continue discounting Product X in the first quarter, but expect our gross profit to improve as Product Y replaces Product X.

Discussion of Operations
Example of Boilerplate Disclosure

Repetition from financial statements

No discussion of variances

Revenue decreased from $11 million to $9.5 million, a 14% decrease.

Discussion of Operations
Example of Entity-Specific Disclosure

Discussion of variances

Quantification of factors

Revenue decreased from $11 million to $9.5 million. Although production in the year increased by 200,000 ounces this did not fully offset the decrease in the realized gold price of $1,350 per ounce in the current year compared to $1,605 in the prior year. The net effect was a decrease in revenues of 14%.

Projects Not Yet Generating Revenue

ONTARIO
SECURITIES
COMMISSION

Projects Not Yet Generating Revenue

Observations

Discussion of significant projects that have not yet generated revenue often do not include status updates against originally projected plans.

Why important?

Investors want information on the progress of significant projects to assess management, the company's performance, as well as future prospects.

Project updates should discuss status, expenditures made, and anticipated timing and costs to reach the next phase or milestone.

Projects Not Yet Generating Revenue – Hot Buttons

Areas	Considerations
Status	• Is there disclosure of the project's progress compared to the plan? • What is being planned next? • On a property-by-property basis: ▪ What are you looking for? ▪ Where are you looking?
Expenditures	• Have the following been disclosed? ▪ Expenditures to date. ▪ Whether the company anticipates spending more than budget on each project. ▪ Amounts that need to be spent to get project to next level and how will you pay for it?

Projects Not Yet Generating Revenue – Example of Boilerplate Disclosure

Lacks detail

Does not address future spending

In 2013, the Company continued its exploration efforts on the XYZ Lake property including additional drilling on the Fire Zone which continued to intersect significant zone of mineralization.

In 2014, the Company expects to continue its drilling efforts to outline the Fire Zone mineralization and also drill test the geophysical targets. The Company anticipates it will be in a position to disclose an initial mineral resource estimate on the XYZ Lake property in 2014.

Projects Not Yet Generating Revenue – Example of Entity-Specific Disclosure

Additional financing

In 2013, the Company spent $873,100 on exploration expenses on the XYZ Lake property which consisted mainly of two phases of diamond drilling on the Fire Zone (totaling 25 holes for 4,820 metres) which were completed in February, 2013 and September, 2013. This drilling continued to outline significant zones of mineralization, the results of which were reported by the Company in news releases on May 30, 2013, June 24, 2013 and November 29, 2013.

Status compared to plan

In early 2014, the Company expects to spend approximately $800,000 conducting additional diamond drilling on the Fire Zone as well as follow-up drill testing of the high priority geophysical targets. It is expected that both drilling programs will consist of approximately 20 drill holes totaling about 5,000 metres.

Venture Issuer Disclosures

Venture Issuer Disclosures

Observations

Venture issuers that have not had significant revenue from operations do not always provide a breakdown of material costs and expenditures.

Why important?

A breakdown of costs helps investors understand the nature of the work performed and how money is being spent. The disclosure helps investors evaluate the impact of those expenditures (R&D, exploration and evaluation, general and administration) in forwarding the exploration or development of those projects.

Venture issuers without significant revenue should provide more granular disclosures of their costs.

Venture Issuer Disclosures – Hot Buttons

Areas	**Considerations**

Expenditures	• Is there a breakdown of material components of:
	  • exploration and evaluation assets or expenditures?
	  • general and administration expenses?
	  • other material costs?
	• Has the breakdown been provided for each of the last two financial years?
	Note: Considered material component of cost if exceeds greater of 20% of total amount of class or $25,000

Disclosure	• Have exploration and evaluation assets or expenditures been presented on a property-by-property basis? • Is there a qualitative discussion of the expenditures?

Venture Issuer Disclosures – Example of Boilerplate Disclosure

- The following is a detailed list of expenditures incurred on the company's A and B mineral properties:

Lacks detail

	Property A		Property B	
	Dec 31 2014 $	Dec 31 2013 $	Dec 31 2014 $	Dec 31 2013 $
Opening balance	5,100	3,300	1,300	1,100
Additions	800	1,800	410	200
Impairments	-	-	-	-
Closing balance	**5,900**	**5,100**	**1,710**	**1,300**

Venture Issuer Disclosures – Example of Entity-Specific Disclosure

- The following is a detailed list of expenditures incurred on the company's A and B mineral properties:

Detail on a property-by-property basis

	Property A		Property B	
	Dec 31 2014 $	Dec 31 2013 $	Dec 31 2014 $	Dec 31 2013 $
Opening balance	5,100	3,300	1300	1,100
Acquisitions	400	-	105	
Assays/geochemistry	200	150	135	200
Camp costs	100	90	100	
Geology/geophysics		60		
Drilling		1,300		
Salaries/labour	100	200	70	
Closing balance	**5,900**	**5,100**	**1,710**	**1,300**

Variance in the Use of Proceeds

Variances in the Use of Proceeds

Observations

Funds raised by way of a prospectus are often for specific projects or stages of specific projects. Companies do not always adequately explain how proceeds raised in public offerings were subsequently used and the impact of any changes from their originally intended use.

Why important?

Investors should be made aware of how their investment is being spent. Updating the use of proceeds in the MD&A will allow investors to assess how management has ultimately spent the funds.

Companies are required to compare, in tabular form, the changes in the use of proceeds and to explain the impact of the changes on the company's ability to achieve its business objectives and milestones.

Variances in the Use of Proceeds – Hot Buttons

Areas	Considerations
Variances	• How does the nature and amount of expenditures made by the company compare to the use of proceeds from previous financing? • How do variances impact future operations? • How will the variance affect the company's ability to achieve its business objectives and milestones? • Will the company require additional financing to meet its next milestone?
Disclosure	• Have the above items been disclosed? • Does the disclosure comply with MD&A requirements?

Variances in the Use of Proceeds – Example of Boilerplate Disclosure

Disclosure from prospectus

Disclosure not updated

Although the company intends to expend the net proceeds from the prospectus as described in the preceding paragraph, there may be circumstances where for sound business reasons, a reallocation of funds may be deemed prudent or necessary. While actual expenditures may differ from the above amounts and allocations, the net proceeds will be used by the company in furtherance of its business.

Variances in the Use of Proceeds – Example of Entity-Specific Disclosure

Additional investment

Impact on other projects

The following table provides an update on the anticipated use of proceeds raised in the most recent financing, along with amounts actually expended and a description of the variances. The company recently determined that additional investment is required to get Project A to the testing phase. The final column of the table indicates the company's revised estimate of the total expenditure required to complete the indicated phase. Given the anticipated increased costs for Project A, the company was not able to use the funds for Project B as noted in the prospectus. The expected budget for Project B remains unchanged from that disclosed in the prospectus and the company is developing a strategy to ensure funding is available so that the time of Project B is not delayed.

Variances in the Use of Proceeds – Example of Entity-Specific Disclosure (cont'd)

Revised expenditures

Project A – Update of costs expended and project budget:

Phase	Previously disclosed	Spent to date	Variance	Reason	Total revised budget
R&D	$4,600	$5,200	$600	Additional design modifications required	$5,300
Testing	$1,200	Nil	($1,200)	To be started next fiscal	$1,200
Total	$5,800	$5,200	($600)		$6,500

Project B – Update of costs expended and project budget:

Phase	Previously disclosed	Spent to date	Variance	Reason	Total revised budget
R&D	$700	Nil	($700)	Deferred project until financing can be secured	$700
Total	$700	Nil	($700)		$700

Liquidity and Capital Resources

OSC ONTARIO SECURITIES COMMISSION

Liquidity

- Companies should discuss the following:
  - How they intend on generating sufficient amounts of cash in the short and long term;
  - If a working capital deficiency exists, its ability to meet obligations and how the company intends on remedying the deficiency;
  - Trends or expected fluctuations in liquidity;
  - Liquidity risks associated with financial instruments;
  - Significant risks of defaults or arrears;
  - How the company intends to cure the default or arrears or address the risk.

Repeating cash flow information that is readily available from the financial statements is not sufficient.

Capital Resources

- Companies should provide an analysis of capital resources including:
  - Commitments for capital expenditures as of the date of the financial statements detailing:
    - the amount, nature and purpose of these commitments;
    - the expected source of funds to meet these commitments;
    - the expenditures not yet committed but required to maintain capacity, to meet growth or fund development activities;
  - Known trends or expected fluctuations in company's capital resources;
  - Sources of financing that the company has arranged but not yet used.

Disclosure should include an explanation of the planned activities to meet growth and fund development activities, along with a quantification of the capital expenditures to be incurred for those activities.

Liquidity and Capital Resources

Observations

A meaningful analysis of the company's ability to generate sufficient cash, address its working capital requirements and its ability to access financing to meet its committed expenditures is not always provided.

Why important?

Investors need to clearly understand any anticipated funding shortfalls and financing resources available to meet spending commitments and continue key projects.

Companies should explain their current liquidity position and how they will fund upcoming operating commitments and other obligations.

Liquidity and Capital Resources – Hot Buttons

Areas	Considerations
Ability to generate sufficient cash	• Is there an analysis of the company's ability to generate sufficient cash in the short term and the long term to: ▪ meet funding needs? ▪ meet planned growth? ▪ fund development activities?
Working capital requirements	• Are the company's working capital requirements disclosed? • If a working capital deficiency exists, or is expected, is there a discussion on the company's: ▪ ability to meet obligations as they become due? ▪ plans, if any, to remedy the deficiency?

Liquidity and Capital Resources – Hot Buttons

<table>
<tr><th>Areas</th><th>Considerations</th></tr>
<tr><td>Spending requirements</td><td>Is an analysis provided on commitments for:
capital expenditures?
any expenditures required to continue key projects?
Has the nature, amount and purpose of commitments, and expected source of funds to meet these commitments been disclosed?</td></tr>
<tr><td>Sources of financing</td><td>Is there a discussion on how difficulties in obtaining financing could affect:
status of projects?
ability to continue as a going concern?
Have the expected sources of financing that are being pursued been identified?</td></tr>
</table>

Liquidity and Capital Resources Example of Boilerplate Disclosure

- Identifies working capital deficiency
- No explanation of how deficiency will be remedied
- No explanation of how will meet obligations

As at year-end, the company had cash of $100,000 and accounts receivable of $50,000. Current assets amounted to $150,000 with current liabilities of $400,000 resulting in a working capital deficit of $250,000. The company believes that it has sufficient capital on hand to satisfy working capital requirements for the next 12 months.

Liquidity and Capital Resources
Example of Entity-Specific Disclosure

Ability to generate cash

Working capital requirements

As at year-end, the company had cash of $100,000 and accounts receivable of $50,000. Current assets amounted to $150,000 with current liabilities of $400,000 resulting in a working capital deficit of $250,000. Working capital was impacted by the slowdown in operations experienced in Q3 and Q4 as a result of the labour stoppage in our Calgary plant, which resulted in insufficient inventory levels of Product Z to meet orders. Since the labour agreement was renegotiated in December, subsequent to year end operations have resumed to prior period levels. The company's working capital requirements for the next 12 months are estimated to be $300,000.

Liquidity and Capital Resources
Example of Entity-Specific Disclosure (cont'd)

Expected sources of funds

Subsequent to year end:

- January 2014 - the company negotiated a credit facility with Lender ABC for an amount up to $300,000.
- February 2014 - the company received a significant order from Customer DEF for the purchase of 50,000 units of Product Z to be delivered in stages by the end of fiscal 2014.

Ability to meet working capital obligations

As Calgary operations have been resumed and with the receipt of this significant order, the company believes it will have sufficient funds to meet current and future working capital requirements. In addition, the company will also have funds available through the credit facility.

Capex requirements

Expected sources of funds

We estimate that the company will need $500,000 over the next two years to invest in machinery to produce Product X. The company plans to raise additional financing through a share issuance in fiscal 2014 in order to fund this project. The company will not proceed with this project until sufficient funds are raised to fund it.

Risks and Uncertainties

ONTARIO SECURITIES COMMISSION

Risks and Uncertainties

Observations

Disclosure of risks and uncertainties is often boilerplate in nature and the potential impact of how the risks may affect the company is clearly disclosed.

Why important?

Investors need to understand the entity specific risks and how those risks may impact the company and its business, both of which may affect an investment decision or the value of their investment should the risks be realized.

Throughout each section of the MD&A, companies should disclose risks and uncertainties that are material and entity-specific.

Risks and Uncertainties – Hot Buttons

Areas	Considerations
Enterprise risk management	• Has information been sought from industry associations and competitors to remain abreast of emerging risks? • Has the Board been informed of the risks that are not being actively managed and those that are being actively managed?
Disclosure	• Have all risks **material** to the company been disclosed? ▪ Is there disclosure on how the risk may impact the company? ▪ Has the risk disclosure been updated to reflect changes in current and expected conditions? *Note: Do not provide a 'laundry list' of every conceivable risk .*

To provide meaningful information, companies should disclose the strategies used to manage its risks.

Risk and Uncertainties
Example of Boilerplate Disclosure

General and not specific to company

Potential impact is not disclosed

Competition Risk

Our industry is very competitive. We face significant competition from other software companies in all aspects of our business. Our competitors are larger in size, well established, international in scope and have significant financial resources. We continue to actively monitor the activities of our competitors with a view to ensuring that we will be able to effectively compete in the marketplace and attract new customers.

Risk and Uncertainties
Example of Entity-Specific Disclosure

Entity-specific

Potential impact

Risk management

Competition risk

We face significant competition from other manufacturers in Canada and Country ABC. Our competitors include Company Calao and Company Lagos. These competitors are well established, international in scope and have significant financial resources that permit them to develop new products, modify existing products, use proprietary software and market products on a global basis. Competition is based mainly on price, quality of product and efficiency of production. The increased competition may affect our sales, cash flow and financial condition. To mitigate competition risk, our strategies include creating long-term value for our customers and implementing efficient processes to manufacture our main product TopProgram.

Foreign Operational Risk – Example of Boilerplate Disclosure

General and not specific

Potential impact is not disclosed

The Company's operations are located in Foreign Country X. The company is subject to the political risks and economic considerations of operating in Foreign Country X.

Foreign Operational Risk – Example of Entity-Specific Disclosure

Entry-specific

Potential impact

The Company's principal property is located in Region Y of Foreign Country X. Consequently, the Company is subject to certain risks associated with foreign ownership, including currency, inflation, political and property title risk. On January 13, 2013, a coup was initiated by members of the Region Y army, creating uncertainty within the area where the company operates. Currently, operations are continuing but travel and access to the property may be curtailed due to political instability or risks to personnel which may result in project delays. The Company is closely monitoring the situation and management will continue to provide updates.

Transactions Between Related Parties

OSC
ONTARIO
SECURITIES
COMMISSION

Transactions Between Related Parties

Observations

In some instances, transactions with related parties are not identified as related party transactions (RPTs). In other instances, the identities of related parties and the business purpose and economic substance of RPTs are not disclosed and explained.

Why important?

Comprehensive disclosure is essential for investors to understand and evaluate RPTs. They must be aware of RPTs and the identity of the related parties involved, and understand the business purpose and economic substance of each transaction.

Companies must clearly disclose and discuss ALL related party transactions, including the identities of the parties and their relationship to the company, as well as the business purpose and economic substance of each transaction.

Transactions Between Related Parties – Hot Buttons

Areas	Considerations
Disclosure of all RPTs	• Are all transactions between related parties disclosed and discussed?
Identity and relationship of related party	• Is there disclosure of: ▪ The name of the related party (not only the related party's position or relationship with the company)? ▪ The name of ultimate beneficiaries of the related party transaction, where the transaction is conducted through a corporate entity? ▪ The relationship between the company and the related party?

Transactions Between Related Parties – Hot Buttons (cont'd)

Areas	Considerations
Business purpose and economic substance of transaction	• Are the reasons for entering into the RPTs disclosed and explained? ▪ Are the economic benefits to the company from each RPT disclosed and explained? ▪ Is there disclosure of the consideration that was paid? ▪ Is there an explanation as to why the company acquired assets or services from a related party as opposed to an arm's length party? ▪ Is the discussion quantified where possible? *Note: Avoid generic descriptions such as "consulting" or "for services performed"*

Transactions Between Related Parties – Hot Buttons (cont'd)

Areas	Considerations
Recorded amount of transaction and measurement basis used	• Is the recorded amount of the transaction and the measurement basis used disclosed?
Ongoing or contractual or other commitments	• Is there disclosure and discussion of ongoing contractual or other commitments arising out of RPTs?
Processes and procedures for identifying, evaluating and approving RPTs	• Is there a description of management and the board's processes and procedures for identifying, evaluating and approving RPTs?

Transactions between Related Parties Example of Boilerplate Disclosure

During the year, the company paid $300,000 to a director for rent, consulting services and interest on a loan.

Transactions between Related Parties
Example of Comprehensive Disclosure

Relationship/ identity

Business purpose and amount

During the year, the company paid $300,000 to Steven Jones, a director who is a geologist. The company paid $20,000 to Mr. Jones for the use of office space he provided, and $80,000 for his geological services in connection with Phase 1 of the exploration program on the ABC option. The office space and geological services, which were both provided in the normal course of operations at rates comparable to what would have been paid to unrelated parties, were measured at the exchange amount.

Measurement basis used

Business purpose and amount

The company also paid Mr. Jones $200,000 in interest on a loan he provided in the principal amount of $2,000,000. The unsecured loan bears interest at 10% per annum, and matures in five years with an option by the company to extinguish the debt at any time without penalty. The company entered into this related party transaction because alternate sources of financing were unavailable due to the company's limited operating history, lack of collateral and limited access to public financing due to current market conditions.

Observations at a Glance

Financial Statements	MD&A	Other Regulatory Hot Buttons
• Consolidated Financial Statements (IFRS 10) • Joint Arrangements (IFRS 11) • Disclosure of Interests in Other Entities (IFRS 12) • Impairment of Assets	• Discussion of Operations • Projects not yet generating revenue • Venture Issuer Disclosures • Variance in the Use of Proceeds • Liquidity and Capital Resources • Risks and Uncertainties • Transactions between Related Parties	• Non-GAAP and Additional GAAP Measures • Executive Compensation • Emerging Market Risk • Issue-Oriented Review – Related Party Transactions • Venture Issuer Regulation

Non-GAAP Measures and Additional GAAP Measures

ONTARIO SECURITIES COMMISSION

Non-GAAP Financial Measures – What Are They?

- “Non-GAAP measures” are those measures that exclude or include certain items as determined by the company, rather than amounts that can be found in, or derived from, financial statements.
  - In other words, non-GAAP measures are not based on generally accepted accounting principles (GAAP).
  - Examples commonly include:
    - EBITDA
    - Free Cash Flow
    - Cash cost per ounce
- Companies often report some form of non-GAAP measures in addition to financial statement information in order to better analyze their results and report performance.

Non-GAAP Financial Measures - Expectations

- Should not present non-GAAP measure that confuses or obscures comparable GAAP measure

- Non-GAAP measures should be accompanied by appropriate disclosure:
  - caution that measure does not have any standardized meaning in GAAP and is unlikely to be comparable to similar measures presented by other companies
  - the most directly comparable GAAP measure, presented with equal or greater prominence
  - why the measure provides useful information to investors
  - reconciliation to the most directly comparable GAAP measure
  - explain any changes in the composition of the measure when compared to previously disclosed measures

- Companies should not describe adjustments as non-recurring, infrequent or unusual when a similar loss or gain reasonably likely to occur or has occurred before (2 year window)

Non-GAAP Financial Measures

Observations

Many companies disclose non-GAAP financial measures, such as EBITDA, however they often do not explain why these measures provide useful information to investors. As well, these measures are not always reconciled to the most directly comparable GAAP measure.

Why Important

Since non-GAAP financial measures do not form part of IFRS and as such do not have a standardized meaning or calculation, it is critical that companies explain the composition of the measure and its relevance so that investors and analysts are fully informed.

When providing non-GAAP financial information, companies should not mislead investors nor obscure the company's GAAP results.

Non-GAAP Financial Measures – Why The Need for Caution

- The types of non-GAAP measures used vary extensively.
- Many companies report non-GAAP measures that are calculated differently from their typical methods of calculation.
- Because of the above, these measures need to be accompanied by appropriate disclosures to provide meaningful information to investors.

Issuers should ensure that investors are not confused or misled by non-GAAP measures being used inappropriately.

Types of Potential Non-GAAP Financial Measure Deficiencies

Potential Deficiencies Presented by Non-GAAP Financial Measures	Example
Measures that are presented with greater prominence than GAAP measures	• Disclose non-GAAP measure in press releases without providing the most directly comparable GAAP measure in the press release.
Measures that spotlight the good and play down the bad	• Disclose positive adjusted working capital, calculated by excluding a negative net non-financial assets/liabilities amount, when the company has a working capital deficit. • Disclose more positive adjusted operating cash flow, by excluding certain negative amounts.
Measures that are not used consistently from year to year	• Include impairment in the year when it is an expense, but exclude in the year when it is a reversal.

Non-GAAP Financial Measures
Example 1a Boilerplate Disclosure

No explanation why useful

No reconciliation provided

No standardized meaning

The company has included a non-GAAP performance measure, cash costs per ounce within this report. The company reports the cash cost per ounce of gold produced in accordance with guidance provided by the Gold Institute. This method is widely reported in the gold mining industry as a benchmark for performance measurement. However, the method does not include depletion, depreciation, exploration or corporate administrative costs and is therefore not directly reconcilable to costs as reported under generally accepted accounting principles in Canada or the U.S.A.

Non-GAAP Financial Measures
Example 1b - Entity-Specific Disclosure

Why useful

The company has included a non-GAAP performance measure cash costs per ounce within this report. We believe this measure is useful in that it allows the company to better understand how the direct costs of production correlate to the actual revenues generated from sales. Specifically, Management generally targets cash cost per ounce levels that are less than the realized price of gold per ounce. As disclosed in "Results of Operations", the average realized price of gold in 2013 was $1,600. As a result, management has been targeting a cash cost of $800 or less to cover mining and other costs and generate sufficient returns. The company reports the cash cost per ounce of gold produced in accordance with guidance provided by the Gold Institute. This method is widely reported in the gold mining industry as a benchmark for performance measurement. Total cash costs per gold ounce are derived from all costs absorbed but does not include depletion, depreciation, exploration or corporate administrative costs. The costs included in the calculation of cash costs per ounce are divided by gold ounces sold.

Highlights that there is no standardized meaning

Cash cost per ounce does not have a standardized definition under IFRS and is solely intended to provide additional information to the reader. Other companies may calculate this measure differently. Cash cost per ounce should not be considered a substitute for information prepared in accordance with IFRS. The cash cost per ounce is reconciled to IFRS as follows:

Non-GAAP Financial Measures Example 1b - Entity-Specific Disclosure (cont'd)

Presented with equal prominence to IFRS

Quantitative reconciliation

Explanation of changes in calculation from prior year

($ thousands, except per ounce)	2013	2012
Total Expenses (as per F/S)	$15,550	$3,922
Less: Exploration	($500)	-
Less: Depreciation	($1,150)	($1,100)
Less: General and Administrative	($250)	($180)
Cash cost of sales	$13,650	$2,642
Gold Ounces Sold	16,750	3,149
Cash Cost per ounce sold	$815	$839
(Note: 2013 is the first year since entering into commercial production where the company incurred exploration expenses. The company began exploring vein XYZ in 2013 to determine feasibility of expanding the project.)		

Non-GAAP Financial Measures – Hot Buttons

Areas	Considerations
Usefulness	• Has the company disclosed: ▪ why the non-GAAP financial measure is useful to an investor? ▪ why management considers the non-GAAP financial measure to be useful?
Reconciliation	• Is a reconciliation between the non-GAAP financial measure and the most directly comparable GAAP measure provided?
No standardized meaning	• Does the disclosure explicitly state that there is no standardized meaning of the non-GAAP financial measure?
Prominence	• Has the comparable GAAP measure been presented with equal or greater prominence to the non-GAAP financial measure?
Explain changes from previous years	• If composition of the non-GAAP financial measure has changed from the previous year, has disclosure of the reasons for these changes been made?

Additional GAAP Measures – What Are They?

- Line item, heading or subtotal that is relevant to understand financial statements.
- Not a minimum line item mandated by IFRS.
- Because IFRS requires additional GAAP measures – they are not non-GAAP measures.

Additional GAAP Measures - Expectations

- Name additional GAAP Measures (AGM) in a way that distinguishes it from minimum IFRS line item, and is meaningful given its composition
- Should not confuse, obscure or exceed prominence of minimum disclosure items required by IFRS
- Why it provides useful information to investors and the additional purposes, if any for which management uses the measure
- Reader should be able to easily determine how AGM is calculated from items required by IFRS
- Present AGM consistently over time

Scope of Review

- Reviewed 50 Ontario-based reporting issuers in 2013.
- Listed on the TSX and TSXV.
- Spanned across seven different industries.
- All publicly filed disclosure on SEDAR and issuers' websites (marketing materials).

Purpose of the Review

- With the adoption of IFRS, we have seen an increase in the use of additional GAAP measures.

- Issuers in all industries use non-GAAP measures or additional GAAP measures.

- We want to ensure that investors are not misled or confused.

Overall Findings

- Overall, the results were disappointing and highlight there is room for improvement in disclosures.

- 86% of issuers received a comment letter from staff, and majority of issuers committed to improving their disclosure in future filings.

- A number of staff disclosure expectations outlined in CSA Staff Notice 52-306 *Non-GAAP Financial Measures and Additional GAAP Measures* were not being applied consistently.

Overall Findings (cont'd)

- We are concerned that investors may be confused, or potentially misled, when issuers present non-GAAP financial measures or additional GAAP measures inappropriately.

- Issuers should ensure:
  - they explain the objectives for using non-GAAP financial measures or additional GAAP measures and why these measures are useful to investors;
  - provide a quantitative reconciliation between non-GAAP financial measures and most directly comparable GAAP measure;
  - provide meaningful names for additional GAAP measures on the face of financial statements;
  - adjustments identified as non-recurring, infrequent or unusual are in substance actually that.

Net Operating Income –Example 1

The issuer has included items of an operating nature (depreciation and amortization and inventory write-down) below NOI which is misleading as it would impair the comparability of the issuer's NOI to another issuer's NOI.

	2013 $	2012 $
Revenue	15,000	12,500
Operating expenses	7,800	6,200
Net Operating Income	7,200	6,300
Depreciation and amortization	1,800	1,400
Inventory write down	990	-
Income before income taxes	4,410	4,900

These are considered operating expenses and should be part of Net Operating Income.

Unlabelled Subtotals – Example 2

The issuer reported a number of subtotals, but did not label them. This does not provide meaningful information to investors.

	2013 $	2012 $
Interest income	7,300	6,500
Interest expenses	(1,800)	(1,950)
	5,500	4,550
Fees and miscellaneous income	1,350	1,200
	6,850	5,750
Provision for credit losses	(550)	(350)
	6,300	5,400
Operating expenses	(1,100)	(1,900)
Income before taxes	5,200	3,500

Unlabelled subtotals do not provide meaningful information to investors.

EBITDA – Example 3

The issuer reported EBITDA, however the EBITDA contains other items in addition to the ITDA. Staff are of the view that this is not truly EBITDA.

	2013 $	2012 $
Net earnings	3,453	2,768
Interest expense	335	326
Current and deferred taxes	522	468
Depreciation and amortization	45	48
Impairment charge	-	520
Stock based compensation	600	-
EBITDA	4,955	4,130

Should not be included in the calculation to arrive at EBITDA.

Stock based compensation expense was incurred in 2011 so should not be included as a non-recurring or infrequent item in 2013 to calculate EBITDA.

Executive Compensation

Compensation Discussion & Analysis

ONTARIO SECURITIES COMMISSION

Executive Compensation Disclosure

- Overall objectives of executive compensation disclosure:
  - All direct and indirect compensation provided to certain executive officers and directors in connection with services provided to the company or a subsidiary of the company must be disclosed
  - Provides insight into a key aspect of a company's stewardship, governance and incentive programs
  - Helps investors understand how decisions about executive compensation are made

- Disclosure must be provided for 'Named Executive Officers' which include:
  - The CEO (or an individual acting in a similar capacity)
  - The CFO (or an individual acting in a similar capacity)
  - The next 3 highest paid executives of the company (including subsidiaries) whose total compensation exceeds $150,000

Compensation Discussion & Analysis

- Form 51-102F6 outlines executive compensation disclosure requirements, including the requirement to provide a compensation discussion and analysis (“CD&A”) explaining:
  - Objectives of any compensation program/strategy for named executive officers
  - What the compensation program is designed to reward
  - Each element of compensation and why the company chooses to pay each element
  - How the company determines the amount for each element
  - How each element of compensation and the company’s decisions about that element fit into the company’s overall compensation objectives

Compensation Discussion & Analysis

Observations

Companies do not always clearly explain in their CD&A the link between compensation objectives and compensation awarded.

Further, if a benchmark group was used, the companies included in the benchmark group, as well as their selection criteria, are not always disclosed.

Why Important

Disclosure provides a narrative overview that allows readers to put into perspective the disclosure and the numbers provided in the executive compensation tables. It also allows an understanding of how and why the company arrived at its compensation decisions and policies.

When disclosing CD&A, companies should give readers a sense of how compensation is tied to the NEO's performance.

Compensation Discussion & Analysis Example of Boilerplate Disclosure

No quantification of objective measures	In determining annual bonuses under the short term incentive plan and long term incentive plan, the Board takes into consideration both corporate and individual performance measures of the NEO.
No disclosure of achievement of measures	50% of the STIP is based on achievement of specific corporate performance measures such as net earnings, share price performance, among others, and the remaining component relates to the individual performance of the NEO, which is more subjective and is based on individual measures established at the beginning of the year.

Compensation Discussion & Analysis Example of Entity-Specific Disclosure

In determining annual bonuses under the short term incentive plan and long term incentive plan, the Board takes into consideration both corporate and individual performance measures of the NEO. The Compensation Committee does not have discretion to award the short term incentive component without attainment of relevant individual and corporate performance goals. Under the terms of the plan, the NEO's maximum short term incentive as a percentage of base salary is 50%.

The following is the structure and objectives for the NEO's short term incentive program:

	Performance Measure	Relative Weighting	Achievement in fiscal year
Corporate Performance Financial Measures (50% of total)	Net Earnings above $xx million	15%	xx%
	Share price performance above xx%	10%	xx%
	Cash Flow from operations > $xx million	10%	xx%
	Growth of sq footage of leasing	15%	xx%

Compensation Discussion & Analysis Example of Entity-Specific Disclosure (cont'd)

The remaining 50% of the total short term incentive program is based on the NEO's individual performance component and includes subjective measures. The individual performance objectives include the following:

- Grow sales through development and implementation of strategic plan
- Advance operational and strategic initiatives
- Improve financial systems
- Improve operating efficiencies in the xx division
- Build new relationships with suppliers
- Successfully implement new IT system

The NEO achieved all of its individual performance components. As a result, the total bonus paid based on corporate performance (xx%) and individual performance measures (xx%) is 38%.

Benchmarking Disclosure
Example of Boilerplate Disclosure

- No discussion of how benchmark is used
- List of benchmark group is not disclosed

The CEO's compensation is based upon compensation ranges for comparable positions at publicly traded, TSX-listed companies or direct comparable companies the industry.

Benchmarking Disclosure
Example of Entity-Specific Disclosure

The CEO's compensation is based upon compensation ranges for comparable positions at publicly traded, TSX-listed companies or direct comparable companies the industry.

Describes selection criteria

The criteria considered for the selection of comparator or peer group of companies was total revenue, market capitalization and net income. The benchmark group is used by the company to confirm whether the company has established comparable executive compensation levels to their peers.

Describes how benchmark is used

The Company's compensation is positioned at the median of its peer group and is consistent with the Company's stated compensation philosophy.

Lists benchmark group

The list of comparable companies that the Compensation Committee reviewed consisted of the following:

- *ABC Co.* - *CDG Co.*
- *XYZ Ltd.* - *xx Co.*
- *Peanut Co.* - *yy Co.*
- *Almond Ltd.* - *zz Co.*

Emerging Market Risk

OSC ONTARIO SECURITIES COMMISSION

Emerging Market Risk

- Management and Boards are charged with identifying, monitoring and reacting to significant risks related to their business.
- Issuers with operations in emerging markets may contend with incremental risks related to:
  - Business and operating environment
  - Language and cultural differences
  - Corporate structure
  - Related parties
  - Risk management and disclosure
  - Internal controls
  - Use of and reliance on experts
  - Oversight of the external auditor

Emerging Market Risk

- In each of these areas, issuers’ must:
  - Identify areas which are subject to emerging market risk
  - Prepare procedures and controls which are responsive to emerging market risk
  - Prepare disclosure which provides investors with material information regarding emerging market risk
- Strong corporate governance, supported by the engagement of Boards and management, is an important aspect of dealing with emerging market risk.

Canadian reporting issuers are required to adhere to Canadian regulatory requirements, regardless of the location of the company’s operations.

Emerging Market Risk

- Guidance:
  - OSC Staff Notice 51-719 *Emerging Markets Issuer Review*
  - OSC Staff Notice 51-720 *Issuer Guide for Companies Operating in Emerging Markets*

- Scope:
  - Issuers whose mind and management are largely outside of Canada
  - Issuers whose principal active operations are outside of Canada, in regions such as Asia, Africa, South America and Eastern Europe

Focus is on assets physically located in emerging markets

Emerging Market Risk

- Examples of matters to consider – business and operating environment
  - What role does the foreign government have?
  - What is the legal environment of the foreign jurisdiction?
  - Are there any restrictions on the company's ability to transfer and/or verify the existence of funds in bank accounts located in the foreign country?
  - How frequently do Canadian directors/management visit the foreign operations?
  - Where are the company's books and records located and are there any access restrictions?

Emerging Market Risk

- Examples of matters to consider – complex corporate structures
  - Existence of special purpose entities (ie. with control through contractual arrangements as opposed to voting rights) may carry additional risks if foreign governments do not accept the structure or if contracts used to create the structure are challenging to enforce in the foreign jurisdiction.
  - Has the Company fully evaluated the implications of special purpose entities on the effective control and ownership over the foreign operating entities?
  - Can a simpler structure achieve the same objectives?
  - Communication among various levels of the corporate hierarchy may be challenging.
  - How does the board ensure that information is communicated within the structure effectively and timely?
  - Can the Canadian parent company effectively change the board and management of the foreign operating entity?

Emerging Market Risk

- Disclosure regarding specific areas of emerging market risk may include:
  - Foreign legal and regulatory frameworks
  - Corruption, bribery, civil unrest and economic uncertainty
  - Title to assets, including expropriation and nationalization concerns
  - Access to foreign assets
  - Ability to enforce foreign judgements
  - For issuers with operations in China - access & control over ‘chops’

- Directors discharging their stewardship responsibilities should consider:
  - The extent of oversight of foreign operations
  - Knowledge and expertise regarding foreign operating environments

Consider how Directors demonstrate effective control over foreign operations

Issue Oriented Reviews –

Related Party Transactions

ONTARIO
SECURITIES
COMMISSION

Purpose and Scope of the Review

- Due to inherent conflicts of interest, any transfer of resources, services or obligations between an issuer and a party related to that issuer (including its officers and directors) carries higher risk than comparable arms length transactions.
- As a result, various requirements are in place to ensure that security holders are provided with adequate and fair information with respect to related party transactions.
- We reviewed related party transaction disclosures for certain Ontario-based issuers, across various industry segments.

Preliminary Findings

- Our review highlighted disclosure deficiencies relating to each of the following areas:
  - Financial statement disclosure requirements (IAS 24)
  - MD&A disclosure requirements (Form 51-102F1 item 1.9)
  - Corporate governance practice disclosure policies (NP 58-201 and Form 58-101F1)
  - Requirements for significant related party transactions involving directors or senior management of an issuer (MI 61-101)

Venture Issuer Regulation

ONTARIO
SECURITIES
COMMISSION

Continuous Disclosure Proposed Amendments

Substance and purpose

- Focus disclosure of venture issuers on information that reflects the needs and expectations of venture issuer investors and eliminate disclosure obligations that may be less valuable to those investors

Continuous Disclosure Proposed Amendments

Venture issuers

- Interim MD&A – Quarterly highlights
  - Alternative for venture issuers without significant revenue
- Executive compensation disclosure
  - Optional new form
- Business acquisition report
  - 100% significance threshold
- Audit committees
- Prospectus disclosure requirements

Continuous Disclosure Proposed Amendments

All issuers

- Revise the annual information form disclosure for mining issuers to conform that disclosure to the amendments made to National Instrument 43-101 *Standards of Disclosure for Mineral Projects*
- Clarify the executive compensation disclosure filing deadlines

Appendix A - Forward Looking Information

What is Forward-Looking Information (FLI)?

Forward-Looking Information
Disclosure regarding:
- possible events
- possible financial performance
- Based on:
- future economic conditions
- future courses of action
- Includes non-financial information such as:
- Key performance indicators
- FOFI
- financial outlook
- targeted efficiencies
- metal price assumptions
- projected production levels

FOFI
Forward-looking financial information presented in the format of historical financial statements.

Financial Outlook
Forward-looking financial information NOT presented in the format of historical financial statements.
Examples include:
- projected EBITDA
- projected earnings per share (EPS)
- revenue targets
- operating ratios
- R&D spending
- projected operating costs

Forward-Looking Information

Observations

Companies that choose to disclose FLI often fail to label it as such. They generally provide non-specific disclosure instead of disclosing specific factors and assumptions supporting FLI. Companies also often do not update previously disclosed FLI when events and circumstances are reasonably likely to cause actual results to differ materially from previously disclosed material FLI.

Why Important

Investors want transparent and clear disclosure about present and future corporate operations and performance. When prepared properly, FLI can be used to enhance transparency and provide opportunities to increase the investor's understanding of a reporting issuer's business and future prospects.

FLI should provide valuable insight about the reporting issuer's business and how that reporting issuer intends to attain its corporate objectives and targets.

Forward-Looking Information – Hot Buttons

Areas	Considerations
General	• Is FLI identified? • Is there a reasonable basis for the disclosed FLI? • Are assumptions supporting financial outlook and FOFI reasonable and entity-specific? • Is the FLI presented for a reasonable period?
Disclosure	• Are the assumptions used to develop FLI disclosed? • Have users been cautioned that actual results may vary from FLI? • Have the risk factors that could cause actual results to vary been identified?

Forward-Looking Information – Hot Buttons (cont'd)

Areas	Considerations
Disclosure	• Has previously disclosed FLI been updated if actual results differ materially? • Have material differences between actual results and previously disclosed financial outlook and FOFI been disclosed?

Identifying FLI
Example 1a - Boilerplate Disclosure

FLI not clearly identified

This document may contain forward-looking statements. Forward-looking statements are often but not always, identified by words such as "believes", "may", "likely", "plans" or similar words.

Identifying FLI
Example 1a - Entity-Specific Disclosure

Entity-specific FLI

This document contains forward-looking statements about expected future events and financial and operating performance of Company ABC…. Annual targets for fiscal 2014 and related assumptions are described in Part 5 "Performance scorecard for fiscal 2013" and Part 6 "Operating and Financial targets for fiscal 2014"of this MD&A.

Updating FLI
Example 2a - Boilerplate Disclosure

No events or circumstances discussed

Gold production target for 2014 has been increased to 70,000 to 80,000 gold ounces.

Updating FLI
Example 2a - Entity-Specific Disclosure

- Updated FLI
- Events and circumstances discussed
- Updated assumptions

Gold production was originally anticipated to be the range of 40,000 to 50,000 gold ounces for 2014. Given the recent developments in Q2, the target for 2014 has increased to 70,000 to 80,000 gold ounces. The expansion and development of ABC mine was completed at the end of Q2 and will be contributing to the increased production. It is expected that weekly production will be increased by approximately 1,400 ounces. The Company is in the process of hiring additional engineering staff to support the increased production. If we are unable to hire qualified personnel, the target may only increase to 60,000 to 70,000 gold ounces.

Updating FLI
Example 2b - Entity-Specific Disclosure

Identification of FLI

Certain statements and other information included in this MD&A constitute "forward-looking information" within the meaning of applicable Canadian securities legislation. Forward-looking statements are typically identified by the words "believe", "expect", "anticipate", "project", "intend", "estimate", "outlook", "focus", "potential", "will", "should", "would", "could" and other similar expressions. … The following table outlines certain significant forward-looking statements contained in this MD&A and provides the material assumptions used to develop such forward-looking statements and material risk factors that could cause actual results to differ materially from the forward looking statements.

FLI updated

	Revised guidance for 2014 and expected change from 2013 results	Original targets for 2014 and expected change from 2013 results	Guidance change
Consolidated			
Revenues	$5.4 to $5.55 billion	$5.35 to $5.5 billion	Increase top and bottom of range by $50 million.
	2 to 5%	2 to 5%	
EBITDA	$1.95 to $2.05 billion	$1.9 to 2.0 billion	Increase top of range by $50 million and bottom.
	2 to 6%	1 to 6%	
EPS Basic	$2.75 to $3.20 billion	$2.75 to $3.20 billion	No change.
	0 to 8%	0 to 8%	
Capital Expenditures	Approx. $900 million	Approx. $800 million	Increase of $100 million.
	5%	—	
Segment A			
Revenue	$2.9 to $3.0 billion	$2.9 to $3.0 billion	No change.
	4 to 7%	4 to 7%	
EBITDA	$1.2 to $1.25 billion	$1.15 to $1.2 billion	Increase top and bottom of range by $50 million.
	9 to 15%	4 to 9%	
Segment B			
Revenue	$2.5 to 2.55 billion	$2.45 to $2.5 billion	Increase top and bottom of range by $50 million.
	0 to 3%	0 to 3%	
EBITDA	$0.76 to $0.78 billion	$0.78 to $0.8 billion	Decrease top of range by $20 million.
	(5) To (2)%	(6) To 1%	

Updating FLI
Example 2b - Entity-Specific Disclosure (cont'd)

Updated assumptions

Assumptions for 2014 original targets	Result to date or expectation for full year
▪ Segment B revenue growth greater than product no. 1 revenue deadlines due to continued retail expansion and upgrades supporting our distribution network. Product no. 1 revenue declines reflect continued erosion in our main market in Central Canada as increased competition arrives.	▪ Confirmed by results in the first six months of 2014. Segment B revenue increased by 9% year-over-year, which exceeded the aggregate 6% year-over-year decline in product no. 1 revenues.
▪ Continued decline in pricing of product no. 1.	▪ Product no. 1 revenues continued to decline due to retail price competition and unfavorable weather during the quarter. Product no. 1 revenues decreased year-over-year by 6% in the first half of 2014.
▪ Between \$20 and \$30 million in restructuring costs to support several operating and capital efficiency initiatives.	▪ Different initiatives expected to impact restructuring costs are currently estimated at approximately \$40 million for the full year. Restructuring costs of \$15 million were recorded in the first half of 2014, of which \$10 million was for employee-related initiatives and \$5 million was related to sale of real estate.

Updating FLI
Example 2c - Entity-Specific Disclosure

Previously disclosed assumptions

2014 Financial Assumptions
In the 2013 annual MD&A, the Company previously provided assumptions for 2014 which included capital expenditures estimated to range from $525 million to $550 million (discussed further in Section 3.5, Liquidity and Capital Resources). The Company expects its tax rate to be in the 23% to 28% range (discussed further in Section 2.9, Other Income Items). The 2014 pension contributions were estimated to be between $55 million and $70 million (discussed further in Section 3.9, Commitments and Future Trends). Undue reliance should not be placed on these assumptions and other forward-looking information.

Updated assumptions

2014 Third-Quarter Guidance
The Company has updated the following assumptions: Capital expenditures are currently estimated to be $605 million in 2014. This increase includes the purchase of additional vehicles and our ability to complete our planned capital program. We estimate our aggregate defined benefit pension contributions to equal approximately $55 million in 2014, and in the range of $70 million to $85 million in each of the subsequent three or four years.

Comparison to Actual
Example 3a - Boilerplate Disclosure

No comparison of actual results to financial outlook

ABC Company achieved sales growth of 10.5% in 2013 and maintained capital expenditures at $15 million.

Comparison to Actual
Example 3a - Entity-Specific Disclosure

Comparison

Explanation of material differences

2013 objectives	Accomplishments in 2013
• Sales growth of 3 to 4%.	• Sales growth of 10.5%. • The increase in sales growth achieved during fiscal 2013 was due to the introduction of product XX in Q4 which resulted in a growth of 6% of sales, reduction of the selling price of product Y which resulted in the increase in sales volume of 75%, and the increase in the sales volume of product R.
▪ Capital expenditure of $25 to $35 million.	▪ Capital expenditure of $15 million. ▪ Spending was substantially lower than anticipated due to lower information technology enhancement requirements ($8 million) and less equipment replacements ($7 million).

Conclusion
Example of Entity-Specific Disclosure

Scorecard	Locale	What We Targeted	How We Did	Commentary	What We Are Targeting to Do in 2014
Same store sales growth	Americas	3 to 5%	6.30%	Our same-store sales growth was driven mainly by changes to our clothing lines with quality products introduced at targeted price points which contributed to positive product mix, and combined with pricing, resulted in a higher average sale per consumer in the Americas. Additional advertising targeted at our core growth markets in Eastern U.S. also contributed favourably, and we believe was a significant factor in the strong performance in our U.S. market.	4 to 6%
EPS (fully diluted)		$2.30 to $2.40	$2.35	A combination of operating income growth driven primarily by continued strength in corporate sales in the Americas, a lower effective tax rate, and our share repurchase program contributed to our EPS performance in fiscal 2013.	$2.35 to $2.45

Appendix B – Key References

Appendix B – Key References

Topic	Reference
	Securities Regulation 101
Continuous Disclosure Obligations	NI 51-102 *Continuous Disclosure Obligations*
Materiality	Subsection 4.2 of National Policy 51-201 *Disclosure Standards*
	Financial Statements
Going concern	IAS 1 *Presentation of Financial Statements* (IAS 1) OSC Staff Notice 52-720
Judgements and estimates	IAS 1 OSC Staff Notice 52-720

Appendix B – Key References (cont'd)

Topic	Reference
Management's Discussion and Analysis	
Variance in the use of proceeds	Item 1.4 (i) of Form 51-102F1 of NI 51-102 *Continuous Disclosure Obligations*
Discussion of operations	Item 1.4 of Form 51-102F1 of NI 51-102 *Continuous Disclosure Obligations*
Liquidity and capital resources	Items 1.6 and 1.7 of Form 51-102F1 of NI 51-102 *Continuous Disclosure Obligations*
Risk and uncertainties	Form 51-102F1 of NI 51-102 *Continuous Disclosure Obligations* • Part 1 (a) General Provisions • Item 1.2 Overall Performance • Item 1.4 Results of Operations • Item 1.6 Liquidity • Item 1.14 Financial Instruments and Other Instruments
Transactions between related parties	Item 1.9 of Form 51-102F1 of NI 51-102 *Continuous Disclosure Obligations*
Venture issuers disclosures	Subsection 5.3 of NI 51-102 *Continuous Disclosure Obligations*

Appendix A – Key References (cont'd)

Topic	Reference
<u>Other Key Obligations</u>	
Forward Looking Financial Information	CSA Staff Notice 51-721 *Forward Looking Information Disclosure*
Non-GAAP Financial Measures	CSA Staff Notice 52-306 (Revised) – *Non-GAAP Financial Measures and Additional GAAP Measures and CSA Staff Notice* OSC Staff Notice 52-722 *Report on Staff's Review of Non-GAAP Financial Measures and Additional GAAP Measures*
Mining MD&A	OSC Staff Notice 51-722 *Report on a Review of Mining Issuers' Management Discussion and Analysis and Guidance*
Emerging Markets	OSC Staff Notice 51-720 *Issuer Guide for Companies Operating in Emerging Markets*
Technical Reports by Ontario Mining Issuers	OSC Staff Notice 43-705 *Report on Staff's Review of Technical Reports by Ontario Mining Issuers*
Latest Developments	CSA Staff Notice 51-341, *Continuous Disclosure Review Program Activities for the fiscal year ended March 31, 2014.*

Key Rules and Policies

Continuous Disclosure Filings

- National Instrument (**NI**) 51-102 *Continuous Disclosure Obligations*
  - Financial statements
  - Management's discussion & analysis (**MD&A**)
  - Annual information form
  - Other
- NI 52-107 *Acceptable Accounting Principles and Auditing Standards*
- National Policy (**NP**) 51-201 *Disclosure Standards*
  - Timely disclosure
  - Materiality
  - Prohibitions against selective disclosure
- Corporate Governance:
  - NI 58-101 *Disclosure of Corporate Governance Practices*
  - NP 58-201 *Corporate Governance Guidelines*
  - NI 52-110 *Audit Committees*
- NI 52-109 *Certification of Disclosure in Issuers' Filings*

Key Rules and Policies (cont'd)

Prospectus and Other Offering Documents

- NI 41-101 *General Prospectus Requirements*
- NI 44-101 *Short Form Prospectus Distributions*
- Exempt distributions
  - NI 45-101 *Rights Offerings*
  - NI 45-106 *Prospectus and Registration Exemptions*

Applications

- NP 11-203 *Process for Exemptive Relief Applications in Multiple Jurisdictions*
- NP 12-202 *Revocation of a Compliance-related Cease Trade Order*
- NP 12-203 *Cease Trade Orders for Continuous Disclosure Defaults*

Contact Information

Jodie Hancock
Senior Accountant, Corporate Finance
Email: jhancock@osc.gov.on.ca
Phone: 416-593-2316

Marie-France Bourret
Senior Accountant, Corporate Finance
Email: mbourret@osc.gov.on.ca
Phone: 416-593-8083

Catalina Miranda
Accountant, Corporate Finance
Email: cmiranda@osc.gov.on.ca
Phone: 416-204-8965

Jonathan Blackwell
Accountant, Corporate Finance
Email: jblackwell@osc.gov.on.ca
Phone: 416-593-8138