

B.11.2 Marketplaces

B.11.2.1 Toronto Stock Exchange (TSX) – Amendments to the Toronto Stock Exchange Company Manual (April 20, 2023) – Notice of Approval

TORONTO STOCK EXCHANGE

NOTICE OF APPROVAL

AMENDMENTS TO THE TORONTO STOCK EXCHANGE COMPANY MANUAL (APRIL 20, 2023)

Introduction

In accordance with the Process for the Review and Approval of Rules and the Information Contained in Form 21-101F1 and the Exhibits thereto for recognized exchanges, Toronto Stock Exchange (“**TSX**”) has adopted, and the Ontario Securities Commission has approved, certain amendments (the “**Amendments**”) to the Toronto Stock Exchange (“**TSX**”) Company Manual (the “**Manual**”). The Amendments provide for public interest changes to Section 606 – Prospectus Offerings of the Manual. On December 1, 2022, TSX published a Request for Comments in respect of the Amendments.

Summary of the Amendments

A copy of the Amendments can be found at www.osc.ca.

Comments Received

The Amendments were published for comment on December 1, 2022 and 11 comment letters were received. A summary of the comments submitted, together with TSX’s responses, is attached at Appendix A. TSX thanks all commenters for their feedback and suggestions.

Summary of the Final Amendments

TSX received 11 comment letters in response to the Request for Comments. A summary of the comments submitted, together with TSX’s responses, is attached as Appendix A. TSX thanks all commenters for their feedback and suggestions.

TSX has adopted the Amendments with the following changes:

- Based on the comments received, TSX has amended the second element of the definition of “Broadly Marketed” to clarify that Broadly Marketed includes where an agent or underwriter “makes the offer known to the selling group and/or equity capital markets desks at substantially all Canadian investment dealers.”
- For ease of reference, TSX has included in Section 606 the applicable hyperlinks to the references to Section 607 and Appendix F Take-Over Bids and Issuer Bids Through the Facilities of the Toronto Stock Exchange of the Manual.

A blackline of the Amendments showing changes made since they were published in the Request for Comments, is attached as Appendix B.

A blackline of the final Amendments is attached as Appendix C.

Text of the Amendments

Please refer to Appendix D for the text of the Amendments.

Effective Date

The Amendments will become effective on April 20, 2023.

APPENDIX A

SUMMARY OF COMMENTS AND RESPONSES

List of Commenters:

Borden Ladner Gervais LLP (“ BLG ”)	Canaccord Genuity Corp. (“ CGC ”)
Eight Capital (“ EC ”)	Fasken Martineau DuMoulin LLP (“ Fasken ”)
Goodmans LLP (“ Goodmans ”)	McCarthy Tétrault LLP (“ McCarthy ”)
Oncolytics Biotech inc. (“ Oncolytics ”)	Osler, Hoskin & Harcourt LLP (“ Osler ”)
Stikeman Elliott LLP (“ Stikeman ”)	TD Securities Inc (“ TD ”)
Torys LLP (“ Torys ”)	

Capitalized terms used and not otherwise defined in the Notice of Approval shall have the meaning in the TSX Request for Comments – *Amendments to Toronto Stock Exchange Company Manual* dated December 1, 2022 (the “**Request for Comments**”).

Summarized Comments Received	TSX Response
<p>1. Do you agree with TSX’s overall approach with respect to how it proposes to view public offerings under Section 606 of the Manual as described herein?</p>	
<p>(a) All 11 commenters were generally supportive of TSX’s overall approach with respect to how it proposes to view public offerings under Section 606 of the Manual. Some of the reasons for support included the following:</p> <ul style="list-style-type: none"> • the Proposed Amendments provide greater clarity, predictability and transparency in the application of TSX policies (Fasken, Stikeman, Osler, Torys, McCarthy), which will help reduce burden on issuers and their agents (Torys); and • issuers and their boards are in the best position to determine pricing of an offering in the context of their circumstances and market conditions (BLG, Osler, Oncolytics). 	<p>TSX thanks all 11 commenters for their feedback.</p>
<p>(b) Some commenters suggested changes to the proposed discount levels, including:</p> <ul style="list-style-type: none"> • eliminating the discount limit where insiders are participating on no more than a pro rata basis (TD); • permitting a maximum of 25% of a public offering be available for purchase by insiders, beyond which insider participation would be subject to the Private Placement Rules (EC); • consider allowing minimal insider participation in a prospectus offering (i.e. up to 5% or some other amount determined appropriate by TSX) while still allowing the board to determine the offering price and applicable discount for a Broadly Marketed offering (Fasken); and • pricing should not be taken into consideration when TSX determines whether to accept notice of a distribution by way of prospectus and reconsider TSX’s approach to the 	<p>Given the need to balance both marketplace quality (including potential conflicts and perception of potential conflicts) with access to capital, TSX continues to believe that is not unreasonable to allow insiders to participate up to their pro rata interest at a 15% discount to market, and review insider participation beyond this discount or beyond pro rata interest pursuant to the existing TSX private placement rules. TSX will continue to monitor the status of this limitation and determine if future amendments are necessary.</p>

Summarized Comments Received	TSX Response
<p>relationship between insider participation and discount to market price. As an alternative, the commenter suggested only taking insiders into consideration in a Broadly Marketed offering where the 50 purchasers includes insiders (BLG).</p>	
<p>(c) A number of commenters had suggestions in relation to the pricing calculation in the Proposed Amendments, including the following:</p> <ul style="list-style-type: none"> • issuers should have the flexibility to decide to base the discount off of either the Market Price or the Closing Price, (i) since there may be abnormal trades resulting in a skewed Closing Price (Fasken), and (ii) to better account for various financing structures (Stikeman); • TSX should clarify on when there should be a re-set of the Closing Price to be used in discount calculations when a public offering is marketed over a number of days (Stikeman); and • it is appropriate (and necessary, to avoid misalignment) to use the Closing Price for calculating both public offerings and private placements under sections 606 and 607 of the Manual (Torys). 	<p>TSX acknowledges that there are various interpretations of “closing price” and in the interest of transparency and predictability, has proposed a singular definition. For many listed securities, the TSX Market on Close facility effectively decreases the likelihood of a “skewed” closing price”, thereby alleviating concerns around use of closing price rather than 5 day VWAP as “Market Price”. As always, TSX may use discretion to determine an alternate formula in cases where the closing price does not appear appropriate.</p> <p>TSX is of the view that the applicable Closing Price in the context of a marketed offering remains the closing price of the most recently completed trading session preceding the announcement of the offering.</p> <p>TSX acknowledges this concern and will continue to monitor the application of both Sections 606 & 607 to determine whether future amendments to Section 607 are required.</p>
<p>(d) A number of commenters had suggestions in relation to the consideration of insiders in the Proposed Amendments, including the following:</p> <ul style="list-style-type: none"> • TSX should allow a level of insider participation in public offerings without special rules (such a pro rata participation), provided certain conditions are met¹ (Fasken); and • based on their view that the requirement for limiting insider participation to pro rata is unduly restrictive and difficult for issuers to confirm/enforce, alternative ways to satisfy the insider requirement could be: <ul style="list-style-type: none"> ○ changing the requirement to only apply to (i) insiders with knowledge of the proposed offering, or (ii) “reporting insiders” rather than “insiders”; ○ applying the requirements only to insiders holding 1% or more of the issuers’ outstanding securities (or another threshold that doesn’t capture insiders with minimal ownership); ○ requiring the issuer to confirm there is no “President’s List” (or similar) and if there is, limit participation to pro rata; ○ allowing the issuer to knowledge-qualify any representation that insider participation will be limited to maintaining pro rata interest (Osler). 	<p>TSX acknowledges these suggestions and thanks the commenters for their feedback. Please refer to TSX Response 1(b) above regarding the appropriateness of pro rata insider participation.</p>

¹ For example if an offering Broadly Marketed and the pricing discount is between TSX-prescribed amounts (e.g. 5-10%) and assuming such participation would not materially affect control, TSX should consider allowing insider participation even if it is not on a pro rata basis - any insider participation above the maximum level would be limited to maintaining an insider’s pro rata interest and participation beyond that would be reviewed under the Private Placement Rules.

Summarized Comments Received	TSX Response
<p>(e) One commenter questioned whether insider participation should be relevant at all and if it is, only taking into consideration the participation of insiders where the 50 purchasers includes Insiders (i.e. insider participation should be irrelevant if a Broadly Marketed offering has 50 purchasers in addition to insiders) (BLG).</p>	<p>TSX acknowledges this comment. Please refer to TSX Response 1(b), above regarding the appropriateness of pro rata insider participation.</p>
<p>(f) One commenter suggested clarifying that where a private placement is effected concurrently with a Broadly Marketed public offering (each at the same price), the Private Placement Rules will not apply to any portion of the concurrent private placement (subject to insider participation, which will be treated as per the Amendments) (Stikeman).</p>	<p>TSX is of the view that where a concurrent private placement is conducted at the same time as the prospectus offering and provides the same, or more, net proceeds, on a per-security basis, to the issuer, the provisions of Section 607 may be waived in respect of the concurrent private placement, and Section 606, including the proposed limitations on insider participation, will apply to the concurrent private placement.</p> <p>Note that where insiders are being paid a fee for their participation in a concurrent private placement which would result in net proceeds to the issuer, on a per-security basis, being less than pursuant to the prospectus offering, TSX will review the concurrent private placement pursuant to Section 607 rather than Section 606.</p>
<p>2. <i>In determining what level of discount exists, where insiders receive standby or commitment fees, or do not purchase via underwriters and subsequently the issuer does not pay the underwriting fee on the insiders' purchase, TSX intends to consider the net proceeds received by the issuer from the prospectus offering, rather than the discounted price paid by the subscriber. Pursuant to this proposed approach, TSX would require disclosure by the issuer of the actual proceeds paid by subscribers benefiting from receiving fees or who are exempt from underwriting fees. Note that where the net proceeds received by the issuer from insiders are, in fact, less than other subscribers, TSX would take the view that this is a different purchase price and therefore would apply the Private Placement Rules to the insider purchase, rather than regard it as part of the prospectus offering. Is this approach appropriate? Are there concerns with the perception that insiders are offered securities at a lower price than other subscribers?</i></p>	
<p>(a) One commenter had no concerns with the perception that insiders are offered a lower price than other subscribers, provided the effective price is disclosed. They also noted that it would be unusual for an insider to receive a commitment fee, as these are usually paid under a concurrent private placement (Osler).</p>	<p>TSX thanks the commenter for its feedback.</p>
<p>(b) One commenter said that commitment fees should not be included in the calculation of the discount level where it is of a standard amount (i.e. no greater than the underwriting commission payable) and the Private Placement Rules should not apply in this scenario or in where the issuer does not pay a commission on the insider's purchase and it is made at the same offering price as the prospectus and purchased under the prospectus (TD).</p>	<p>Please refer to TSX Response 1(f) above.</p>
<p>(c) One commenter said that since there are situations where the payment of a fee to an insider is appropriate and necessary (as determined by the issuer's board), issuers should have the flexibility to pay such fees without the Private Placement Rules applying (up to the insider's pro rata interest), provided the offering is Broadly Marketed</p>	<p>Please refer to TSX Response 1(f) above.</p>

Summarized Comments Received	TSX Response
<p>and the net price price by the insider is within a 15% discount to the closing price (Stikeman).</p>	
<p>(d) One commenter said that generally, standby/commitment fees are rare and are usually equal or less than the gross underwriting commission so this proposal does not appear to address TSX's concerns. They also agreed, with another commenter, that where an insider's commitment fees result in the net proceeds that are lower than that from other subscribers, the Private Placement Rules ought to apply (CGC, EC).</p>	<p>TSX thanks the commenter for its feedback.</p>
<p>(e) One commenter submitted that a distinction should be made between offerings where: (i) insiders receive standby/commitment fees; and (ii) insiders are not purchasing securities through the underwriters and no underwriting fee is paid ("President's List Purchases") and that President's List Purchases ought not, by default, be subject to the Private Placement Rules, as it benefits the issuer and its shareholders. As such, they did not anticipate any concerns with the perception that insiders are offered securities at a lower price than other subscribers (BLG).</p>	<p>Please refer to TSX Response 1(f) above.</p>
<p>(f) One commenter noted that the temptation to price an offering at a significant discount by insiders is set off by their fiduciary duties and their alignment with other shareholders' interests to build shareholder value and that insider participation is generally viewed positively by market participants (EC).</p>	<p>TSX thanks the commenter for its feedback.</p>
<p>3. <i>With respect to pricing a prospectus offering where there is material undisclosed information, the Staff Notice states that TSX typically views five days as an appropriate benchmark for the dissemination of material information. However, where an abbreviated period of time is required by an issuer, TSX will take into consideration certain factors as set out in this Staff Notice. Given the speed and manner in which market information is now disseminated and TSX's desire to: (i) decrease the burden of TSX pre-clearance; and (ii) increase transparency and predictability of our policies, TSX is considering reducing the number of days required for the dissemination of Material Information (as defined in the Staff Notice) from five days to one day. Does this approach raise any concerns?</i></p>	
<p>All commenters who addressed this question were supportive of reducing the number of days required for the dissemination of Material Information (CGC, Stikeman, Osler, EC and TD). Some of their reasons include:</p> <ul style="list-style-type: none"> ● it is appropriate given the pace at which new information is absorbed and processed by the market (EC); ● access to information has accelerated over time while the market window to tap equity markets has narrowed (CGC); ● the five day requirement is excessive and since underwriters and issuers are aligned in terms of wanting enough time to "season" the market, deference should be given to issuers and their boards in terms of this timing (Osler). 	<p>TSX intends to update the guidance set out at TSX Staff Notice 2018-0003 with respect to pricing a financing where there has been recent disclosure of material information as described in the Request for Comments.</p>

Summarized Comments Received	TSX Response
<p>One commenter suggested reducing the time to 30 minutes to align with the Industry Regulatory Organization of Canada’s practices (who generally halts trades for 30 minutes to allow for dissemination of information) (TD).</p>	
<p>4. <i>The Proposed Amendments introduce a definition for “Broadly Marketed”. Is the proposed definition appropriate? Are there other measures that TSX should consider? Is “Broadly Marketed” a reasonable standard for public offerings that are led by investment dealers outside of Canada?</i></p>	
<p>(a) Two commenters were of the view that this definition is a reasonable standard, consistent with established market practice and since it aligns with the concept of a “selling group” as defined in the Investment Industry Association of Canada’s Equity Capital Markets New Issue Practices Handbook, and the guidance and consistency it provides will be appreciated by market participants (EC, CGC).</p>	<p>TSX thanks the commenters for their feedback.</p>
<p>(b) While several commenters agreed generally with the inclusion of the definition, some commenters had the following suggestions:</p> <ul style="list-style-type: none"> • clarify what is meant by the requirement to “make the offer known to the selling group and/or equity capital markets desks at all Canadian investment dealers” (Goodmans, Stikeman) and what steps need to be taken to satisfy this (Fasken); • clarify that the distribution must be to at least 50 purchasers, exclusive of insiders (Fasken); • revise the test to focus on whether the underwriter (i) has made a bona fide attempt to notify the selling groups/equity capital markets desks at other Canadian investment dealers in the jurisdictions where the prospectus is filed, using one or more then customary inter-dealer methods of communication (Fasken), or (ii) has made the offer known to the selling group (a) “in accordance with customary practice” (Osler) or (b) “based on prevailing market practices” (including a Bloomberg terminal announcement, selling group notice or press release issuance) (Torys); • revise the definition to read “(i) it is anticipated that the offered securities will be distributed to at least 50 purchasers; or (ii) the offer will be marketed broadly to institutional and retail investors” (TD); • revise paragraph (i) of the definition to require a “good faith and reasonable expectation” that the offering will be distributed to at least 50 purchasers (Torys); and • delete the definition entirely or have it replaced with evidence that an offering has been syndicated and generally made known to the selling group (BLG). 	<p>TSX notes the concern that the proposed definition of “Broadly Marketed” has caused. The definition of this term was developed through market consultations and is meant to decrease burden and is therefore a “two pronged” test. In many circumstances, an investment dealer will be able to satisfy the requirement by having more than 50 purchasers without consulting other dealers. TSX has been advised that, where this is not the case, the standard practice is to make the offer known to the “Selling Group” as described in the Investment Industry Association of Canada’s Equity Capital Markets New Issue Practices Handbook. TSX expects that a representation from the investment dealer engaged on the transaction will be relatively easy to provide and would not create undue burden on the issuer or such dealer. However, TSX notes the potential for unintended consequences given the wording being inclusive of “all Canadian investment dealers”. For this reason, TSX has amended the second branch of the definition of “Broadly Marketed” to state that Broadly Marketed includes where an agent or underwriter “makes the offer known to the selling group and/or equity capital markets desks at substantially all Canadian investment dealers.” Please see Appendix B. TSX is of the view that the amended definition provides more clarity and addresses the concerns raised by some of the commenters.</p> <p>TSX also notes that the “broadly marketed” requirement will form a key component of the prospectus offering framework, for TSX purposes, and will be a condition of listing the securities pursuant to the prospectus offering rules at Section 606 of the Manual. TSX must receive confirmation that the financing has been “broadly marketed” by no later than the submission of final documentation to TSX (i.e. following issuance of conditional approval). If TSX does not receive the confirmation at such time, TSX will revert to application of the private placement rules contained at Section 607 of the Manual.</p>

Summarized Comments Received	TSX Response
(c) One commenter noted that underwriters may have marketed the offering to at least 50 investors, excluding insiders, but only distribute to a lesser amount and that this ought to be added as a second prong to the definition (Fasken) .	TSX confirms that where an issuer is relying on the first branch of the “Broadly Marketed” definition, the distribution must be to 50 purchasers, which may include insiders. Please refer to TSX Response 4(b) above.
(d) One commenter noted that if an issuer is also listed on a US/foreign exchange and its offering is primarily marketed in a foreign market, subsection (ii) of the definition may not be possible to meet if there are less than 50 potential purchasers, even if it was broadly marketed in the primary market (i.e. the price discovery process has come to fruition) (Stikeman) .	Please refer to TSX Response 4(b) above. If the issuer is unable to confirm 50 purchasers at the time of its application, the issuer may make use of the second branch of the “broadly marketed” definition <i>i.e.</i> making the offer known to the selling group and/or equity capital markets desks at substantially all Canadian investment dealers. TSX acknowledges that dual-listed issuers may choose to market exclusively outside of Canada. In those situations, TSX encourages issuers to contact TSX in advance of commencing the financing to discuss acceptable alternate evidence of broad marketing to selling groups in such other jurisdiction.
<i>Other comments received</i>	
(a) One commenter was supportive of a simplified method of determining an offering price based on the “closing price” of the issuer’s securities, being the price per share at which the last trade in that class of securities was effected on the TSX (BLG) .	TSX notes this feedback and thanks the commenter for its feedback.
(b) One commenter strongly supported the proposed changes to the Staff Notice to reduce the number of trading days required for the dissemination of Material Information (Torys) .	TSX thanks the commenter for its feedback. TSX intends to update the guidance set out at TSX Staff Notice 2018-0003 with respect to pricing a financing where there has been recent disclosure of material information as described in the Request for Comments.
(c) One commenter proposed clarifying whether a consequence of the proposed changes to the Staff Notice would be that if material information is disseminated before markets open on the morning of a TSX trading day, then the Closing Price at 4:00 p.m. on the same day can serve as a valid reference point for an issue (McCarthy) .	TSX confirms that in this case, the most recently completed trading session post dissemination of material information would be 4:00 p.m. on that day.
(d) One commenter proposed, in respect of Scenario 5 in the Request for Comments, TSX clarify whether in applying the Private Placement Rules, issuers can disregard the application of Section 607(g)(i) of the Private Placement Rules (Fasken) .	The 25% limit on discounted private placements will continue to apply in instances such as Scenario 5 described in the Request for Comments. However note that if only insider purchases are subject to Section 607, the 10% insider limit described in Subsection 607(g)(ii) will be applicable.
(e) One commenter suggested that TSX amend the Proposed Amendments or the Staff Notice to clarify the that treatment of offerings under the Canadian Securities Administrators’ (“CSA”) Listed Issuer Financing Exemption will continue to be reviewed as a prospectus offering under section 606 of the Manual and will be deemed to be a bona fide public offering (BLG) .	TSX intends to continue to view offerings conducted under the Listed Issuer Financing Exemption under Section 606, absent exceptional circumstances. Please see TSX Staff Notice 2022-0003.

<i>Summarized Comments Received</i>	<i>TSX Response</i>
<p>(f) One commenter suggested that, in light of the adoption of the CSA's Well-Known Seasoned Issuer ("WКСI") model to assist large and well-established issuers in efficiently accessing capital markets on an expedited basis, TSX take a similar approach to its prospectus offering rules, such that an offering by a WКСI issuer receive automatic acceptance by TSX upon delivery of a notice of offering to TSX (BLG).</p>	<p>Given the need to balance both marketplace quality (including potential conflicts and perception of potential conflicts) with access to capital, TSX believes that the proposed approach to reviewing insider participation and insider pricing on public offerings is not unreasonable. TSX will continue to monitor the status of this limitation and determine if future amendments are necessary.</p>

APPENDIX B

BLACKLINE OF AMENDMENTS

[...]

¹ “broadly marketed” is defined as the agent or underwriter either (i) distributing the offered securities to at least 50 purchasers; or (ii) making the offer known to the selling group and/or equity capital markets desks at [substantially](#) all Canadian investment dealers.

[...]

APPENDIX C

BLACKLINE OF FINAL AMENDMENTS

B. Distributions of Securities of a Listed Class

Sec. 606. Prospectus Offerings

- (a) Listed issuers proposing to issue securities of a listed class pursuant to a prospectus must file one copy of the preliminary prospectus with TSX concurrently with the filing thereof with the applicable securities commissions. The notice requirement contained in [Subsection 602\(a\)](#) will be satisfied by the filing of the preliminary prospectus, together with a letter which must state: (i) whether any insider has an interest, directly or indirectly, in the transaction and the nature of such interest; (ii) whether and how the transaction could materially affect control of the listed issuer; (iii) ~~the anticipated number of purchasers under~~[whether](#) the offering [was broadly marketed](#)¹; and (iv) whether an "if, as and when issued" market may be requested.
- (b) ~~(i) TSX will generally accept notice of distributions that are broadly marketed by way of prospectus. TSX may, however, apply the provisions of Section 607 to a prospectus distribution. In making such a decision TSX will consider factors such as:~~ [where insiders participate up to their respective pro rata interest and the offering price is equal to or less than a 15% discount to the closing price² of the most recently completed trading session.](#)
- ~~i) the method of the distribution;~~
- ~~ii) the participation of insiders;~~
- ~~iii) the number of places;~~
- ~~iv) the offering price; and~~
- ~~v) the economic dilution.~~
- [\(ii\) Where the offering price exceeds a 15% discount to the closing price of the most recently completed trading session, TSX will apply the provisions of Section 607 to insider purchases.](#)
- [\(iii\) Where the offering price is equal to or less than a 15% discount to the closing price of the most recently completed trading session, TSX will apply the provisions of Section 607 to any portion of insider purchases exceeding their respective pro rata interest.](#)
- [\(iv\) Where the prospectus offering has not been broadly marketed, TSX will apply the provisions of Section 607 to the offering.](#)
- (c) Prior to the filing of the final prospectus, TSX will notify the listed issuer of any required additional documentation. If TSX accepts the offering, TSX will so advise the securities commissions.
- (d) The additional securities will normally be listed as soon as the prospectus offering has closed. Upon request, the listing may take place prior to the closing of the offering. TSX staff will advise the listed issuer of the requirements in this regard. Any trading that takes place prior to closing will be on an "if as and when issued" basis.

¹ ["broadly marketed" is defined as the agent or underwriter either \(i\) distributing the offered securities to at least 50 purchasers; or \(ii\) making the offer known to the selling group and/or equity capital markets desks at substantially all Canadian investment dealers.](#)

² [Please see Appendix F Take-Over Bids and Issuer Bids Through the Facilities of Toronto Stock Exchange for the definition of "closing price".](#)

APPENDIX D

TEXT OF FINAL AMENDMENTS

B. Distributions of Securities of a Listed Class

Sec. 606. Prospectus Offerings

- (a) Listed issuers proposing to issue securities of a listed class pursuant to a prospectus must file one copy of the preliminary prospectus with TSX concurrently with the filing thereof with the applicable securities commissions. The notice requirement contained in [Subsection 602\(a\)](#) will be satisfied by the filing of the preliminary prospectus, together with a letter which must state: (i) whether any insider has an interest, directly or indirectly, in the transaction and the nature of such interest; (ii) whether and how the transaction could materially affect control of the listed issuer; (iii) whether the offering was broadly marketed¹; and (iv) whether an "if, as and when issued" market may be requested.
- (b) (i) TSX will generally accept notice of distributions that are broadly marketed by way of prospectus where insiders participate up to their respective pro rata interest and the offering price is equal to or less than a 15% discount to the closing price² of the most recently completed trading session.

(ii) Where the offering price exceeds a 15% discount to the closing price of the most recently completed trading session, TSX will apply the provisions of [Section 607](#) to insider purchases.

(iii) Where the offering price is equal to or less than a 15% discount to the closing price of the most recently completed trading session, TSX will apply the provisions of [Section 607](#) to any portion of insider purchases exceeding their respective pro rata interest.

(iv) Where the prospectus offering has not been broadly marketed, TSX will apply the provisions of [Section 607](#) to the offering.
- (c) Prior to the filing of the final prospectus, TSX will notify the listed issuer of any required additional documentation. If TSX accepts the offering, TSX will so advise the securities commissions.
- (d) The additional securities will normally be listed as soon as the prospectus offering has closed. Upon request, the listing may take place prior to the closing of the offering. TSX staff will advise the listed issuer of the requirements in this regard. Any trading that takes place prior to closing will be on an "if as and when issued" basis.

¹ "broadly marketed" is defined as the agent or underwriter either (i) distributing the offered securities to at least 50 purchasers; or (ii) making the offer known to the selling group and/or equity capital markets desks at substantially all Canadian investment dealers.

² Please see [Appendix F Take-Over Bids and Issuer Bids Through the Facilities of Toronto Stock Exchange](#) for the definition of "closing price".