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PART II/PARTIE II

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REVISED REGULATIONS OF SASKATCHEWAN

SASKATCHEWAN REGULATIONS 60/2012*The Securities Act, 1988*

Section 154

Commission Order, dated August 14, 2012

and

Minister's Order, dated August 27, 2012

(Filed September 7, 2012)

Title

1 These regulations may be cited as *The Securities Commission (Adoption of National Instruments) Amendment Regulations, 2012 (No. 4)*.

R.R.S. c.S-42.2 Reg 3 amended

2 *The Securities Commission (Adoption of National Instruments) Regulations* are amended in the manner set forth in these regulations.

Section 2 amended

3 Section 2 is amended by adding the following clause after clause (xx):

“(yy) National Instrument 25-101, entitled Designated Rating Organizations, as set out in Part LI of the Appendix”.

Part XII of Appendix amended

4(1) Part XII of the Appendix is amended in the manner set forth in this section.

(2) Form 41-101F1 *Information Required in a Prospectus* is amended by repealing Item 10.9 and substituting the following:

“10.9 Ratings

(1) If the issuer has asked for and received a credit rating, or if the issuer is aware that it has received any other kind of rating, including a stability rating or a provisional rating, from one or more credit rating organizations for securities of the issuer that are outstanding, or will be outstanding, and the rating or ratings continue in effect, disclose:

- (a) each rating received from a credit rating organization;
- (b) for each rating disclosed under paragraph (a), the name of the credit rating organization that has assigned the rating;
- (c) a definition or description of the category in which each credit rating organization rated the securities and the relative rank of each rating within the organization's overall classification system;
- (d) an explanation of what the rating addresses and what attributes, if any, of the securities are not addressed by the rating;
- (e) any factors or considerations identified by the credit rating organization as giving rise to unusual risks associated with the securities;

(f) a statement that a credit rating or a stability rating is not a recommendation to buy, sell or hold securities and may be subject to revision or withdrawal at any time by the credit rating organization; and

(g) any announcement made by, or any proposed announcement known to the issuer that is to be made by, a credit rating organization to the effect that the organization is reviewing or intends to revise or withdraw a rating previously assigned and required to be disclosed under this section.

(2) If payments were, or reasonably will be, made to a credit rating organization that provided a rating described in section (1), state that fact and state whether any payments were made to the credit rating organization in respect of any other service provided to the issuer by the credit rating organization during the last two years.

INSTRUCTIONS

There may be factors relating to a security that are not addressed by a credit rating organization when they give a rating. For example, in the case of cash settled derivative instruments, factors in addition to the creditworthiness of the issuer, such as the continued subsistence of the underlying interest or the volatility of the price, value or level of the underlying interest may be reflected in the rating analysis. Rather than being addressed in the rating itself, these factors may be described by a credit rating organization by way of a superscript or other notation to a rating. Any such attributes must be discussed in the disclosure under this section.

A provisional rating received before the issuer's most recently completed financial year is not required to be disclosed under this section".

(3) Form 41-101F2 Information Required in an Investment Fund Prospectus is amended by repealing Item 21.8 and substituting the following:

"21.8 Ratings

(1) If the investment fund has asked for and received a credit rating, or if the investment fund is aware that it has received any other kind of rating, including a stability rating or a provisional rating, from one or more credit rating organizations for securities of the investment fund that are outstanding, or will be outstanding, and the rating or ratings continue in effect, disclose:

- (a) each rating received from a credit rating organization;
- (b) for each rating disclosed under paragraph (a), the name of the credit rating organization that has assigned the rating;
- (c) a definition or description of the category in which each credit rating organization rated the securities and the relative rank of each rating within the organization's overall classification system;
- (d) an explanation of what the rating addresses and what attributes, if any, of the securities are not addressed by the rating;
- (e) any factors or considerations identified by the credit rating organization as giving rise to unusual risks associated with the securities;

(f) a statement that a credit rating or a stability rating is not a recommendation to buy, sell or hold securities and may be subject to revision or withdrawal at any time by the credit rating organization; and

(g) any announcement made by, or any proposed announcement known to the investment fund that is to be made by, a credit rating organization to the effect that the organization is reviewing or intends to revise or withdraw a rating previously assigned and required to be disclosed under this section.

(2) If payments were, or reasonably will be, made to a credit rating organization that provided a rating described in section (1), state that fact and state whether any payments were made to the credit rating organization in respect of any other service provided to the investment fund by the credit rating organization during the last two years.

INSTRUCTIONS

There may be factors relating to a security that are not addressed by a credit rating organization when they give a rating. For example, in the case of cash settled derivative instruments, factors in addition to the creditworthiness of the issuer, such as the continued subsistence of the underlying interest or the volatility of the price, value or level of the underlying interest may be reflected in the rating analysis. Rather than being addressed in the rating itself, these factors may be described by a credit rating organization by way of a superscript or other notation to a rating. Any such attributes must be discussed in the disclosure under this section.

A provisional rating received before the investment fund's most recently completed financial year is not required to be disclosed under this section".

Part XIII of Appendix amended

5 Form 44-101F1 Short Form Prospectus of Part XIII of the Appendix is amended by repealing Item 7.9 and substituting the following:

"7.9 Ratings

(1) If the issuer has asked for and received a credit rating, or if the issuer is aware that it has received any other kind of rating, including a stability rating or a provisional rating, from one or more credit rating organizations for securities of the issuer that are outstanding, or will be outstanding, and the rating or ratings continue in effect, disclose:

- (a) each rating received from a credit rating organization;
- (b) for each rating disclosed under paragraph (a), the name of the credit rating organization that has assigned the rating;
- (c) a definition or description of the category in which each credit rating organization rated the securities and the relative rank of each rating within the organization's overall classification system;
- (d) an explanation of what the rating addresses and what attributes, if any, of the securities are not addressed by the rating;
- (e) any factors or considerations identified by the credit rating organization as giving rise to unusual risks associated with the securities;

(f) a statement that a credit rating or a stability rating is not a recommendation to buy, sell or hold securities and may be subject to revision or withdrawal at any time by the credit rating organization; and

(g) any announcement made by, or any proposed announcement known to the issuer that is to be made by, a credit rating organization to the effect that the organization is reviewing or intends to revise or withdraw a rating previously assigned and required to be disclosed under this section.

(2) If payments were, or reasonably will be, made to a credit rating organization that provided a rating described in section (1), state that fact and state whether any payments were made to the credit rating organization in respect of any other service provided to the issuer by the credit rating organization during the last two years.

INSTRUCTIONS

There may be factors relating to a security that are not addressed by a credit rating organization when they give a rating. For example, in the case of cash settled derivative instruments, factors in addition to the creditworthiness of the issuer, such as the continued subsistence of the underlying interest or the volatility of the price, value or level of the underlying interest may be reflected in the rating analysis. Rather than being addressed in the rating itself, these factors may be described by a credit rating organization by way of a superscript or other notation to a rating. Any such attributes must be discussed in the disclosure under this section.

A provisional rating received before the issuer's most recently completed financial year is not required to be disclosed under this section".

Part XXXVI of Appendix amended

6 Form 51-102F2 Annual Information Form of Part XXXVI of the Appendix is amended by repealing Item 7.3 and substituting the following:

"7.3 Ratings

(1) If you have asked for and received a credit rating, or if you are aware that you have received any other kind of rating, including a stability rating or a provisional rating, from one or more credit rating organizations for securities of your company that are outstanding, or will be outstanding, and the rating or ratings continue in effect, disclose:

- (a) each rating received from a credit rating organization;
- (b) for each rating disclosed under paragraph (a), the name of the credit rating organization that has assigned the rating;
- (c) a definition or description of the category in which each credit rating organization rated the securities and the relative rank of each rating within the organization's overall classification system;
- (d) an explanation of what the rating addresses and what attributes, if any, of the securities are not addressed by the rating;

- (e) any factors or considerations identified by the credit rating organization as giving rise to unusual risks associated with the securities;
 - (f) a statement that a credit rating or a stability rating is not a recommendation to buy, sell or hold securities and may be subject to revision or withdrawal at any time by the credit rating organization; and
 - (g) any announcement made by, or any proposed announcement known to your company that is to be made by, a credit rating organization to the effect that the organization is reviewing or intends to revise or withdraw a rating previously assigned and required to be disclosed under this section.
- (2) If payments were, or reasonably will be, made to a credit rating organization that provided a rating described in section (1), state that fact and state whether any payments were made to the credit rating organization in respect of any other service provided to your company by the credit rating organization during the last two years.

INSTRUCTIONS

There may be factors relating to a security that are not addressed by a credit rating organization when they give a rating. For example, in the case of cash settled derivative instruments, factors in addition to the creditworthiness of the issuer, such as the continued subsistence of the underlying interest or the volatility of the price, value or level of the underlying interest may be reflected in the rating analysis. Rather than being addressed in the rating itself, these factors may be described by a credit rating organization by way of a superscript or other notation to a rating. Any such attributes must be discussed in the disclosure under section 7.3.

A provisional rating received before the company's most recently completed financial year is not required to be disclosed under section 7.3".

New Part LI of Appendix

7 The following Part is added after Part L of the Appendix:

“PART LI
[Clause 2(yy)]

**NATIONAL INSTRUMENT 25-101
DESIGNATED RATING ORGANIZATIONS**

PART 1 DEFINITIONS AND INTERPRETATION

“1.1 Definitions

In this Instrument:

‘board of directors’ means, in the case of a designated rating organization that does not have a board of directors, a group that acts in a capacity similar to a board of directors;

‘compliance officer’ means the compliance officer referred to in section 12;

'code of conduct' means the code of conduct referred to in Part 4 of this Instrument and may include, for greater certainty, one or more codes;

'designated rating organization' means a credit rating organization that has been designated under securities legislation;

'DRO affiliate' means an affiliate of a designated rating organization that issues credit ratings in a foreign jurisdiction and that has been designated as a DRO affiliate under the terms of the designated rating organizations' designation;

'DRO employee' means an individual, other than an employee or agent of a DRO affiliate, who is:

- (a) employed by a designated rating organization; or
- (b) an agent who provides services directly to the designated rating organization and who is involved in determining, approving or monitoring a credit rating issued by the designated rating organization;

'Form NRSRO' means the annual certification on Form NRSRO, including exhibits, required to be filed by an NRSRO under the 1934 Act;

'NRSRO' means a nationally recognized statistical rating organization, as defined in the 1934 Act;

'rated entity' means a person or company that is issuing, or that has issued, securities that are the subject of a credit rating issued by a designated rating organization and includes a person or company that made a submission to a designated rating organization for the designated rating organization's initial review or for a preliminary rating but did not request a final rating;

'rated securities' means the securities issued by a rated entity that are the subject of a credit rating issued by a designated rating organization;

'ratings employee' means any DRO employee who participates in determining, approving or monitoring a credit rating issued by the designated rating organization;

'related entity' means, in relation to an issuer of a securitized product, an originator, arranger, underwriter, servicer or sponsor of the securitized product or any person or company performing similar functions;

'securitized product' means any of the following:

- (a) a security that entitles the security holder to receive payments that primarily depend on the cash flow from self-liquidating financial assets collateralizing the security, such as loans, leases, mortgages, and secured or unsecured receivables, including:
 - (i) an asset-backed security;
 - (ii) a collateralized mortgage obligation;

- (iii) a collateralized debt obligation;
 - (iv) a collateralized bond obligation;
 - (v) a collateralized debt obligation of asset-backed securities;
 - (vi) a collateralized debt obligation of collateralized debt obligations;
- (b) a security that entitles the security holder to receive payments that substantially reference or replicate the payments made on one or more securities of the type described in paragraph (a) but that do not primarily depend on the cash flow from self-liquidating financial assets that collateralize the security, including:
- (i) a synthetic asset-backed security;
 - (ii) a synthetic collateralized mortgage obligation;
 - (iii) a synthetic collateralized debt obligation;
 - (iv) a synthetic collateralized bond obligation;
 - (v) a synthetic collateralized debt obligation of asset-backed securities;
 - (vi) a synthetic collateralized debt obligation of collateralized debt obligations.

“2 Interpretation

Nothing in this Instrument is to be interpreted as regulating the content of a credit rating or the methodology a credit rating organization uses to determine a credit rating.

“3 Affiliate

(1) In this Instrument, a person or company is an affiliate of another person or company if either of the following apply:

- (a) one of them is the subsidiary of the other;
- (b) each of them is controlled by the same person or company.

(2) For the purposes of paragraph (1)(b), a person or company (first person) is considered to control another person or company (second person) if any of the following apply:

- (a) the first person beneficially owns, or controls or directs, directly or indirectly, securities of the second person carrying votes which, if exercised, would entitle the first person to elect a majority of the directors of the second person, unless that first person holds the voting securities only to secure an obligation;
- (b) the second person is a partnership, other than a limited partnership, and the first person holds more than 50% of the interests of the partnership;
- (c) the second person is a limited partnership and the general partner of the limited partnership is the first person.

“4 Credit Rating

In British Columbia, credit rating means an assessment that is publicly disclosed or distributed by subscription concerning the creditworthiness of an issuer:

- (a) as an entity; or
- (b) with respect to specific securities or a specific pool of securities or assets.

“5 Market Participant in Ontario

In Ontario, a DRO affiliate is deemed to be a market participant.

“PART 2 DESIGNATION OF RATING ORGANIZATIONS**“6 Application for Designation**

- (1) A credit rating organization that applies to be a designated rating organization must file a completed Form 25-101F1.
- (2) Despite subsection (1), a credit rating organization that is an NRSRO may file its most recent Form NRSRO.
- (3) A credit rating organization that applies to be a designated rating organization that is incorporated or organized under the laws of a foreign jurisdiction and does not have an office in Canada must file a completed Form 25-101F2.
- (4) Any person or company that will be a DRO affiliate upon the designation of a credit rating agency that does not have an office in Canada must file a completed Form 25-101F2.

“PART 3 BOARD OF DIRECTORS**“7 Board of Directors**

A designated rating organization must not issue a credit rating unless it, or a DRO affiliate that is a parent of the designated rating organization, has a board of directors.

“8 Composition

- (1) For the purposes of section 7, a board of directors of a designated rating organization, or the board of directors of the DRO affiliate that is a parent of the designated rating organization, as the case may be, must be composed of a minimum of three members.
- (2) At least one-half, but not fewer than two, of the members of the board of directors must be independent of the organization and any DRO affiliate.
- (3) For the purposes of subsection (2), a member of the board of directors is not considered independent if the director:
 - (a) other than in his or her capacity as a member of the board of directors or a board committee, accepts any consulting, advisory or other compensatory fee from the designated rating organization or a DRO affiliate;
 - (b) is a DRO employee or an employee or agent of a DRO affiliate;

(c) has a relationship with the designated rating organization that could, in the opinion of the board of directors, be reasonably expected to interfere with the exercise of a director's independent judgment; or

(d) has served on the board of directors for more than five years in total.

(4) For the purposes of paragraph (3)(c), in forming its opinion, the board of directors is not required to conclude that a member is not independent solely on the basis that the member is, or was, a user of the designated rating organization's rating services.

“PART 4 CODE OF CONDUCT

“9 Code of Conduct

(1) A designated rating organization must establish, maintain and comply with a code of conduct.

(2) A designated rating organization's code of conduct must incorporate each of the provisions set out in Appendix A.

“10 Filing and Publication

(1) A designated rating organization must file a copy of its code of conduct and post a copy of it prominently on its website promptly upon designation.

(2) Each time an amendment is made to a code of conduct by a designated rating organization, the amended code of conduct must be filed, and prominently posted on the organization's website, within five business days of the amendment coming into effect.

“11 Waivers

A designated rating organization's code of conduct must specify that a designated rating organization must not waive provisions of its code of conduct.

“PART 5 COMPLIANCE OFFICER

“12 Compliance Officer

(1) A designated rating organization must not issue a credit rating unless it, or a DRO affiliate that is a parent of the designated rating organization, has a compliance officer that monitors and assesses compliance by the designated rating organization and its DRO employees with the organization's code of conduct and with securities legislation.

(2) The compliance officer must regularly report on his or her activities directly to the board of directors.

(3) The compliance officer must report to the board of directors as soon as reasonably possible if the compliance officer becomes aware of any circumstances indicating that the designated rating organization or its DRO employees may be in non-compliance with the organization's code of conduct or securities legislation and any of the following apply:

(a) the non-compliance would reasonably be expected to create a significant risk of harm to a rated entity or the rated entity's investors;

- (b) the non-compliance would reasonably be expected to create a significant risk of harm to the capital markets;
 - (c) the non-compliance is part of a pattern of non-compliance.
- (4) The compliance officer must not, while serving in such capacity, participate in any of the following:
- (a) the development of credit ratings, methodologies or models;
 - (b) the establishment of compensation levels, other than for DRO employees reporting directly to the compliance officer.
- (5) The compensation of the compliance officer and of any DRO employee that reports directly to the compliance officer must not be linked to the financial performance of the designated rating organization or its DRO affiliates and must be determined in a manner that preserves the independence of the compliance officer's judgment.

“PART 6 BOOKS AND RECORDS

“13 Books and Records

- (1) A designated rating organization must keep such books and records and other documents as are necessary to account for the conduct of its credit rating activities, its business transactions and financial affairs and must keep such other books, records and documents as may otherwise be required under securities legislation.
- (2) A designated rating organization must retain the books and records maintained under this section:
- (a) for a period of seven years from the date the record was made or received, whichever is later;
 - (b) in a safe location and a durable form; and
 - (c) in a manner that permits it to be provided promptly to the securities regulatory authority upon request.

“PART 7 FILING REQUIREMENTS

“14 Filing Requirements

- (1) No later than 90 days after the end of its most recently completed financial year, each designated rating organization must file a completed Form 25-101F1.
- (2) Upon any of the information in a Form 25-101F1 filed by a designated rating organization becoming materially inaccurate, the designated rating organization must promptly file an amendment to, or an amended and restated version of, its Form 25-101F1.
- (3) Until six years after it has ceased to be a designated rating organization in any jurisdiction of Canada, a designated rating organization must file a completed amended Form 25-101F2 at least 30 days before:
- (a) the termination date of Form 25-101F2; or
 - (b) the effective date of any changes to Form 25-101F2.

(4) Until six years after it has ceased to be a DRO affiliate in any jurisdiction of Canada, a DRO affiliate must file a completed amended Form 25-101F2 at least 30 days before:

- (a) the termination date of Form 25-101F2; or
- (b) the effective date of any changes to Form 25-101F2.

“PART 8 EXEMPTIONS AND EFFECTIVE DATE

“15 Exemptions

- (1) The regulator or the securities regulatory authority may grant an exemption from the provisions of this Instrument, in whole or in part, subject to such conditions or restrictions as may be imposed in the exemption.
- (2) Despite subsection (1), in Ontario, only the regulator may grant an exemption.
- (3) Except in Ontario, an exemption referred to in subsection (1) is granted under the statute referred to in Appendix B of National Instrument 14-101 *Definitions* opposite the name of the local jurisdiction.

“APPENDIX A TO NATIONAL INSTRUMENT 25-101 DESIGNATED RATING ORGANIZATIONS - PROVISIONS REQUIRED TO BE INCLUDED IN A DESIGNATED RATING ORGANIZATION’S CODE OF CONDUCT

1. INTERPRETATION

1.1 A term used in this code of conduct has the same meaning as in National Instrument 25-101 *Designated Rating Organizations* if used in that Instrument.

2. QUALITY AND INTEGRITY OF THE RATING PROCESS

A. Quality of the Rating Process

I - General Requirements

2.1 A designated rating organization must adopt, implement and enforce procedures in its code of conduct to ensure that the credit ratings it issues are based on a thorough analysis of all information known to the designated rating organization that is relevant to its analysis according to its rating methodologies.

2.2 A designated rating organization must include a provision in its code of conduct that it will use only rating methodologies that are rigorous, systematic, continuous and subject to validation based on experience, including back-testing.

II - Specific Provisions

2.3 Each ratings employee involved in the preparation, review or issuance of a credit rating, action or report must use methodologies established by the designated rating organization. Each ratings employee must apply a given methodology in a consistent manner, as determined by the designated rating organization.

2.4 A credit rating must be assigned by the designated rating organization and not by an employee or agent of the designated rating organization.

2.5 A credit rating must reflect all information known, and believed to be relevant, to the designated rating organization, consistent with its published methodology. The designated rating organization will ensure that its ratings employees and agents have appropriate knowledge and experience for the duties assigned.

2.6 The designated rating organization, its ratings employees and its agents must take all reasonable steps to avoid issuing a credit rating, action or report that is false or misleading as to the general creditworthiness of a rated entity or rated securities.

2.7 The designated rating organization will ensure that it has and devotes sufficient resources to carry out high-quality credit assessments of all rated entities and rated securities. When deciding whether to rate or continue rating an entity or securities, the organization will assess whether it is able to devote sufficient personnel with sufficient skill sets to make a credible rating assessment, and whether its personnel are likely to have access to sufficient information needed in order make such an assessment. A designated rating organization will adopt all necessary measures so that the information it uses in assigning a rating is of sufficient quality to support a credible rating and is obtained from a source that a reasonable person would consider to be reliable.

2.8 The designated rating organization will appoint a senior manager, or establish a committee made up of one or more senior managers, with appropriate experience to review the feasibility of providing a credit rating for a structure that is significantly different from the structures the designated rating organization currently rates.

2.9 The designated rating organization will assess whether the methodologies and models used for determining credit ratings of a securitized product are appropriate when the risk characteristics of the assets underlying the securitized product change significantly. If the quality of the available information is not satisfactory or if the complexity of a new type of structure, instrument or security should reasonably raise concerns about whether the designated rating organization can provide a credible rating, the designated rating organization will not issue or maintain a credit rating.

2.10 The designated rating organization will ensure continuity and regularity, and avoid conflicts of interest, in the rating process.

B. Monitoring and Updating

2.11 The designated rating organization will establish a committee to be responsible for implementing a rigorous and formal process for reviewing, on at least an annual basis, and making changes to the methodologies, models and key ratings assumptions it uses. This review will include consideration of the appropriateness of the designated rating organization's methodologies, models and key ratings assumptions if they are used or intended to be applied to new types of structures, instruments or securities. This process will be conducted independently of the business lines that are responsible for credit rating activities. The committee will report to its board of directors or the board of directors of a DRO affiliate that is a parent of the designated rating organization.

2.12 If a methodology, model or key ratings assumption used in a credit rating activity is changed, the designated rating organization will do each of the following:

- (a) promptly identify each credit rating likely to be affected if the credit rating were to be re-rated using the new methodology, model or key ratings assumption and, using the same means of communication the organization generally uses for the credit ratings, disclose the scope of credit ratings likely to be affected by the change in methodology, model or key ratings assumption;
- (b) promptly place each credit rating identified under subsection (a) under surveillance;
- (c) within six months of the change, review each credit rating identified under subsection (a) with respect to its accuracy;
- (d) re-rate a credit rating if, following the review required in subsection (c), the change, alone or combined with all other changes, affects the accuracy of the credit rating.

2.13 The designated rating organization will ensure that adequate personnel and financial resources are allocated to monitoring and updating its credit ratings. Except for ratings that clearly indicate they do not entail ongoing monitoring, once a rating is published the designated rating organization will monitor the rated entity's creditworthiness on an ongoing basis and, at least annually, update the rating. In addition, the designated rating organization must initiate a review of the accuracy of a rating upon becoming aware of any information that might reasonably be expected to result in a rating action (including termination of a rating), consistent with the applicable rating methodology and must promptly update the rating, as appropriate, based on the results of such review.

Subsequent monitoring will incorporate all cumulative experience obtained.

2.14 If the designated rating organization uses separate analytical teams for determining initial ratings and for subsequent monitoring, the organization will ensure each team has the requisite level of expertise and resources to perform their respective functions competently and in a timely manner.

2.15 If the designated rating organization discloses a credit rating to the public and subsequently discontinues the rating, the designated rating organization will disclose that the rating has been discontinued using the same means of communication as was used for the disclosure of the rating. If the designated rating organization discloses a rating only to its subscribers, if it discontinues the rating, the designated rating organization will disclose to each subscriber of that rating that the rating has been discontinued. In both cases, a subsequent publication by the designated rating organization of the discontinued rating will indicate the date the rating was last updated and disclose that the rating is no longer being updated and the reasons for the decision to discontinue the rating.

C. Integrity of the Rating Process

2.16 The designated rating organization, its ratings employees and agents will comply with all applicable laws and regulations governing its activities.

2.17 The designated rating organization, its ratings employees and agents must deal fairly, honestly and in good faith with rated entities, investors, other market participants, and the public.

2.18 The designated rating organization will hold its ratings employees and agents to a high standard of integrity, and the designated rating organization will not employ an individual who a reasonable person would consider to be lacking in or have compromised integrity.

2.19 The designated rating organization and its ratings employees and agents will not, either implicitly or explicitly, give any assurance or guarantee of a particular rating prior to a rating assessment. The designated rating organization may develop prospective assessments if the assessment is to be used in a securitized product or similar transaction.

2.20 A person or company listed below must not make a recommendation to a rated entity about the corporate or legal structure, assets, liabilities, or activities of the rated entity:

- (a) a designated rating organization;
- (b) an affiliate or related entity of the designated rating organization;
- (c) the ratings employees of any of the above.

2.21 The designated rating organization will instruct its employees and agents that, upon becoming aware that the organization, another employee or an affiliate, or an employee of an affiliate of the designated rating organization, is or has engaged in conduct that is illegal, unethical or contrary to the designated rating organization's code of conduct, the employee or agent must report that information immediately to the compliance officer. Upon receiving the information, the compliance officer will take appropriate action, as determined by the laws and regulations of the jurisdiction and the rules and guidelines set forth by the designated rating organization. The designated rating organization will not take or allow retaliation against the employee or agent by employees, agents, the designated rating organization itself or its affiliates.

D. Governance Requirements

2.22 The designated rating organization will not issue a credit rating unless a majority of its board of directors, or the board of directors of a DRO affiliate that is a parent of the designated rating organization, including its independent directors, have, what a reasonable person would consider, sufficient expertise in financial services to fully understand and properly oversee the business activities of the designated rating organization. If the designated rating organization issues a credit rating for a securitized product, at least one independent member and one other member must have, what a reasonable person would consider to be, in-depth knowledge and experience at a senior level, regarding the securitized product.

2.23 The designated rating organization will not issue a credit rating if a member of its board of directors, or the board of directors of a DRO affiliate that is a parent of the designated rating organization, participated in any deliberation involving a specific rating in which the member has a financial interest in the outcome of the rating.

2.24 The designated rating organization will not compensate an independent member of its board of directors, or the board of directors of a DRO affiliate that is a parent of the designated rating organization, in a manner or in an amount that a reasonable person could conclude that the compensation is linked to the business performance of the designated rating organization or its affiliates. The organization will only compensate directors in a manner that preserves the independence of the director.

2.25 The board of directors of a designated rating organization or a DRO affiliate that is a parent of the designated rating organization must monitor the following:

- (a) the development of the credit rating policy and of the methodologies used by the designated rating organization in its credit rating activities;
- (b) the effectiveness of any internal quality control system of the designated rating organization in relation to credit rating activities;
- (c) the effectiveness of measures and procedures instituted to ensure that any conflicts of interest are identified and either eliminated or managed and disclosed, as appropriate;
- (d) the compliance and governance processes, including the performance of the committee identified in section 2.11.

2.26 The designated rating organization will design reasonable administrative and accounting procedures, internal control mechanisms, procedures for risk assessment, and control and safeguard arrangements for information processing systems. The designated rating organization will implement and maintain decision-making procedures and organizational structures that clearly, and in a documented manner, specify reporting lines and allocate functions and responsibilities.

2.27 The designated rating organization will monitor and evaluate the adequacy and effectiveness of its administrative and accounting procedures, internal control mechanisms, procedures for risk assessment, and control and safeguard arrangements for information processing systems, established in accordance with securities legislation and the designated rating organization's code of conduct, and take any measures necessary to address any deficiencies.

2.28 The designated rating organization will not outsource activities if doing so impairs materially the effectiveness of the designated rating organization's internal controls or the ability of the securities regulatory authority to conduct compliance reviews of the designated rating organization's compliance with securities legislation or its code of conduct. The designated rating organization will not outsource the functions or duties of the designated rating organization's compliance officer.

3. INDEPENDENCE AND CONFLICTS OF INTEREST

A. General

3.1 The designated rating organization will not refrain from taking a rating action based in whole or in part on the potential effect (economic or otherwise) of the action on the designated rating organization, a rated entity, an investor, or other market participant.

3.2 The designated rating organization and its employees will use care and professional judgment to remain independent and maintain the appearance of independence and objectivity.

3.3 The determination of a credit rating will be influenced only by factors relevant to the credit assessment.

3.4 The designated rating organization will not allow its decision to assign a credit rating to a rated entity or rated securities to be affected by the existence of, or potential for, a business relationship between the designated rating organization or its affiliates and any other person or company including, for greater certainty, the rated entity, its affiliates or related entities.

3.5 The designated rating organization and its affiliates will keep separate, operationally and legally, their credit rating business and their rating employees from any ancillary services (including the provision of consultancy or advisory services) that may present conflicts of interest with their credit rating activities and will ensure that the provision of such services does not present conflicts of interest with their credit rating activities. The designated rating organization will define and publicly disclose what it considers, and does not consider, to be an ancillary service and identify those that are ancillary services. The designated rating organization will disclose in each ratings report any ancillary services provided to a rated entity, its affiliates or related entities.

3.6 The designated rating organization will not rate a person or company that is an affiliate or associate of the organization or a ratings employee. The designated rating organization must not assign a credit rating to a person or company if a ratings employee is an officer or director of the person or company, its affiliates or related entities.

B. Procedures and Policies

3.7 The designated rating organization will identify and eliminate or manage and publicly disclose any actual or potential conflicts of interest that may influence the opinions and analyses of ratings employees.

3.8 The designated rating organization will disclose the actual or potential conflicts of interest it identifies under section 3.7 in a complete, timely, clear, concise, specific and prominent manner.

3.9 The designated rating organization will disclose the general nature of its compensation arrangements with rated entities.

(1) If the designated rating organization or an affiliate receives from a rated entity, an affiliate or a related entity compensation unrelated to its ratings service, such as compensation for ancillary services (as referred to in section 3.5), the designated rating organization will disclose the percentage that non-rating fees represent out of the total amount of fees received by the designated rating organization or its affiliate, as the case may be, from the rated entity, the affiliate or the related entity.

(2) If the designated rating organization or its affiliates receives directly or indirectly 10 percent or more of its annual revenue from a particular rated entity or subscriber, including revenue received from an affiliate or related entity of the rated entity or subscriber, the organization will disclose that fact and identify the particular rated entity or subscriber.

3.10 A designated rating organization and its DRO employees and their associates must not trade a security, derivative or exchange contract if the organization's employee's or associate's interests in the trade conflict with their interests relating to a credit rating.

3.11 If a designated rating organization is subject to the oversight of a rated entity, or an affiliate or related entity of the rated entity, the designated rating organization will use different DRO employees to conduct the rating actions in respect of that entity than those involved in the oversight.

C. Employee Independence

3.12 Reporting lines for a ratings employee or DRO employees and their compensation arrangements will be structured to eliminate or manage actual and potential conflicts of interest.

(1) The designated rating organization will not compensate or evaluate a ratings employee on the basis of the amount of revenue that the designated rating organization or its affiliates derives from rated entities that the ratings employee rates or with which the ratings employee regularly interacts.

(2) The designated rating organization will conduct reviews of compensation policies and practices for its DRO employees within reasonable regular time periods to ensure that these policies and practices do not compromise the objectivity of the designated rating organization's rating process.

3.13 The designated rating organization will take reasonable steps to ensure that its ratings employees, and any agent who has responsibility for developing or approving procedures or methodologies used for determining credit ratings, do not initiate, or participate in, discussions or negotiations regarding fees or payments with any rated entity or its affiliates or related entities.

3.14 The designated rating organization will not permit a ratings employee to participate in or otherwise influence the determination of a credit rating if the ratings employee:

(a) owns directly or indirectly securities, derivatives or exchange contracts of the rated entity, other than holdings through an investment fund;

(b) owns directly or indirectly securities, derivatives or exchange contracts of a rated entity or its related entities, the ownership of which causes or may reasonably be perceived as causing a conflict of interest;

(c) has had a recent employment, business or other relationship with the rated entity, its affiliates or related entities that causes or may reasonably be perceived as causing a conflict of interest; or

(d) has an associate who currently works for the rated entity, its affiliates or related entities.

3.15 The designated rating organization will not permit a ratings employee or an associate of such ratings employee to buy or sell or engage in any transaction involving a security, a derivative or an exchange contract based on a security issued, guaranteed, or otherwise supported by any person or company within such ratings employee's area of primary analytical responsibility, other than holdings through an investment fund.

3.16 The designated rating organization will not permit a ratings employee or an associate of such ratings employee to accept gifts, including entertainment, from anyone with whom the designated rating organization does business, other than items provided in the normal course of business if the aggregate value of all gifts received is nominal.

3.17 If a DRO employee of a designated rating organization becomes involved in any personal relationship that creates any actual or potential conflict of interest, the DRO employee must disclose the relationship to the designated rating organization's compliance officer. The designated rating organization will not issue a credit rating if a DRO employee has an actual or potential conflict of interest with a rated entity. If the credit rating has been issued, the designated rating organization will publicly disclose in a timely manner that the credit rating may be affected.

3.18 The designated rating organization will review the past work of any ratings employee that leaves the organization and joins a rated entity (or an affiliate or related entity of the rated entity) if:

- (a) the ratings employee has, within the last year, been involved in rating the rated entity; or
- (b) the rated entity is a financial firm with which the ratings employee had, within the last year, significant dealings as part of his or her duties at the designated rating organization.

4. RESPONSIBILITIES TO THE INVESTING PUBLIC AND ISSUERS

A. Transparency and Timeliness of Ratings Disclosure

4.1 The designated rating organization will distribute in a timely manner its ratings decisions regarding the entities and securities it rates.

4.2 The designated rating organization will publicly disclose its policies for distributing ratings, ratings reports and updates.

4.3 Except for a rating it discloses only to the rated entity, a designated rating organization will disclose to the public, on a non-selective basis and free of charge, any ratings decision regarding rated entities that are reporting issuers or the securities of such issuers, as well as any subsequent decisions to discontinue such a rating, if the rating decision is based in whole or in part on material non-public information.

4.4 In each of its ratings reports, a designated rating organization will disclose the following:

- (a) when the rating was first released and when it was last updated;
- (b) the principal methodology or methodology version that was used in determining the rating and where a description of that methodology can be found. If the rating is based on more than one methodology, or if a review of only the principal methodology might cause investors to overlook other important aspects of the rating, the designated rating organization must explain this fact in the ratings report, and include a discussion of how the different methodologies and other important aspects factored into the rating decision;

- (c) the meaning of each rating category and the definition of default or recovery, and the time horizon the designated rating organization used when making a rating decision;
- (d) any attributes and limitations of the credit rating. If the rating involves a type of financial product presenting limited historical data (such as an innovative financial vehicle), the designated rating organization will disclose, in a prominent place, the limitations of the rating;
- (e) all material sources, including the rated entity, its affiliates and related entities, that were used to prepare the credit rating and whether the credit rating has been disclosed to the rated entity or its related entities and amended following that disclosure before being issued.

4.5 In each of its ratings reports in respect of a securitized product, a designated rating organization will disclose the following:

- (a) all information about loss and cash-flow analysis it has performed or is relying upon and an indication of any expected change in the credit rating. The designated rating organization will also disclose the degree to which it analyzes how sensitive a rating of a securitized product is to changes in the designated rating organization's underlying rating assumptions;
- (b) the level of assessment the designated rating organization has performed concerning the due diligence processes carried out at the level of underlying financial instruments or other assets of securitized products. The designated rating organization will also disclose whether it has undertaken any assessment of such due diligence processes or whether it has relied on a third-party assessment and how the outcome of such assessment impacts the credit rating.

4.6 If, to a reasonable person, the information required to be included in a ratings report under sections 4.4 and 4.5 would be disproportionate to the length of the ratings report, the designated rating organization will include a prominent reference to where such information can be easily accessed.

4.7 A designated rating organization will disclose on an ongoing basis information about all securitized products submitted to it for its initial review or for a preliminary rating, including whether the issuer requested the designated rating organization to provide a final rating.

4.8 The designated rating organization will publicly disclose the methodologies, models and key rating assumptions (such as mathematical or correlation assumptions) it uses in its credit rating activities and any material modifications to such methodologies, models and key rating assumptions. This disclosure will include sufficient information about the designated rating organization's procedures, methodologies and assumptions (including financial statement adjustments that deviate materially from those contained in the issuer's published financial statements and a description of the rating committee process, if applicable) so that outside parties can understand how a rating was arrived at by the designated rating organization.

4.9 The designated rating organization will differentiate ratings of securitized products from traditional corporate bond ratings through a different rating symbology. The designated rating organization will also disclose how this differentiation functions. The designated rating organization will clearly define a given rating symbol and apply it in a consistent manner for all types of securities to which that symbol is assigned.

4.10 The designated rating organization will assist investors in developing a greater understanding of what a credit rating is, and the limits to which credit ratings can be put to use in relation to a particular type of financial product that the designated rating organization rates. The designated rating organization will clearly indicate the attributes and limitations of each credit rating.

4.11 When issuing or revising a rating, the designated rating organization will provide in its press releases and public reports an explanation of the key elements underlying the rating opinion.

4.12 Before issuing or revising a rating, the designated rating organization will inform the issuer of the critical information and principal considerations upon which a rating will be based and afford the issuer an opportunity to clarify any likely factual misperceptions or other matters that the designated rating organization would wish to be made aware of in order to produce an accurate rating. The designated rating organization will duly evaluate the response.

4.13 Every year, the designated rating organization will publicly disclose data about the historical default rates of its rating categories and whether the default rates of these categories have changed over time. If the nature of the rating or other circumstances make a historical default rate inappropriate, statistically invalid, or otherwise likely to mislead the users of the rating, the designated rating organization will explain this. This information will include verifiable, quantifiable historical information about the performance of its rating opinions, organized and structured, and, where possible, standardized in such a way so as to assist investors in drawing performance comparisons between different designated rating organizations.

4.14 For each rating, the designated rating organization will disclose whether the rated entity and its related entities participated in the rating process and whether the designated rating organization had access to the accounts and other relevant internal documents of the rated entity or its related entities. Each rating not initiated at the request of the rated entity will be identified as such. The designated rating organization will also disclose its policies and procedures regarding unsolicited ratings.

4.15 The designated rating organization will fully and publicly disclose, in a timely fashion, any material modification to its methodologies, models, key ratings assumptions and significant systems, resources or procedures. Where a reasonable person would consider feasible and appropriate, disclosure of such material modifications will be made before they go into effect. The designated rating organization will carefully consider the various uses of credit ratings before modifying its methodologies, models, key ratings assumptions and significant systems, resources or procedures.

B. The treatment of confidential information

4.16 The designated rating organization and its DRO employees will take all reasonable measures to protect the confidential nature of information shared with them by rated entities under the terms of a confidentiality agreement or otherwise under a mutual understanding that the information is shared confidentially. Unless otherwise permitted by the confidentiality agreement or required by applicable laws, regulations or court orders, the designated rating organization and its DRO employees will not disclose confidential information.

4.17 The designated rating organization and its DRO employees will not use confidential information for any purpose except for their rating activities or in accordance with applicable legislation or a confidentiality agreement with the rated entity to which the information relates.

4.18 The designated rating organization and its DRO employees will take all reasonable measures to protect all property and records relating to credit rating activities and belonging to or in possession of the designated rating organization from fraud, theft or misuse.

4.19 A designated rating organization will ensure that its DRO employees do not engage in transactions in securities, derivatives or exchange contracts when they possess confidential information concerning the issuer of such security or to which the derivative or the exchange contract relates.

4.20 A designated rating organization will cause its DRO employees to familiarize themselves with the internal securities trading policies maintained by the designated rating organization and certify their compliance with such policies within reasonable regular time periods.

4.21 The designated rating organization and its DRO employees will not selectively disclose any non-public information about ratings or possible future rating actions of the designated rating organization, except to the issuer or its designated agents.

4.22 The designated rating organization and its DRO employees will not share confidential information entrusted to the designated rating organization with employees of any affiliate that is not a designated rating organization or a DRO affiliate. The designated rating organization and its DRO employees will not share confidential information within the designated rating organization, except as necessary in connection with the designated rating organization's credit rating functions.

4.23 A designated rating organization will ensure that its DRO employees do not use or share confidential information for the purpose of buying or selling or engaging in any transaction in any security, derivative or exchange contract based on a security issued, guaranteed, or otherwise supported by any person or company, or for any other purpose except the conduct of the designated rating organization's business.

“FORM 25-101F1***Designated Rating Organization Application and Annual Filing*****Instructions**

- (1) *Terms used in this form but not defined in this form have the meaning given to them in the Instrument.*
- (2) *Unless otherwise specified, the information in this form must be presented as at the last day of the applicant’s most recently completed financial year. If necessary, the applicant must update the information provided so it is not misleading when it is filed. For information presented as at any date other than the last day of the applicant’s most recently completed financial year, specify the relevant date in the form.*
- (3) *Applicants are reminded that it is an offence under securities legislation to give false or misleading information on this form.*
- (4) *Applicants may apply to the securities regulatory authority to hold in confidence portions of this form which disclose intimate financial, personal or other information. Securities regulatory authorities will consider the application and accord confidential treatment to those sections to the extent permitted by law.*
- (5) *When this form is used for an annual filing, the term “applicant” means the designated rating organization.*

Item 1. Name of Applicant

State the name of the applicant.

Item 2. Organization and Structure of Applicant

Describe the organizational structure of the applicant, including, as applicable, an organizational chart that identifies the ultimate and intermediate parent companies, subsidiaries, and material affiliates of the applicant (if any); an organizational chart showing the divisions, departments, and business units of the applicant; and an organizational chart showing the managerial structure of the applicant, including the compliance officer referred to in section 12 of the Instrument. Provide detailed information regarding the applicant’s legal structure and ownership.

Item 3. DRO Affiliates

Provide the name, address and governing jurisdiction of each affiliate that is (or, in the case of an applicant, proposes to be) a DRO affiliate.

Item 4. Rating Distribution Model

Briefly describe how the applicant makes its credit ratings readily accessible for free or for a fee. If a person must pay a fee to obtain a credit rating made readily accessible by the applicant, provide a fee schedule or describe the price(s) charged.

Item 5. Procedures and Methodologies

Briefly describe the procedures and methodologies used by the applicant to determine credit ratings, including unsolicited credit ratings. The description must be sufficiently detailed to provide an understanding of the processes employed by the applicant in determining credit ratings, including, as applicable:

- policies for determining whether to initiate a credit rating;
- the public and non-public sources of information used in determining credit ratings, including information and analysis provided by third-party vendors;
- whether and, if so, how information about verification performed on assets underlying or referenced by a security issued by an asset pool or as part of any asset-backed or mortgage-backed securities transaction is relied on in determining credit ratings;
- the quantitative and qualitative models and metrics used to determine credit ratings, including whether and, if so, how assessments of the quality of originators of assets underlying or referenced by a security issued by an asset pool or as part of any asset-backed or mortgage-backed securities transaction factor into the determination of credit ratings;
- the methodologies by which credit ratings of other credit rating agencies are treated to determine credit ratings for securities issued by an asset pool or as part of any asset-backed or mortgaged-backed securities transaction;
- the procedures for interacting with the management of a rated obligor or issuer of rated securities;
- the structure and voting process of committees that review or approve credit ratings;
- procedures for informing rated obligors or issuers of rated securities about credit rating decisions and for appeals of final or pending credit rating decisions; and
- procedures for monitoring, reviewing, and updating credit ratings, including how frequently credit ratings are reviewed, whether different models or criteria are used for ratings surveillance than for determining initial ratings, whether changes made to models and criteria for determining initial ratings are applied retroactively to existing ratings, and whether changes made to models and criteria for performing ratings surveillance are incorporated into the models and criteria for determining initial ratings; and procedures to withdraw, or suspend the maintenance of, a credit rating.

An applicant may provide the location on its website where additional information about the procedures and methodologies is located.

Item 6. Code of Conduct

Unless previously provided, attach a copy of the applicant's code of conduct.

Item 7. Policies and Procedures re Non-public Information

Unless previously provided, attach a copy of the most recent written policies and procedures established, maintained, and enforced by the applicant to prevent the misuse of material non-public information.

Item 8. Policies and Procedures re Conflicts of Interest

Unless previously provided, attach a copy of the most recent written policies and procedures established with respect to conflicts of interest.

Item 9. Policies and Procedures re Internal Controls

Describe the applicant's internal control mechanisms designed to ensure quality of its credit rating activities.

Item 10. Policies and Procedures re Books and Records

Describe the applicant's policies and procedures regarding record-keeping.

Item 11. Ratings Employees

Disclose the following information about the applicant's ratings employees and the persons who supervise the ratings employees:

- The total number of ratings employees;
- The total number of ratings employees supervisors;
- A general description of the minimum qualifications required of the ratings employees, including education level and work experience (if applicable, distinguish between junior, mid, and senior level ratings employees); and
- A general description of the minimum qualifications required of the ratings employees supervisors, including education level and work experience.

Item 12. Compliance Officer

Disclose the following information about the compliance officer of the applicant:

- Name;
- Employment history;
- Post secondary education; and
- Whether employed by the applicant full-time or part-time.

Item 13. Specified Revenue

Disclose information, as applicable, regarding the applicant's aggregate revenue for the most recently completed financial year:

- Revenue from determining and maintaining credit ratings;
- Revenue from subscribers;
- Revenue from granting licenses or rights to publish credit ratings; and
- Revenue from all other services and products offered by the credit rating organization (include descriptions of any major sources of revenue).

Include financial information on the revenue of the applicant divided into fees from credit rating and non-credit rating activities, including a comprehensive description of each.

This information is not required to be audited.

Item 14. Credit Rating Users

(a) Disclose a list of the largest users of credit rating services of the applicant by the amount of net revenue earned by the applicant attributable to the user during the most recently completed financial year. First, determine and list the 20 largest issuers and subscribers in terms of net revenue. Next, add to the list any obligor or underwriter that, in terms of net revenue during the financial year, equalled or exceeded the 20th largest issuer or subscriber. In making the list, rank the users in terms of net revenue from largest to smallest and include the net revenue amount for each person. For purposes of this Item:

- **'net revenue'** means revenue earned by the applicant for any type of service or product provided to the person or company, regardless of whether related to credit rating services, and net of any rebates and allowances the applicant paid or owes to the person or company; and
- **'credit rating services'** means any of the following: rating an issuer's securities (regardless of whether the issuer, underwriter, or any other person or company paid for the credit rating) and providing credit ratings, credit ratings data, or credit ratings analysis to a subscriber.

(b) Disclose a list of users of credit rating services whose contribution to the growth rate in the generation of revenue of the applicant in the previous fiscal year exceeded the growth rate in the applicant's total revenue in that year by a factor of more than 1.5 times. A user must be disclosed only if, in that year, the user accounted for more than 0.25% of the applicant's worldwide total revenue.

Item 15. Financial Statements

Attach a copy of the audited financial statements of the applicant, which must include a statement of financial position, a statement of comprehensive income, and a statement of changes in equity, for each of the three most recently completed financial years. If the applicant is a division, unit, or subsidiary of a parent company, the applicant may provide audited consolidated financial statements of its parent company.

Item 16. Verification Certificate

Include a certificate of the applicant in the following form:

The undersigned has executed this Form 25-101F1 on behalf of, and on the authority of, [the Applicant]. The undersigned, on behalf of the [Applicant], represents that the information and statements contained in this Form, including appendices and attachments, all of which are part of this Form, are true and correct.

(Date)

(Name of the Applicant/Designated Rating Organization)

By: _____
(Print Name and Title)

(Signature)

“FORM 25-101F2***Submission to Jurisdiction and Appointment of Agent for Service of Process***

1. Name of credit rating organization (the **CRO**):
2. Jurisdiction of incorporation, or equivalent, of CRO:
3. Address of principal place of business of CRO:
4. Name of agent for service of process (the **Agent**):
5. Address for service of process of Agent in Canada (the address may be anywhere in Canada):
6. The CRO designates and appoints the Agent at the address of the Agent stated in Item 5 as its agent upon whom may be served any notice, pleading, subpoena, summons or other process in any action, investigation or administrative, criminal, quasi-criminal, penal or other proceeding (the **Proceeding**) arising out of, relating to or concerning the issuance and maintenance of credit ratings or the obligations of the CRO as a designated rating organization, and irrevocably waives any right to raise as a defence in any such Proceeding any alleged lack of jurisdiction to bring such Proceeding.
7. The CRO irrevocably and unconditionally submits to the non-exclusive jurisdiction of:
 - (a) the judicial, quasi-judicial and administrative tribunals of each of the provinces [and territories] of Canada in which it is a designated rating organization; and
 - (b) any administrative proceeding in any such province [or territory];
 in any Proceeding arising out of or related to or concerning the issuance or maintenance of credit ratings or the obligations of the CRO as a designated rating organization.
8. This submission to jurisdiction and appointment of agent for service of process is governed by and construed in accordance with the laws of [insert province or territory of above address of Agent].

Signature of Credit Rating Organization

Date

Print name and title of signing officer of Credit Rating Organization

AGENT

The undersigned accepts the appointment as agent for service of process of [insert name of CRO] under the terms and conditions of the appointment of agent for service of process set out in this document.

Signature of Agent

Date

Print name of person signing and, if Agent is not an individual, the title of the person

”.

Coming into force

8 These regulations come into force on the day on which they are filed with the Registrar of Regulations.

SASKATCHEWAN REGULATIONS 61/2012*The Securities Act, 1988*

Section 154

Commission Order, dated June 7, 2012

(Filed September 7, 2012)

Title

1 These regulations may be cited as *The Securities Commission (Adoption of National Instruments) Amendment Regulations, 2012 (No. 5)*.

R.R.S. c.S-42.2 Reg 3 amended

2 *The Securities Commission (Adoption of National Instruments) Regulations* are amended in the manner set forth in these regulations.

Part XXII of Appendix amended

3(1) Part XXII of the Appendix is amended in the manner set forth in this section.

(2) Section 1.1 is amended:**(a) by adding the following definitions in alphabetical order:**

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

“**‘private enterprise’** means a private enterprise as defined in Part 3 of National Instrument 52-107 *Acceptable Accounting Principles and Auditing Standards*;

“**‘publicly accountable enterprise’** means a publicly accountable enterprise as defined in Part 3 of National Instrument 52-107 *Acceptable Accounting Principles and Auditing Standards*”;

(b) by repealing the definition of “alternative trading system” and substituting the following:

“**‘alternative trading system’**:

- (a) in every jurisdiction other than Ontario, means a marketplace that:
 - (i) is not a recognized quotation and trade reporting system or a recognized exchange; and
 - (ii) does not:
 - (A) require an issuer to enter into an agreement to have its securities traded on the marketplace;
 - (B) provide, directly, or through one or more subscribers, a guarantee of a two-sided market for a security on a continuous or reasonably continuous basis;
 - (C) set requirements governing the conduct of subscribers, other than conduct in respect of the trading by those subscribers on the marketplace; and
 - (D) discipline subscribers other than by exclusion from participation in the marketplace; and
- (b) in Ontario has the meaning set out in subsection 1(1) of the *Securities Act (Ontario)*”;

(c) in the definition of “government debt security”:

(i) in clause (b) by adding “or municipal body” after “municipal corporation”; and

(ii) by repealing clause (c) and substituting the following:

“(c) a debt security issued or guaranteed by a Crown corporation or public body”;

(d) by repealing the definition of “marketplace” and substituting the following:

“‘marketplace’:

(a) in every jurisdiction other than Ontario, means:

(i) an exchange;

(ii) a quotation and trade reporting system;

(iii) a person or company not included in clause (i) or (ii) that:

(A) constitutes, maintains or provides a market or facility for bringing together buyers and sellers of securities;

(B) brings together the orders for securities of multiple buyers and sellers; and

(C) uses established, non-discretionary methods under which the orders interact with each other, and the buyers and sellers entering the orders agree to the terms of a trade; or

(iv) a dealer that executes a trade of an exchange-traded security outside of a marketplace, but does not include an inter-dealer bond broker; and

(b) in Ontario has the meaning set out in subsection 1(1) of the *Securities Act* (Ontario)”;

(e) in the definition of “recognized exchange” by repealing clause (a) and substituting the following:

“(a) in Ontario, a recognized exchange as defined in subsection 1(1) of the *Securities Act* (Ontario)”;

(f) by repealing the definition of “recognized quotation and trade reporting system” and substituting the following:

“‘recognized quotation and trade reporting system’ means:

(a) in every jurisdiction other than British Columbia, Ontario and Québec, a quotation and trade reporting system recognized by the securities regulatory authority under securities legislation to carry on business as a quotation and trade reporting system;

(b) in British Columbia, a quotation and trade reporting system recognized by the securities regulatory authority under securities legislation as a quotation and trade reporting system or as an exchange;

(b.1) in Ontario, a recognized quotation and trade reporting system as defined in subsection 1(1) of the *Securities Act* (Ontario); and

(c) in Québec, a quotation and trade reporting system recognized by the securities regulatory authority under securities or derivatives legislation as an exchange or a self-regulatory organization”.

(3) The following section is added after section 1.4:

“1.5 Interpretation - NI 23-101 - Terms defined or interpreted in NI 23-101 and used in this Instrument have the respective meanings ascribed to them in NI 23-101”.

(4) Part 3 is repealed and the following substituted:

“PART 3 MARKETPLACE INFORMATION

“3.1 Initial Filing of Information

(1) A person or company must file as part of its application for recognition as an exchange or a quotation and trade reporting system Form 21-101F1.

(2) A person or company must not carry on business as an ATS unless it has filed Form 21-101F2 at least 45 days before the ATS begins to carry on business as an ATS.

“3.2 Change in Information

(1) Subject to subsection (2), a marketplace must not implement a significant change to a matter set out in Form 21-101F1 or in Form 21-101F2 unless the marketplace has filed an amendment to the information provided in Form 21-101F1 or in Form 21-101F2 in the manner set out in the Form at least 45 days before implementing the change.

(2) A marketplace must file an amendment to the information provided in Exhibit L - Fees of Form 21-101F1 or Exhibit L - Fees of Form 21-101F2, as applicable, at least seven business days before implementing a change to the information provided in Exhibit L - Fees.

(3) For any change involving a matter set out in Form 21-101 F1 or Form 21-101F2 other than a change referred to in subsection (1) or (2), a marketplace must file an amendment to the information provided in the Form by the earlier of:

(a) the close of business on the 10th day after the end of the month in which the change was made; and

(b) if applicable, the time the marketplace discloses the change publicly.

“3.3 Reporting Requirements

A marketplace must file Form 21-101F3 within 30 days after the end of each calendar quarter during any part of which the marketplace has carried on business.

“3.4 Ceasing to Carry on Business as an ATS

(1) An ATS that intends to cease carrying on business as an ATS must file a report on Form 21-101F4 at least 30 days before ceasing to carry on that business.

(2) An ATS that involuntarily ceases to carry on business as an ATS must file a report on Form 21-101F4 as soon as practicable after it ceases to carry on that business.

“3.5 Forms Filed in Electronic Form

A person or company that is required to file a form or exhibit under this Instrument must file that form or exhibit in electronic form”.

(5) Part 4 is repealed and the following substituted:**“PART 4 MARKETPLACE FILING OF AUDITED FINANCIAL STATEMENTS****“4.1 Filing of Initial Audited Financial Statements**

(1) A person or company must file as part of its application for recognition as an exchange or a quotation and trade reporting system, together with Form 21-101F1, audited financial statements for its latest financial year that:

- (a) are prepared in accordance with Canadian GAAP applicable to publicly accountable enterprises or IFRS;
- (b) include notes to the financial statements that identify the accounting principles used to prepare the financial statements; and
- (c) are audited in accordance with Canadian GAAS or International Standards on Auditing and are accompanied by an auditor’s report.

(2) A person or company must not carry on business as an ATS unless it has filed, together with Form 21-101F2, audited financial statements for its latest financial year.

“4.2 Filing of Annual Audited Financial Statements

(1) A recognized exchange and a recognized quotation and trade reporting system must file annual audited financial statements within 90 days after the end of its financial year in accordance with the requirements outlined in subsection 4.1(1).

(2) An ATS must file annual audited financial statements”.

(6) The portion of Part 5 preceding section 5.2 is repealed and the following substituted:**“PART 5 MARKETPLACE REQUIREMENTS****“5.1 Access Requirements**

(1) A marketplace must not unreasonably prohibit, condition or limit access by a person or company to services offered by it.

(2) A marketplace must:

- (a) establish written standards for granting access to each of its services; and
- (b) keep records of:
 - (i) each grant of access including the reasons for granting access to an applicant; and
 - (ii) each denial or limitation of access, including the reasons for denying or limiting access to an applicant.

- (3) A marketplace must not:
- (a) permit unreasonable discrimination among clients, issuers and marketplace participants; or
 - (b) impose any burden on competition that is not reasonably necessary and appropriate”.

(7) Section 5.2 is amended:

(a) by striking out “recognized exchange or recognized quotation and trade reporting system” **and substituting** “marketplace”; **and**

(b) by striking out “member or user” **and substituting** “marketplace participant”.

(8) Section 5.6 is repealed.

(9) The following sections are added before Part 6:

“5.7 Fair and Orderly Markets

A marketplace must take all reasonable steps to ensure that its operations do not interfere with fair and orderly markets.

“5.8 Discriminatory Terms

A marketplace must not impose terms that have the effect of discriminating between orders that are routed to the marketplace and orders that are entered on that marketplace for execution.

“5.9 Risk Disclosure for Trades in Foreign Exchange-Traded Securities

- (1) A marketplace that is trading foreign exchange-traded securities must provide each marketplace participant with disclosure in substantially the following words:

‘The securities traded by or through the marketplace are not listed on an exchange in Canada and may not be securities of a reporting issuer in Canada. As a result, there is no assurance that information concerning the issuer is available or, if the information is available, that it meets Canadian disclosure requirements.’

- (2) Before the first order for a foreign exchange-traded security is entered onto the marketplace by a marketplace participant, the marketplace must obtain an acknowledgement from the marketplace participant that the marketplace participant has received the disclosure required in subsection (1).

“5.10 Confidential Treatment of Trading Information

- (1) A marketplace must not release a marketplace participant’s order or trade information to a person or company other than the marketplace participant, a securities regulatory authority or a regulation services provider unless:

(a) the marketplace participant has consented in writing to the release of the information;

- (b) the release of the information is required by this Instrument or under applicable law; or
 - (c) the information has been publicly disclosed by another person or company, and the disclosure was lawful.
- (2) A marketplace must not carry on business unless it has implemented reasonable safeguards and procedures to protect a marketplace participant's order or trade information, including:
- (a) limiting access to order or trade information of marketplace participants to:
 - (i) employees of the marketplace; or
 - (ii) persons or companies retained by the marketplace to operate the system or to be responsible for compliance by the marketplace with securities legislation; and
 - (b) implementing standards controlling trading by employees of the marketplace for their own accounts.
- (3) A marketplace must not carry on business as a marketplace unless it has implemented adequate oversight procedures to ensure that the safeguards and procedures established under subsection (2) are followed.

“5.11 Management of Conflicts of Interest

A marketplace must establish, maintain and ensure compliance with policies and procedures that identify and manage any conflicts of interest arising from the operation of the marketplace or the services it provides.

“5.12 Outsourcing

If a marketplace outsources any of its key services or systems to a service provider, which includes affiliates or associates of the marketplace, the marketplace must:

- (a) establish and maintain policies and procedures for the selection of service providers to which key services and systems may be outsourced and for the evaluation and approval of such outsourcing arrangements;
- (b) identify any conflicts of interest between the marketplace and the service provider to which key services and systems are outsourced, and establish and maintain policies and procedures to mitigate and manage such conflicts of interest;
- (c) enter into a contract with the service provider to which key services and systems are outsourced that is appropriate for the materiality and nature of the outsourced activities and that provides for adequate termination procedures;
- (d) maintain access to the books and records of the service providers relating to the outsourced activities;
- (e) ensure that the securities regulatory authorities have access to all data, information and systems maintained by the service provider on behalf of the marketplace, for the purposes of determining the marketplace's compliance with securities legislation;

- (f) take appropriate measures to determine that service providers to which key services or systems are outsourced establish, maintain and periodically test an appropriate business continuity plan, including a disaster recovery plan;
- (g) take appropriate measures to ensure that the service providers protect the marketplace participants' proprietary, order, trade or any other confidential information; and
- (h) establish processes and procedures to regularly review the performance of the service provider under any such outsourcing arrangement”.

(10) Sections 6.4 to 6.6 are repealed.

(11) Section 6.7 is repealed and the following substituted:

“6.7 Notification of Threshold

- (1) An ATS must notify the securities regulatory authority in writing if:
 - (a) during at least two of the preceding three months of operation, the total dollar value of the trading volume on the ATS for a month in any type of security is equal to or greater than 10 percent of the total dollar value of the trading volume for the month in that type of security on all marketplaces in Canada;
 - (b) during at least two of the preceding three months of operation, the total trading volume on the ATS for a month in any type of security is equal to or greater than 10 percent of the total trading volume for the month in that type of security on all marketplaces in Canada; or
 - (c) during at least two of the preceding three months of operation, the number of trades on the ATS for a month in any type of security is equal to or greater than 10 percent of the number of trades for the month in that type of security on all marketplaces in Canada.
- (2) An ATS must provide the notice referred to in subsection (1) within 30 days after the threshold referred to in subsection (1) is met or exceeded”.

(12) Section 6.8 is repealed.

(13) Section 6.10 is repealed.

(14) Sections 6.12 and 6.13 are repealed.

(15) Section 7.1 is amended:

- (a) in subsection (1) by striking out “displayed on” and substituting “displayed by”; and**
- (b) in subsection (2) by striking out “of the marketplace” and substituting “of the marketplace and if the orders posted on the marketplace meet the size threshold set by a regulation services provider”.**

(16) Section 7.3 is amended:

(a) in subsection (1) by striking out “displayed on” and substituting “displayed by”; and

(b) in subsection (2) by striking out “of the market place” and substituting “of the marketplace and if the orders posted on the marketplace meet the size threshold set by a regulation services provider”.

(17) Section 7.6 is amended by striking out “A marketplace” and substituting “A marketplace that is subject to this Part”.

(18) Subsection 8.1(1) is amended by striking out “displayed on” and substituting “displayed by”.

(19) Subsection 8.2(1) is amended by striking out “displayed on” and substituting “displayed by”.

(20) Section 8.5 is repealed.

(21) Section 8.6 is amended by striking out “2012” and substituting “2015”.

(22) The portion of Part 10 preceding section 10.3 is repealed and the following substituted:

“PART 10 TRANSPARENCY OF MARKETPLACE OPERATIONS

“10.1 Disclosure by Marketplaces

A marketplace must publicly disclose on its website information reasonably necessary to enable a person or company to understand the marketplace’s operations or services it provides, including but not limited to information related to:

(a) all fees, including any listing, trading, data, co-location and routing fees charged by the marketplace, an affiliate or by a party to which services have directly or indirectly been outsourced or which directly or indirectly provides those services;

(b) how orders are entered, interact and execute;

(c) all order types;

(d) access requirements;

(e) the policies and procedures that identify and manage any conflicts of interest arising from the operation of the marketplace or the services it provides;

(f) any referral arrangements between the marketplace and service providers;

(g) where routing is offered, how routing decisions are made; and

(h) when indications of interest are disseminated, the information disseminated and the types of recipients of such indications of interest”.

(23) Section 10.3 is repealed.

(24) Section 11.2 is amended:

(a) by repealing clause (1)(c) and substituting the following:

“(c) a record of each order which must include:

- (i) the order identifier assigned to the order by the marketplace;
- (ii) the marketplace participant identifier assigned to the marketplace participant transmitting the order;
- (iii) the identifier assigned to the marketplace where the order is received or originated;
- (iv) each unique client identifier assigned to a client accessing the marketplace using direct electronic access;
- (v) the type, issuer, class, series and symbol of the security;
- (vi) the number of securities to which the order applies;
- (vii) the strike date and strike price, if applicable;
- (viii) whether the order is a buy or sell order;
- (ix) whether the order is a short sale order, if applicable;
- (x) whether the order is a market order, limit order or other type of order, and if the order is not a market order, the price at which the order is to trade;
- (xi) the date and time the order is first originated or received by the marketplace;
- (xii) whether the account is a retail, wholesale, employee, proprietary or any other type of account;
- (xiii) the date and time the order expires;
- (xiv) whether the order is an intentional cross;
- (xv) whether the order is a jitney and if so, the identifier of the underlying broker;
- (xvi) the currency of the order;
- (xvii) whether the order is routed to another marketplace for execution, and the date, time and name of the marketplace to which the order was routed; and
- (xviii) whether the order is a directed-action order, and whether the marketplace marked the order as a directed-action order or received the order marked as a directed-action order; and”;

(b) by striking out “and” after subclause (1)(d)(viii)”; and

(c) by repealing subclause (1)(d)(ix) and substituting the following:

“(ix) the marketplace trading fee for each trade; and

“(x) each unique client identifier assigned to a client accessing the marketplace using direct electronic access”.

(25) Section 11.3 is amended:

- (a) in clause (1)(b) by striking out “or 6.13”;**
- (b) in clause (1)(c) by striking out “section 12.1” and substituting “sections 12.1 and 12.4”;**
- (c) in clause (1)(e) by striking out “6.10(2)” and substituting “5.9(2)”;**
- (d) by striking out “and” after clause (2)(c); and**
- (e) by repealing clauses (2)(b) to (d) and substituting the following:**

“(b) copies of all forms filed under Part 3; and

“(c) in the case of an ATS, copies of all notices given under section 6.7”.

(26) Section 11.4 is repealed.

(27) Subsection 11.5(2) is amended by striking out “with the clock used by a regulation services provider monitoring the activities of marketplaces, inter-dealer bond brokers or dealers trading those securities”.

(28) The heading to Part 12 is struck out and the following substituted:

“PART 12 MARKETPLACE SYSTEMS AND BUSINESS CONTINUITY PLANNING”.

(29) Section 12.1 is amended:

- (a) by repealing clause (a) and substituting the following:**

“(a) develop and maintain:

- (i) an adequate system of internal control over those systems; and
- (ii) adequate information technology general controls, including without limitation, controls relating to information systems operations, information security, change management, problem management, network support and system software support”; **and**

- (b) by repealing clause (b) and substituting the following:**

“(b) in accordance with prudent business practice, on a reasonably frequent basis and, in any event, at least annually:

- (i) make reasonable current and future capacity estimates;
- (ii) conduct capacity stress tests to determine the ability of those systems to process transactions in an accurate, timely and efficient manner”.

(30) Subsection 12.2(1) is amended by striking out “paragraph 12.1(a)” and substituting “paragraph 12.1(a) and section 12.4”.

(31) Subsection 12.3(4) is amended by striking out “Subsections” and substituting “Paragraphs”.

(32) The following section is added after section 12.3:

“12.4 Business Continuity Planning

- (1) A marketplace must develop and maintain reasonable business continuity plans, including disaster recovery plans.
- (2) A marketplace must test its business continuity plans, including disaster recovery plans, on a reasonably frequent basis and, in any event, at least annually”.

(33) Subsection 13.1(1) is amended:

- (a) by striking out “through an ATS” and substituting “on a marketplace”; and**
- (b) by striking out “reported” and substituting “reported to”.**

(34) Subsection 14.1(2) is repealed.**(35) The following subsections are added after subsection 14.4(5):**

- “(6) An information processor must file annual audited financial statements within 90 days after the end of its financial year that:
- (a) are prepared in accordance with Canadian GAAP applicable to publicly accountable enterprises, Canadian GAAP applicable to private enterprises or IFRS;
 - (b) include notes to the financial statements that identify the accounting principles used to prepare the financial statements; and
 - (c) are audited in accordance with Canadian GAAS or International Standards on Auditing and are accompanied by an auditor’s report.
- “(7) An information processor must file its financial budget within 30 days after the start of a financial year.
- “(8) An information processor must file, within 30 days after the end of each calendar quarter, the process and criteria for the selection of government debt securities, as applicable, and designated corporate debt securities and the list of government debt securities, as applicable, and designated corporate debt securities.
- “(9) An information processor must file, within 30 days after the end of each calendar year, the process to communicate the designated securities to the marketplaces, inter-dealer bond brokers and dealers providing the information required by the Instrument, including where the list of designated securities can be found”.

(36) Section 14.5 is amended:

- (a) by repealing clause (a) and substituting the following:**

- “(a) develop and maintain:
- (i) an adequate system of internal controls over its critical systems; and
 - (ii) adequate information technology general controls, including, without limitation, controls relating to information systems operations, information security, change management, problem management, network support, and system software support”;

- (b) by adding “and” after subclause (b)(i);
- (c) by striking out “and” after subclause (b)(ii); and
- (d) by repealing subclause (b)(iii).

(37) The following sections are added after section 14.5:

“14.6 Business Continuity Planning

- (1) An information processor must develop and maintain reasonable business continuity plans, including disaster recovery plans.
- (2) An information processor must test its business continuity plans, including disaster recovery plans, on a reasonably frequent basis and, in any event, at least annually.

“14.7 Confidential Treatment of Trading Information

An information processor must not release order and trade information to a person or company other than the marketplace, inter-dealer bond broker or dealer that provided this information in accordance with this Instrument, or other than a securities regulatory authority, unless:

- (a) the release of that information is required by this Instrument or under applicable law; or
- (b) the information processor received prior approval from the securities regulatory authority.

“14.8 Transparency of Operations of an Information Processor

An information processor must publicly disclose on its website information reasonably necessary to enable a person or company to understand the information processor’s operations or services it provides including, but not limited to:

- (a) all fees charged by the information processor for the consolidated data;
- (b) a description of the process and criteria for the selection of government debt securities, as applicable, and designated corporate debt securities and the list of government debt securities, as applicable, and designated corporate debt securities;
- (c) access requirements; and
- (d) the policies and procedures to manage conflicts of interest that may arise in the operation of the information processor”.

(38) Form 21-101F1 is repealed and the following substituting:

**“FORM 21-101F1
“INFORMATION STATEMENT
EXCHANGE OR QUOTATION AND TRADE REPORTING SYSTEM**

Filer: **EXCHANGE** **QUOTATION AND TRADE
REPORTING SYSTEM**

Type of Filing: **INITIAL** **AMENDMENT**

1. Full name of exchange or quotation and trade reporting system:
2. Name(s) under which business is conducted, or name of market or facility, if different from item 1:
3. If this filing makes a name change on behalf of the exchange or quotation and trade reporting system in respect of the name set out in item 1 or item 2, enter the previous name and the new name:

Previous name:

New name:

4. Head office

Address:

Telephone:

Facsimile:

5. Mailing address (if different):

6. Other offices

Address:

Telephone:

Facsimile:

7. Website address:

8. Contact employee

Name and title:

Telephone number:

Facsimile:

E-mail address:

9. Counsel

Firm name:

Contact name:

Telephone number:

Facsimile:

E-mail address:

10. Market Regulation is being conducted by:

- the exchange
- the quotation and trade reporting system
- regulation services provider other than the filer (see Exhibit M)

EXHIBITS

File all Exhibits with the Filing. For each Exhibit, include the name of the exchange or quotation and trade reporting system, the date of filing of the Exhibit and the date as of which the information is accurate (if different from the date of the filing). If any Exhibit required is inapplicable, a statement to that effect shall be furnished instead of such Exhibit.

Except as provided below, if the filer, recognized exchange or recognized quotation and trade reporting system files an amendment to the information provided in its Filing and the information relates to an Exhibit filed with the Filing or a subsequent amendment, the filer, recognized exchange or recognized quotation and trade reporting system, must, in order to comply with subsections 3.2(1), 3.2(2) or 3.2(3) of National Instrument 21-101, provide a description of the change, the expected date of the implementation of the change, and file a complete and updated Exhibit. The filer must provide a clean and a blacklined version showing changes from the previous filing.

If the filer, recognized exchange or recognized quotation and trade reporting system has otherwise filed the information required by the previous paragraph pursuant to section 5.5 of National Instrument 21-101, it is not required to file the information again as an amendment to an Exhibit. However, if supplementary material relating to a filed rule is contained in an Exhibit, an amendment to the Exhibit must also be filed.

Exhibit A - Corporate Governance

1. Legal status:

- Corporation
- Partnership
- Sole Proprietorship
- Other (specify):

2. Except where the exchange or quotation and trade reporting system is a sole proprietorship, indicate the following:

1. Date (DD/MM/YYYY) of formation.
2. Place of formation.
3. Statute under which exchange or quotation and trade reporting system was organized.

3. Provide a copy of the constating documents (including corporate by-laws), shareholder agreements, partnership agreements and other similar documents, and all subsequent amendments.

4. Provide the policies and procedures to address potential conflicts of interest arising from the operation of the marketplace or the services it provides, including those related to the commercial interest of the marketplace, the interests of its owners and its operators, the responsibilities and sound functioning of the marketplace, and those between the operations of the marketplace and its regulatory responsibilities.

Exhibit B - Ownership

A list of the registered or beneficial holders of securities of, partnership interests in, or other ownership interests in, the exchange or recognized quotation and trade reporting system. For each of the persons listed in the Exhibit, please provide the following:

1. Name.
2. Principal business or occupation and title.
3. Ownership interest.
4. Nature of the ownership interest, including a description of the type of security, partnership interest or other ownership interest.
5. Whether the person has control (as interpreted in subsection 1.3(2) of National Instrument 21-101 *Marketplace Operation*).

In the case of an exchange or quotation and trade reporting system that is publicly traded, if the exchange or quotation and trade reporting system is a corporation, please only provide a list of each shareholder that directly owns five percent or more of a class of a voting security of the exchange or quotation and trade reporting system.

Exhibit C - Organization

1. A list of partners, officers, governors, and members of the board of directors and any standing committees of the board, or persons performing similar functions, who presently hold or have held their offices or positions during the previous year, indicating the following for each:
 1. Name.
 2. Principal business or occupation and title.
 3. Dates of commencement and expiry of present term of office or position.
 4. Type of business in which each is primarily engaged and current employer.
 5. Type of business in which each was primarily engaged in the preceding five years, if different from that set out in item 4.
 6. Whether the person is considered to be an independent director.
2. A list of the committees of the board, including their mandates.

Exhibit D - Affiliates

1. For each affiliated entity of the exchange or quotation and trade reporting system provide the name, head office address and describe the principal business of the affiliate.

2. For each affiliated entity of the exchange or quotation and trade reporting system:

(i) to which the exchange or quotation and trade reporting system has outsourced any of its key services or systems affecting the market or facility described in Exhibit E - Operations of the Marketplace, including order entry, trading, execution, routing and data; or

(ii) with which the exchange or quotation and trade reporting system has any other material business relationship, including loans, cross-guarantees, etc.;

provide the following information:

1. Name and address of the affiliate.
2. The name and title of the directors and officers, or persons performing similar functions, of the affiliate.
3. A description of the nature and extent of the contractual and other agreements with the exchange and quotation and trade reporting system, and the roles and responsibilities of the affiliate under the arrangement.
4. A copy of each material contract relating to any outsourced functions or other material relationship.
5. Copies of constating documents (including corporate by-laws), shareholder agreements, partnership agreements and other similar documents.
6. For the latest financial year of the affiliated entity, financial statements, which may be unaudited, prepared in accordance with:
 - a. Canadian GAAP applicable to publicly accountable enterprises; or
 - b. Canadian GAAP applicable to private enterprises; or
 - c. IFRS.

Where the affiliated entity is incorporated or organized under the laws of a foreign jurisdiction, such financial statements may also be prepared in accordance with:

- a. U.S. GAAP; or
- b. accounting principles of a designated foreign jurisdiction as defined under National Instrument 52-107 *Acceptable Accounting Principles and Auditing Standards*.

Exhibit E - Operations of the Marketplace

Describe in detail the manner of operation of the market or facility and its associated functions. This should include, but not be limited to, a description of the following:

1. The structure of the market (e.g., call market, auction market, dealer market).
2. Means of access to the market or facility and services, including a description of any co-location arrangements.
3. The hours of operation.
4. A description of the services offered by the marketplace including, but not limited to, order entry, co-location, trading, execution, routing and data.

5. A list of the types of orders offered, including, but not limited to, a description of the features and characteristics of orders.
6. Procedures regarding the entry, display and execution of orders. If indications of interest are used, please describe the information they include and list the types of recipients.
7. Description of how orders interact, including, but not limited to, the priority of execution for all order types.
8. Description of order routing procedures.
9. Description of order and trade reporting procedures.
10. Description of procedures for clearance and settlement of transactions.
11. The safeguards and procedures of the marketplace to protect trading information of marketplace participants.
12. Training provided to participants and a copy of any materials provided with respect to systems of the marketplace, the requirements of the marketplace and the rules of the regulation services providers, if applicable.
13. Steps taken to ensure that marketplace participants have knowledge of and comply with the requirements of the marketplace.

The filer must provide all policies, procedures and trading manuals related to the operation of the marketplace and, if applicable, the order router.

Exhibit F - Outsourcing

Where the exchange or quotation and trade reporting system has outsourced the operation of key services or systems affecting the market or facility described in Exhibit E -Operations of the Marketplace to an arms-length third party, including any function associated with the routing, trading, execution, data, clearing and settlement and, if applicable, surveillance, provide the following information:

1. Name and address of person or company to which the function has been outsourced.
2. A description of the nature and extent of the contractual or other agreement with the exchange or quotation and trade reporting system and the roles and responsibilities of the arms-length party under the arrangement.
3. A copy of each material contract relating to any outsourced function.

Exhibit G - Systems and Contingency Planning

For each of the systems that support order entry, order routing, execution, trade reporting, trade comparison, data feed, market surveillance, and trade clearing, describe:

1. Current and future capacity estimates.
2. Procedures for reviewing system capacity.
3. Procedures for reviewing system security.
4. Procedures to conduct stress tests.
5. A description of the filer's business continuity and disaster recovery plans, including any relevant documentation.
6. Procedures to test business continuity and disaster recovery plans.

Exhibit H - Custody of Assets

1. If the exchange or quotation and trade reporting system proposes to hold funds or securities of a marketplace participant on a regular basis, a description of the controls that will be implemented to ensure the safety of the funds or securities.
2. If any other person or company, other than the exchange or quotation and trade reporting system, will hold or safeguard funds or securities of a marketplace participant on a regular basis, provide the name of the person or company and a description of the controls that will be implemented to ensure the safety of the funds or securities.

Exhibit I - Securities

1. List the types of securities listed on the exchange or quoted on the quotation and trade reporting system. If this is an initial filing, list the types of securities the Filer expects to list or quote.
2. List the types of any other securities that are traded on the marketplace or quoted on the quotation and trade reporting system, indicating the exchange(s) on which such securities are listed. If this is an initial filing, list the types of securities the Filer expects to trade.

Exhibit J - Access to Services

1. A complete set of all forms, agreements or other materials pertaining to access to the services of the marketplace described in Exhibit E.4, including trading on the exchange or quotation and trade reporting system.
2. Describe the classes of marketplace participants.
3. Describe the exchange or quotation and trade reporting service's criteria for access to the services of the marketplace.
4. Describe any differences in access to the services offered by the marketplace to different groups or classes of marketplace participants.
5. Describe conditions under which marketplace participants may be subject to suspension or termination with regard to access to the services of the exchange or quotation and trade reporting system.
6. Describe any procedures that will be involved in the suspension or termination of a marketplace participant.
7. Describe the exchange or quotation and trade reporting system's arrangements for permitting clients of marketplace participants to have access to the marketplace. Provide a copy of any agreements or documentation relating to these arrangements.

Exhibit K - Marketplace Participants

Provide an alphabetical list of all marketplace participants, including the following information:

1. Name.
2. Date of becoming a marketplace participant.
3. Describe the type of trading activities engaged in by the marketplace participant (e.g., agency trading, proprietary trading, registered trading, market making).

4. The class of participation or other access.
5. Provide a list of all persons or entities that were denied or limited access to the marketplace, indicating for each:
 - (i) whether they were denied or limited access;
 - (ii) the date the marketplace took such action;
 - (iii) the effective date of such action; and
 - (iv) the nature and reason for any denial or limitation of access.

Exhibit L - Fees

A description of the fee model and all fees charged by the marketplace, or by a party to which services have been directly or indirectly outsourced, including, but not limited to, fees relating to connecting to the market or facility, access, data, regulation (if applicable), trading, routing, and co-location, how such fees are set, and any fee rebates or discounts and how the rebates and discounts are set.

Exhibit M - Regulation

Market Regulation is being conducted by:

- the exchange or QTRS
- 1. Provide a description of the regulation performed by the exchange or QTRS, including the structure of the department performing regulation, how the department is funded, policies and procedures in place to ensure confidentiality and the management of conflicts of interest, and policies and procedures relating to conducting an investigation.
- 2. If more than one entity is performing regulation services for a type of security and the filer is conducting market regulation for itself and its members, provide the contract between the filer and the regulation services provider providing for co-ordinated monitoring and enforcement under section 7.5 of National Instrument 23-101 *Trading Rules*.
- a regulation services provider other than the filer (provide a copy of the contract between the filer and the regulation services provider.)

Exhibit N - Acknowledgement

The form of acknowledgement required by subsection 5.9(2) of National Instrument 21-101.

**CERTIFICATE OF EXCHANGE OR QUOTATION AND
TRADE REPORTING SYSTEM**

The undersigned certifies that the information given in this report is true and correct.

DATED at _____ this ____ day of _____, 20 _____

(Name of exchange or quotation and trade reporting system)

(Name of director, officer or partner - please type or print)

(Signature of director, officer or partner)

(Official capacity - please type or print)

”.

(39) Form 21-101F2 is repealed and the following substituting:

**“FORM 21-101F2
INITIAL OPERATION REPORT
ALTERNATIVE TRADING SYSTEM**

TYPE OF FILING:

INITIAL OPERATION REPORT **AMENDMENT**

Identification:

1. Full name of alternative trading system:
2. Name(s) under which business is conducted, if different from item 1:
3. If this filing makes a name change on behalf of the alternative trading system in respect of the name set out in Item 1 or Item 2, enter the previous name and the new name.

Previous name:

New name:

4. Head office

Address:

Telephone:

Facsimile:

5. Mailing address (if different):

6. Other offices

Address:

Telephone:

Facsimile:

7. Website address:

8. Contact employee
Name and title:
Telephone number:
Facsimile:
E-mail address:
9. Counsel
Firm name:
Contact name:
Telephone number:
Facsimile:
E-mail address:
10. The ATS is:
 a member of _____ (name of the recognized self-regulatory entity)
 a registered dealer
11. If this is an initial operation report, the date the alternative trading system expects to commence operation:
12. The ATS has contracted with [regulation services provider] to perform market regulation for the ATS and its subscribers.

EXHIBITS

File all Exhibits with the Initial Operation Report. For each Exhibit, include the name of the ATS, the date of filing of the Exhibit and the date as of which the information is accurate (if different from the date of the filing). If any Exhibit required is inapplicable, a statement to that effect shall be furnished instead of such Exhibit.

If the ATS files an amendment to the information provided in its Initial Operation Report and the information relates to an Exhibit filed with the Initial Operation Report or a subsequent amendment, the ATS must, in order to comply with subsection 3.2(1), 3.2(2) or 3.2(3) of National Instrument 21-101, provide a description of the change, the expected date of the implementation of the change, and file a complete and updated Exhibit. The ATS must provide a clean and blacklined version showing changes from the previous filing.

Exhibit A - Corporate Governance

1. Legal status:
 Corporation
 Partnership
 Sole Proprietorship
 Other (specify):

2. Except where the ATS is a sole proprietorship, indicate the following:
 1. Date (DD/MM/YYYY) of formation.
 2. Place of formation.
 3. Statute under which the ATS was organized.
 4. Provide a copy of the constating documents (including corporate by-laws), shareholder agreements, partnership agreements and other similar documents, and all subsequent amendments.
 5. Provide the policies and procedures to address conflicts of interest arising from the operation of the marketplace or the services it provides, including those related to the commercial interest of the marketplace, the interests of its owners and its operators, and the responsibilities and sound functioning of the marketplace.

Exhibit B - Ownership

A list of the registered or beneficial holders of securities of, partnership interests in, or other ownership interests in, the ATS. For each of the persons listed in the Exhibit, please provide the following:

1. Name.
2. Principal business or occupation and title.
3. Ownership interest.
4. Nature of the ownership interest, including a description of the type of security, partnership interest or other ownership interest.
5. Whether the person has control (as interpreted in subsection 1.3(2) of National Instrument 21-101 *Marketplace Operation*).

In the case of an ATS that is publicly traded, if the ATS is a corporation, please only provide a list of each shareholder that directly owns five percent or more of a class of a voting security of the ATS.

Exhibit C - Organization

1. A list of partners, officers, governors, and members of the board of directors and any standing committees of the board, or persons performing similar functions, who presently hold or have held their offices or positions during the previous year, indicating the following for each:
 1. Name.
 2. Principal business or occupation and title.
 3. Dates of commencement and expiry of present term of office or position.
 4. Type of business in which each is primarily engaged and current employer.
 5. Type of business in which each was primarily engaged in the preceding five years, if different from that set out in item 4.
 6. Whether the person is considered to be an independent director.
2. A list of the committees of the board, including their mandates.

Exhibit D - Affiliates

1. For each affiliated entity of the ATS provide the name, head office address and describe the principal business of the affiliate.
2. For each affiliated entity of the ATS
 - (i) to which the ATS has outsourced any of its key services or systems affecting the market or facility described in Exhibit E - Operations of the Marketplace, including order entry, trading, execution, routing and data; or
 - (ii) with which the ATS has any other material business relationship, including loans, cross-guarantees, etc.

provide the following information:

1. Name and address of the affiliate.
2. The name and title of the directors and officers, or persons performing similar functions, of the affiliate.
3. A description of the nature and extent of the contractual and other agreements with the ATS and the roles and responsibilities of the affiliate under the arrangement.
4. A copy of each material contract relating to any outsourced functions or other material relationship.
5. Copies of constating documents (including corporate by-laws), shareholder agreements, partnership agreements and other similar documents.

Exhibit E - Operations of the Marketplace

Describe in detail the manner of operation of the market and its associated functions. This should include, but not be limited to, a description of the following:

1. The structure of the market (e.g., call market, auction market, dealer market).
2. Means of access to the market or facility and services, including a description of any co-location arrangements.
3. The hours of operation.
4. A description of the services offered by the marketplace including, but not limited to, order entry, co-location, trading, execution, routing and data.
5. A list of the types of orders offered, including, but not limited to, a description of the features and characteristics of orders.
6. Procedures regarding the entry, display and execution of orders. If indications of interest are used, please describe the information they include and list the types of recipients.
7. Description of how orders interact, including, but not limited to, the priority of execution for all order types.
8. Description of order routing procedures.
9. Description of order and trade reporting procedures.
10. Description of procedures for clearance and settlement of transactions.

11. The safeguards and procedures of the marketplace to protect trading information of marketplace participants.
12. Training provided to participants and a copy of any materials provided both with respect to systems of the marketplace, the requirements of the marketplace, and the rules of the regulation services providers, if applicable.
13. Steps taken to ensure that marketplace participants have knowledge of and comply with the requirements of the marketplace.

The filer must provide all policies, procedures and trading manuals related to the operation of the marketplace and, if applicable, the order router.

Exhibit F - Outsourcing

Where the ATS has outsourced the operation of key services or systems affecting the market or facility described in Exhibit E - Operations of the Marketplace to an arms-length third party, including any function associated with the routing, trading, execution, clearing and settlement, and co-location, provide the following information:

1. Name and address of person or company to which the function has been outsourced.
2. A description of the nature and extent of the contractual or other agreement with the ATS and the roles and responsibilities of the arms-length party under the arrangement.
3. A copy of each material contract relating to any outsourced function.

Exhibit G - Systems and Contingency Planning

For each of the systems that support order entry, order routing, execution, trade reporting, trade comparison, data feed, market surveillance, and trade clearing, describe:

1. Current and future capacity estimates.
2. Procedures for reviewing system capacity.
3. Procedures for reviewing system security.
4. Procedures to conduct stress tests.
5. A description of the filer's business continuity and disaster recovery plans, including any relevant documentation.
6. Procedures to test business continuity and disaster recovery plans.

Exhibit H - Custody of Assets

1. If the ATS proposes to hold funds or securities of a marketplace participant on a regular basis, a description of the controls that will be implemented to ensure the safety of the funds or securities.
2. If any other person or company, other than the ATS, will hold or safeguard funds or securities of a marketplace participant on a regular basis, provide the name of the person or company and a description of the controls that will be implemented to ensure the safety of the funds or securities.

Exhibit I - Securities

List the types of securities that are traded on the ATS, indicating the exchange(s) on which such securities are listed. If this is an initial filing, list the types of securities the ATS expects to trade.

Exhibit J - Access to Services

1. A complete set of all forms, agreements or other materials pertaining to access to the services of the marketplace described in Exhibit E.4, including trading on the ATS.
2. Describe the classes of marketplace participants (i.e. dealer, institution, or retail).
3. Describe the ATS's criteria for access to the services of the marketplace.
4. Describe any differences in access to the services offered by the marketplace to different groups or classes of marketplace participants.
5. Describe conditions under which marketplace participants may be subject to suspension or termination with regard to access to the services of the ATS.
6. Describe any procedures that will be involved in the suspension or termination of a marketplace participant.
7. Describe the ATS's arrangements for permitting clients of marketplace participants to have access to the marketplace. Provide a copy of any agreements or documentation relating to these arrangements.

Exhibit K - Marketplace Participants

Provide an alphabetical list of all marketplace participants, including the following information:

1. Name.
2. Date of becoming a marketplace participant.
3. Describe the type of trading activities primarily engaged in by the marketplace participant (e.g., agency trading, proprietary trading, registered trading, market making).
4. The class of participation or other access.
5. Provide a list of all persons or entities that were denied or limited access to the marketplace, indicating for each:
 - (i) whether they were denied or limited access;
 - (ii) the date the marketplace took such action;
 - (iii) the effective date of such action; and
 - (iv) the nature and reason for any denial or limitation of access.

Exhibit L - Fees

A description of the fee model and all fees charged by the marketplace, or by a party to which services have been directly or indirectly outsourced, including, but not limited to, fees relating to connecting to the market or facility, access, data, regulation (if applicable), trading, routing, and co-location, how such fees are set and any fee rebates or discounts and how the rebates and discounts are set.

Exhibit M - Regulation

The ATS has contracted with regulation services provider _____ to perform market regulation for ATS and its subscribers. Provide a copy of the contract between the filer and the regulation services provider.

Exhibit N - Acknowledgement

The form of acknowledgement required by subsections 5.9(2) and 6.11(2) of National Instrument 21-101.

CERTIFICATE OF ALTERNATIVE TRADING SYSTEM

The undersigned certifies that the information given in this report is true and correct.

DATED at _____ this ____ day of _____, 20 _____

(Name of alternative trading system)

(Name of director, officer or partner - please type or print)

(Signature of director, officer or partner)

(Official capacity - please type or print)

”.

(40) Form 21-101F3 is repealed and the following substituting:

“FORM 21-101F3***QUARTERLY REPORT OF MARKETPLACE ACTIVITIES*****A. General Marketplace Information**

1. Marketplace Name:
2. Period covered by this report:
3. Identification:
 - A. Full name of marketplace (if sole proprietor, last, first and middle name):
 - B. Name(s) under which business is conducted, if different from item A:
 - C. Marketplace main street address:
4. Attach as **Exhibit A** a current list of all marketplace participants at the end of the period covered by this report, identifying those marketplace participants that are using the marketplace’s co-location services, if any. For each marketplace participant, indicate the number of trader IDs that may access the marketplace.

5. Attach as **Exhibit B** a list of all marketplace participants granted, denied or limited access to the marketplace during the period covered by this report, indicating for each marketplace participant:
 - (a) whether they were granted, denied or limited access;
 - (b) the date the marketplace took such action;
 - (c) the effective date of such action; and
 - (d) the nature of any denial or limitation of access.
6. A list of all amendments in the information in Form 21-101F1 or 21-101F2 that were filed with the Canadian securities regulatory authorities and implemented during the period covered by the report. The list must include a brief description of each amendment, the date filed and the date implemented.
7. A list of all amendments in the information in Form 21-101F1 or 21-101F2 that have been filed with the Canadian securities regulatory authorities but not implemented as of the end of the period covered by the report. The list must include a brief description of each amendment, the date filed and the reason why it was not implemented.
8. Systems - If any outages occurred at any time during the period for any system relating to trading activity, including trading, routing or data, provide the date, duration and reason for the outage.

B. Marketplace Activity Information

Section 1 -Marketplaces Trading Exchange-Listed Securities

1. **General trading activity** - For each type of security traded on the marketplace, provide the details (where appropriate) requested in the form set out in **Chart 1**. The information should be provided for transactions executed at the opening of the market, during regular trading hours, and after hours during the quarter. Enter 'None', 'N/A', or '0' where appropriate.

Chart 1 - General trading activity for marketplaces trading exchange-listed securities

Category of Securities	Volume		Value		Number of Trades	
	Trans-parent	Non-transparent	Trans-parent	Non-transparent	Trans-parent	Non-transparent
Exchange-Traded Securities						
1. Equity (includes preferred shares)						
2. Exchange-traded funds(ETFs)						
3. Debt securities						
4. Options						
Foreign Exchange-Traded Securities						
1. Equity (includes preferred shares)						
2. ETFs						
3. Debt securities						
4. Options						

- 2. Crosses** - Provide the details (where appropriate) requested in the form set out in **Chart 2** below for each type of cross executed on the marketplace for trades executed at the opening of the market, during regular trading and after hours during the quarter. Enter 'None', 'N/A', or '0' where appropriate.

Chart 2 - Crosses

Types of Crosses	% Volume	% Value	% Number of Trades
% of exchange-traded securities that are			
1. International Crosses ¹			
2. Internal crosses			
3. Other crosses			

¹ See definition of an Internal and Intentional Cross in Section 1.1 of the Universal Market Integrity Rules.

- 3. Order information** - Provide the details (where appropriate) requested in the form set out in **Chart 3** below for each type of order in exchange traded securities executed on the marketplace for orders entered at the opening of the market, during regular trading and after hours during the quarter. Enter 'none', 'N/A' or '0' where appropriate.

Chart 3 - Order information

Types of Orders	Number of Orders	% Orders Executed	% Orders Cancelled ²
1. Anonymous ³			
2. Fully transparent			
3. Pegged Orders			
4. Fully hidden			
5. Separate dark facility of a transparent market			
6. Partially hidden (reserve)			
7. Total number of orders entered during the quarter			

² By cancellations, we mean "pure" cancellations, i.e. cancellations that do not result in a new and amended order.

³ Orders executed under ID 001.

4. **Trading by security** - Provide the details requested in the form set out in **Chart 4** below for the 10 most traded securities on the marketplace (based on the volume of securities traded) for trades executed at the opening of the market, during regular trading and after hours during the quarter. Enter 'None', 'N/A', or '0' where appropriate.

Chart 4 - Most traded securities

Category of Securities	Volume	Value	Number of Trades
Exchange-Traded Securities			
1. Equity (includes preferred shares) [Name of Securities] 1. 2. 3. 4. 5. 6. 7. 8. 9. 10.			
2. ETFs [Name of Securities] 1. 2. 3. 4. 5. 6. 7. 8. 9. 10.			
3. Debt [Enter issuer, maturity and coupon] 1. 2. 3. 4. 5. 6. 7. 8. 9. 10.			

Foreign Exchange-Traded Securities			
1. Equity (includes preferred shares) [Name of Securities] 1. 2. 3. 4. 5. 6. 7. 8. 9. 10.			
2. ETFs [Name of Securities] 1. 2. 3. 4. 5. 6. 7. 8. 9. 10.			
3. Debt [Enter issuer, maturity and coupon] 1. 2. 3. 4. 5. 6. 7. 8. 9. 10.			

- 5. Trading by marketplace participant** - Provide the details requested in the form set out in **Chart 5** below for the top 10 marketplace participants (based on the volume of securities traded). The information should be provided for the total trading volume, including for trades executed at the opening of the market, during regular trading and after hours during the quarter. Enter 'None', 'N/A', or '0' where appropriate. Where a marketplace's marketplace participants are dealers and non-dealers, the marketplace should complete a separate chart for each.

Chart 5 - Concentration of trading by marketplace participant

Marketplace Participant Name	Total Active Volume	Total Passive Volume
1.		
2.		
3.		
4.		
5.		
6.		
7.		
8.		
9.		
10.		

- 6. Routing activities** - Indicate the percentage of marketplace participants that used marketplace-owned or third-party or affiliated routing services during the reporting period. In addition, provide the information in **Chart 6** below.

Chart 6 - Routing of marketplace orders

Number of orders executed on the reporting marketplace	
Number of orders routed to away marketplaces (list all marketplaces where orders were routed)	
Number of orders that are marked and treated as Directed Action Orders (DAO)	

- 7. Co-location** - Indicate the percentage of marketplace participants that are using the marketplace's co-location services, if any.

Section 2 - Fixed Income Marketplaces

- 1. General trading activity** - Provide the details (where appropriate) requested in the form set out in **Chart 7** below for each type of fixed income security traded on the marketplace for transactions executed during regular trading hours. Enter 'None', 'N/A', or '0' where appropriate.

Chart 7 - Fixed income activity

Category of Securities	Value Traded	Number of Trades
Domestic Unlisted Debt Securities - Government		
1. Federal		
2. Federal Agency		
3. Provincial and Municipal		
Domestic Unlisted Debt Securities - Corporate		
Domestic Unlisted Debt Securities - Other		
Foreign Unlisted Debt Securities - Government		
Foreign Unlisted Debt Securities - Corporate		
Foreign Unlisted Debt Securities - Other		

- 2. Trading by security** - Provide the details requested in the form set out in **Chart 8** below for the 10 most traded fixed income securities on the marketplace (based on the value of the volume traded) for trades executed during regular trading hours during the quarter. Enter 'None', 'N/A', or '0' where appropriate.

Chart 8 - Most traded fixed income securities

Category of Securities	Value Traded	Number of Trades
Domestic Unlisted Debt Securities - Government		
1. Federal		
[Enter issuer, maturity, coupon]		
1.		
2.		
3.		
4.		
5.		
6.		
7.		
8.		
9.		
10.		

2. Federal Agency [Enter issuer, maturity, coupon] 1. 2. 3. 4. 5. 6. 7. 8. 9. 10.		
3. Provincial and Municipal [Enter issuer, maturity, coupon] 1. 2. 3. 4. 5. 6. 7. 8. 9. 10.		
Domestic Unlisted Debt Securities - Corporate [Enter issuer, maturity, coupon] 1. 2. 3. 4. 5. 6. 7. 8. 9. 10.		

<p>Domestic Unlisted Debt Securities - Other [Enter issuer, maturity, coupon] 1. 2. 3. 4. 5. 6. 7. 8. 9. 10.</p>		
<p>Foreign Unlisted Debt Securities - Government [Enter issuer, maturity, coupon] 1. 2. 3. 4. 5. 6. 7. 8. 9. 10.</p>		
<p>Foreign Unlisted Debt Securities - Corporate [Enter issuer, maturity, coupon] 1. 2. 3. 4. 5. 6. 7. 8. 9. 10.</p>		

Foreign Unlisted Debt Securities - Other [Enter issuer, maturity, coupon] 1. 2. 3. 4. 5. 6. 7. 8. 9. 10.		
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- 3. Trading by marketplace participant** - Provide the details requested in the form set out in **Chart 9** below for the top 10 marketplace participants for trades executed during regular trading hours during the quarter. Enter 'None', 'N/A', or '0' where appropriate. If marketplace participants are dealers and non-dealer institutions, the marketplace should complete a separate chart for each.

Chart 9 - Concentration of trading by marketplace participant

Marketplace Participant Name	Value Traded
1.	
2.	
3.	
4.	
5.	
6.	
7.	
8.	
9.	
10.	

Section 3 - Securities Lending Marketplaces

- 1. General lending activity** - Please provide details (where appropriate) requested in the form set out in **Chart 10** below for each type of securities loaned on the marketplace. Enter 'None', 'N/A' or '0' where appropriate.

Chart 10 - Lending activity

Category of Securities	Quantity of Securities Lent During the Quarter	Aggregate Value of Securities Lent During the Quarter
Domestic		
1. Corporate Equity Securities		
1.1. Common Shares		
1.2. Preferred Shares		
2. Non-Corporate Equity Securities (e.g. trust units, partnership units, etc.) (please specify)		
3. Government Debt Securities		
4. Corporate Debt Securities		
5. Other Fixed Income Securities (please specify)		
Foreign		
1. Corporate Equity Securities		
1.1. Common Shares		
1.2. Preferred Shares		
2. Non-Corporate Equity Securities (e.g. trust units, partnership units, etc.) (please specify)		
3. Government Debt Securities		
4. Corporate Debt Securities		
5. Other Fixed Income Securities (please specify)		

- 2. Trading by marketplace participant** - Provide the details requested in the form set out in **Chart 11** and **Chart 12** below for the top 10 borrowers and lenders based on their aggregate value of securities borrowed or loaned, respectively, during the quarter.

Chart 11 - Concentration of activity by borrower

Borrower Name	Aggregate Value of Securities Borrowed During the Quarter
1.	
2.	
3.	
4.	
5.	
6.	
7.	
8.	
9.	
10.	

Chart 12 - Concentration of activity by lender

Lender Name	Aggregate Value of Securities Loaned During the Quarter
1.	
2.	
3.	
4.	
5.	
6.	
7.	
8.	
9.	
10.	

- 3. Lending activity by security** - Provide the details requested in the form set out in **Chart 13** below for the 10 most loaned securities on the marketplace (based on the quantity of securities loaned during the quarter). Enter 'None', 'N/A' or '0' where appropriate.

Chart 13 - Most loaned securities

Category of Securities	Quantity of Securities Lent During the Quarter	Aggregate Value of Securities Lent During the Quarter
Domestic		
1. Common Shares [Name of Security]		
1.		
2.		
3.		
4.		
5.		
6.		
7.		
8.		
9.		
10.		
2. Preferred Shares [Name of Security]		
1.		
2.		
3.		
4.		
5.		
6.		
7.		
8.		
9.		
10.		
3. Non-Corporate Equity Securities [Name of Security]		
1.		
2.		
3.		
4.		
5.		
6.		
7.		
8.		
9.		
10.		

<p>4. Government Debt Securities [Name of Security]</p> <p>1. 2. 3. 4. 5. 6. 7. 8. 9. 10.</p>		
<p>5. Corporate Debt Securities [Name of Security]</p> <p>1. 2. 3. 4. 5. 6. 7. 8. 9. 10.</p>		
<p>6. Other Fixed Income Securities [Name of Security]</p> <p>1. 2. 3. 4. 5. 6. 7. 8. 9. 10.</p>		
Foreign		
<p>1. Common Shares [Name of Security]</p> <p>1. 2. 3. 4. 5. 6. 7. 8. 9. 10.</p>		
<p>2. Preferred Shares [Name of Security]</p> <p>1. 2. 3. 4. 5. 6. 7. 8. 9. 10.</p>		

3. Non-Corporate Equity Securities [Name of Security] 1. 2. 3. 4. 5. 6. 7. 8. 9. 10.		
4. Government Debt Securities [Name of Security] 1. 2. 3. 4. 5. 6. 7. 8. 9. 10.		
5. Corporate Debt Securities [Name of Security] 1. 2. 3. 4. 5. 6. 7. 8. 9. 10.		
6. Other Fixed Income Securities [Name of Security] 1. 2. 3. 4. 5. 6. 7. 8. 9. 10.		

Section 4 - Derivatives Marketplaces in Quebec

1. **General trading activity** - For each category of product traded on the marketplace, provide the details (where appropriate) requested in the form set out in **Chart 14** below. For products other than options on ETFs and equity options, provide the details on a product-by-product basis in the appropriate category. Details for options on ETFs and equity options should be provided on an aggregate basis (one total for options on ETFs and one for options on equities). The information should be provided for transactions executed in the early session, during the regular session, and in the extended session during the quarter. Enter 'None', 'N/A', or '0' where appropriate.

Chart 14 - General trading activity

Category of Product	Volume	Number of Trades	Open Interest (Number/End of Quarter)
Futures Products			
1(a) Interest rate - short term			
1(b) Interest rate - long term			
2. Index			
3. ETF			
4. Equity			
5. Currency			
6. Energy			
7. Others, please specify			
Options Products			
1(a) Interest rate - short term			
1(b) Interest rate - long term			
2. Index			
3. ETF			
4. Equity			
5. Currency			
6. Energy			
7. Others, please specify			

2. **Trades resulting from pre-negotiation discussions** - Provide the details (where appropriate) requested in the form set out in **Chart 15** below by product and for each type of trade resulting from pre-negotiation discussions. For products other than options on ETFs and equity options, provide the details on a product-by-product basis in the appropriate category. Details for options on ETFs and equity options should be provided on an aggregate basis (one total for options on ETFs and one for options on equities). The information should be provided for trades executed in the early session, during the regular session and in the extended session during the quarter. Enter 'None', 'N/A', or '0' where appropriate.

Chart 15 -Trades resulting from pre-negotiation discussions

Type of Trade	% of Volume	% Number of Trades
Futures Products		
A. Cross		
B. Pre-arranged		
C. Block		
D. Exchange for physical		
E. Exchange for risk		
F. Riskless basis cross		
G. Others, please specify		
Options Products		
A. Cross		
B. Pre-arranged		
C. Block		
D. Others, please specify		

3. **Order information** - Provide the details (where appropriate) requested in the form set out in **Chart 16** below by product and for each type of order in exchange traded contracts executed on the marketplace. For products other than options on ETFs and equity options, provide the details on a product-by-product basis in the appropriate category. Details for options on ETFs and equity options should be provided on an aggregate basis (one total for options on ETFs and one for options on equities). The information should be provided for orders entered in the early session, during the regular session and in the extended session during the quarter. Enter “none”, “N/A” or “0” where appropriate.

Chart 16 - Order information

Type of Orders	% Volume	% Number of Trades
1. Anonymous		
2. Fully transparent		
3. Pegged orders		
4. Fully hidden		
5. Separate dark facility of a transparent market		
6. Partially hidden (reserve, for example, iceberg orders)		

4. **Trading by product** - Provide the details requested in the form set out in **Chart 17** below. For each product other than options on ETFs and equity options, list the most actively-traded contracts (by volume) on the marketplace that in the aggregate constitute at least 75% of the total volume for each product during the quarter. The list must include at least 3 contracts. For options on ETFs and equity options, list the 10 most actively traded classes by volume. Details for options on ETFs and equity options should be provided on an aggregate basis (one total for options on ETFs and one for options on equities). The information should be provided for trades executed in the early session, during the regular session and in the extended session during the quarter. Enter ‘None’, ‘N/A’, or ‘0’ where appropriate.

Chart 17 - Most traded contracts

Category of Product	Volume	Number of Trades	Open Interest (Number/ End of Quarter)
Futures Products			
1. Name of products - 3 most-traded contracts (or more as applicable) 1. 2. 3.			
Options Products			
2. ETF [Classes] 1. 2. 3. 4. 5. 6. 7. 8. 9. 10.			
3. Equity [Classes] 1. 2. 3. 4. 5. 6. 7. 8. 9. 10.			
4. Other listed options (specify for each) - 3 most traded contracts (or more as applicable) 1. 2. 3.			

- 5. Concentration of trading by marketplace participant** - Provide the details requested in the form set out in **Chart 18** below. For each product other than options on ETFs and equity options, list the top marketplace participants whose aggregate trading (by volume) constituted at least 75% of the total volume traded. The list must include at least 3 marketplace participants. For options on ETFs and equity options, provide the top 10 most active marketplace participants (by volume). The information should be provided on an aggregate basis (one total for options on ETFs and one for options on equities). The information should be provided for trades executed in the early session, during the regular session and in the extended session during the quarter. Enter 'None', 'N/A', or '0' where appropriate.

Chart 18 - Concentration of trading by marketplace participant

Product Name	Marketplace Participant Name	Volume
Futures		
Product Name (specify for each)	1. 2. 3. (more if necessary)	
Options		
ETF	1. 2. 3. 4. 5. 6. 7. 8. 9. 10.	
Equity	1. 2. 3. 4. 5. 6. 7. 8. 9. 10.	
Other options (specify for each)	1. 2. 3. (more if necessary)	

6. Co-location

Indicate the percentage of marketplace participants that are using the marketplace's co-location services, if any.

C. Certificate of Marketplace

The undersigned certifies that the information given in this report relating to the marketplace is true and correct.

DATED at _____ this ____ day of _____, 20 _____

(Name of Marketplace)

(Name of director, officer or partner - please type or print)

(Signature of director, officer or partner)

(Official capacity - please type or print)

”.

(40) Form 21-101F5 is repealed and the following substituting:

**“FORM 21-101F5
INITIAL OPERATION REPORT
FOR INFORMATION PROCESSOR**

TYPE OF FILING:

INITIAL FORM

AMENDMENT

GENERAL INFORMATION

1. Full name of information processor:
2. Name(s) under which business is conducted, if different from item 1:
3. If this filing makes a name change on behalf of the information processor in respect of the name set out in item 1 or item 2, enter the previous name and the new name:
Previous name:
New name:
4. Head office
Address:
Telephone:
Facsimile:
5. Mailing address (if different):
6. Other offices
Address:
Telephone:
Facsimile:
7. Website address:
8. Contact employee
Name and title:
Telephone number:
Facsimile:
E-mail address:
9. Counsel
Firm name:
Contact name:
Telephone number:
Facsimile:
E-mail address:

10. List of all marketplaces, dealers or other parties for which the information processor is acting or for which it proposes to act as an information processor. For each marketplace, dealer or other party, provide a description of the function(s) which the information processor performs or proposes to perform.
11. List all types of securities for which information will be collected, processed, distributed or published by the information processor. For each such marketplace, dealer or other party, provide a list of all securities for which information with respect to quotations for, or transactions in, is or is proposed to be collected, processed, distributed or published.

Exhibits

File all Exhibits with the Initial Form. For each Exhibit, include the name of the information processor, the date of filing of the Exhibit and the date as of which the information is accurate (if different from the date of the filing). If any Exhibit required is inapplicable, a statement to that effect shall be furnished instead of such Exhibit.

If the information processor files an amendment to the information provided in its Initial Form, and the information relates to an Exhibit filed with the Initial Form or a subsequent amendment, the information processor must, in order to comply with sections 14.1 and 14.2 of National Instrument 21-101 provide a description of the change, the expected date of the implementation of the change, and file a complete and updated Exhibit. The information processor must provide a clean and a blacklined version showing changes from the previous filing.

Exhibit A - Corporate Governance

1. Legal status:
 - Corporation
 - Sole Proprietorship
 - Partnership
 - Other (specify):
2. Except where the information processor is a sole proprietorship, indicate the date and place where the information processor obtained its legal status (e.g., place of incorporation, place where partnership agreement was filed or where information processor was formed):
 1. Date (DD/MM/YYYY) of formation.
 2. Place of formation.
 3. Statute under which the information processor was organized.
3. Provide a copy of the constating documents (including corporate by-laws), shareholder agreements, partnership agreements and other similar documents, and all subsequent documents.
4. Provide the policies and procedures which promote independence of the information processor from the marketplaces, inter-dealer bond brokers and dealers that provide data.
5. Provide the policies and procedures which address the potential conflicts of interest between the interests of the information processor and its owners, partners, directors and officers.

Exhibit B - Ownership

List any person or company who owns 10 percent or more of the information processor's outstanding shares or who, either directly or indirectly, through agreement or otherwise, in any other manner, may control or direct the management or policies of the information processor. Provide the full name and address of each such person and attach a copy of the agreement or, if there is none written, describe the agreement or basis through which such person exercises or may exercise such control or direction.

Exhibit C - Organization

1. A list of the partners, directors, governors, and members of the board of directors and any standing committees of the board or persons performing similar functions who presently hold or have held their offices or positions during the previous year identifying those individuals with overall responsibility for the integrity and timeliness of data reported to and displayed by the system (the 'System') of the information processor, indicating the following for each:

1. Name.
2. Principal business or occupation and title.
3. Dates of commencement and expiry of present term of office or position.
4. Type of business in which each is primarily engaged and current employer.
5. Type of business in which each was primarily engaged in the preceding five years, if different from that set out in item 4.
6. Whether the person is considered to be an independent director.
7. A list of the committees of the board, including their mandates.
8. A narrative or graphic description of the organizational structure of the information processor.

Exhibit D - Staffing

A description of the personnel qualifications for each category of professional, non-professional and supervisory employee employed by the information processor. Detail whether the personnel are employed by the information processor or a third party, identifying the employees responsible for monitoring the timeliness and integrity of data reported to and displayed by the System.

Exhibit E - Affiliates

For each affiliated entity of the information processor, and for any person or company with whom the information processor has a contractual or other agreement relating to the operations of the information processor, including loans or cross-guarantees, provide the following information:

1. Name and address of person or company.
2. Form of organization (e.g., association, corporation, partnership, etc.).
3. Name of location and statute citation under which organized.
4. Date of incorporation in present form.

5. Description of nature and extent of affiliation and/or contractual or other agreement with the information processor.
6. Description of business or functions of the affiliates.
7. If a person or company has ceased to be an affiliated entity of the information processor during the previous year or ceased to have a contractual or other agreement relating to the operation of the information processor during the previous year, provide a brief statement of the reasons for termination of the relationship.

Exhibit F - Services

A description in narrative form of each service or function performed by the information processor. Include a description of all procedures utilized for the collection, processing, distribution, validation and publication of information with respect to orders and trades in securities.

Exhibit G - System and Operations

1. Describe the manner of operation of the System of the information processor that collects, processes, distributes and publishes information in accordance with National Instruments 21-101 and 23-101. This description should include the following:
 1. The means of access to the System.
 2. Procedures governing entry and display of quotations and orders in the System including data validation processes.
 3. A description of any measures used to verify the timeliness and accuracy of information received and disseminated by the system, including the processes to resolve data integrity issues identified.
 4. The hours of operation of the System.
 5. Description of the training provided to users of the System and any materials provided to the users.
2. Include a list of all computer hardware utilized by the information processor to perform the services or functions listed in Exhibit F, indicating:
 1. Manufacturer, and manufacturer's equipment and identification number.
 2. Whether purchased or leased (if leased, duration of lease and any provisions for purchase or renewal).
 3. Where such equipment (exclusive of terminals and other access devices) is physically located.
3. Provide a description of the measures or procedures implemented by the information processor to provide for the security of any system employed to perform the functions of an information processor. This should include a general description of any physical and operational safeguards designed to prevent unauthorized access to the system.
4. Provide a description of all backup systems which are designed to prevent interruptions in the performance of any information providing functions as a result of technical malfunctions or otherwise in the system itself, in any permitted input or output system connection or as a result of any independent source.

5. Describe the business continuity and disaster recovery plans of the information processor, and provide any relevant documentation.
6. List each type of interruption which has lasted for more than two minutes and has occurred within the six (6) months preceding the date of the filing, including the date of each interruption, the cause and duration. Provide the total number of interruptions which have lasted two minutes or less.
7. Describe the procedures for reviewing system capacity, and indicate current and future capacity estimates.
8. Quantify in appropriate units of measure the limits on the information processor's capacity to receive, collect, process, store or display the data elements included within each function.
9. Identify the factors (mechanical, electronic or other) which account for the current limitations on the capacity to receive, collect, process, store or display the data elements included within each function described in section 8 above.
10. Describe the procedures for conducting stress tests.

Exhibit H - Outsourcing

Where the information processor has outsourced the operation of any aspect of the services listed in Exhibit F to an arms-length third party, including any function related to the collection, consolidation, and dissemination of data, provide the following information:

1. Name and address of person or company to whom the function has been outsourced.
2. A description of the nature and extent of the contractual or other agreement with the information processor, and the roles and responsibilities of the arms-length third party under the arrangement.
3. A copy of each material contract relating to any outsourced function.

Exhibit I - Financial Viability

1. Provide a business plan with pro forma financial statements and estimates of revenue.
2. Discuss the financial viability of the information processor in the context of having sufficient financial resources to properly perform its functions.

Exhibit J - Fees and Revenue Sharing

1. Provide a complete list of all fees and other charges imposed, or to be imposed, by or on behalf of the information processor for its information services. This would include all fees to provide data and fees to receive the data from the information processor.
2. Where arrangements exist to share revenue from the sale of data disseminated by the information processor with marketplaces, inter-dealer bond brokers and dealers that provide data to the information processor in accordance with National Instrument 21-101, a complete description of the arrangements and the basis for these arrangements.

Exhibit K - Reporting to the Information Processor

1. List all persons and entities that provide data to the information processor in accordance with the requirements of National Instrument 21-101.
2. Provide a complete set of all forms, agreements and other materials pertaining to the provision of data to the information processor.
3. A description of any specifications or criteria required of marketplaces, inter-dealer bond brokers or dealers who provide securities information to the information processor for collection, processing for distribution or publication. Identify those specifications or criteria which limit, are interpreted to limit or have the effect of limiting access to or use of any services provided by the information processor and state the reasons for imposing such specifications or criteria.
4. For each instance during the past year in which any person or entity has been prohibited or limited to provide data by the information processor, indicate the name of each such person or entity and the reason for the prohibition or limitation.

Exhibit L - Access to the Services of the Information Processor

1. A list of all persons and entities who presently subscribe or who have notified the information processor of their intention to subscribe to the services of the information processor.
2. The form of contract governing the terms by which persons may subscribe to the services of an information processor.
3. A description of any specifications or criteria which limit, are interpreted to limit or have the effect of limiting access to or use of any services provided by the information processor and state the reasons for imposing such specifications or criteria. This applies to limits relating to providing information to the information processor and the limits relating to accessing the consolidated feed distributed by the information processor.
4. For each instance during the past year in which any person has been prohibited or limited in respect of access to services offered by the information processor, indicate the name of each such person and the reason for the prohibition or limitation.

Exhibit M - Selection of Securities for which Information Must Be Reported to the Information Processor

Where the information processor is responsible for making a determination of the data which must be reported, including the securities for which information must be reported in accordance with National Instrument 21-101, describe the manner of selection and communication of these securities. This description should include the following:

1. The criteria used to determine the securities for which information must be reported and the data which must be reported to the information processor.
2. The process for selection of the securities, including a description of the parties consulted in the process and the frequency of the selection process.
3. The process to communicate the securities selected and data to be reported to the marketplaces, inter-dealer bond brokers and dealers providing the information as required by National Instrument 21-101. The description should include where this information is located.

CERTIFICATION OF INFORMATION PROCESSOR

The undersigned certifies that the information given in this report is true and correct.

DATED at _____ this ____ day of _____, 20 _____

(Name of information processor)

(Name of director, officer or partner - please type or print)

(Signature of director, officer or partner)

(Official capacity - please type or print)

”.

Part XXIII of Appendix amended

4(1) Part XXIII of the Appendix is amended in the manner set forth in this section.

(2) Section 6.2 is amended by striking out the portion preceding clause (a) and substituting the following:

“For the purposes of paragraph 6.1(1)(a) the permitted trade-throughs are:”.

(3) Section 6.5 is amended in the portion preceding clause (a) by striking out “marketplace participant” and substituting “marketplace participant or a marketplace that routes or reprices orders”.

(4) Subsection 11.1(2) is amended by striking out “this Part” and substituting “the requirements in section 11.2”.

(5) Section 11.2 is amended:

(a) in subsection (1):

(i) in the portion preceding clause (a) by striking out “record” and substituting “record in electronic form”;

(ii) by striking out “and” after clause (r); and

(iii) by adding the following after clause (s):

“(t) each unique client identifier assigned to a client accessing the marketplace using direct electronic access; and

“(u) whether the order is a directed-action order”; **and**

(b) in subsection (7) by striking out “records” and substituting “records in electronic form”.

Coming into force

5(1) Subject to (2), these regulations come into force on July 1, 2012.

(2) If these regulations are filed with the Registrar of Regulations after July 1, 2012, these regulations come into force on the day on which they are filed with the Registrar of Regulations.

SASKATCHEWAN REGULATIONS 62/2012

The Securities Act, 1988

Section 154

Commission Order, dated August 9, 2012

and

Minister's Order, dated August 21, 2012

(Filed September 7, 2012)

Title

1 These regulations may be cited as *The Securities Commission (Adoption of National Instruments) Amendment Regulations, 2012 (No. 6)*.

R.R.S. c.S-42.2 Reg 3 amended

2 *The Securities Commission (Adoption of National Instruments) Regulations* are amended in the manner set forth in these regulations.

Section 2 amended

3 Section 2 is amended by adding the following clause after clause (xx):

“(yy) Multilateral Instrument 51-105, entitled *Issuers Quoted in the U.S. Over-the-Counter Markets*, as set out in Part LI of the Appendix”.

New Part LI of Appendix

4 The following Part is added after Part L of the Appendix:

“PART LI
[Clause 2(yy)]

**“MULTILATERAL INSTRUMENT 51-105
ISSUERS QUOTED IN THE U.S. OVER-THE-COUNTER MARKETS**

**“PART 1 DEFINITIONS AND REPORTING ISSUER DESIGNATION AND
DETERMINATION**

“1 Definitions

In this Instrument:

‘OTC issuer’ means an issuer:

- (a) that has issued a class of securities that are OTC-quoted securities; and
- (b) that has not issued any class of securities that are listed or quoted on one or more of the following:
 - (i) TSX Venture Exchange Inc.;
 - (ii) TSX Inc.;
 - (iii) Canadian National Stock Exchange;
 - (iv) Alpha Exchange Inc.;
 - (v) The New York Stock Exchange LLC;
 - (vi) NYSE Amex LLC;
 - (vii) The NASDAQ Stock Market LLC;

‘OTC-quoted securities’ means a class of securities that has been assigned a ticker symbol by the Financial Industry Regulatory Authority in the United States of America for use on any of the over-the-counter markets in the United States of America and includes a class of securities whose trades have been reported in the grey market;

‘OTC reporting issuer’ means an OTC issuer that is a reporting issuer;

‘promotional activities’ means activities or communications, by or on behalf of an issuer, that promote or could reasonably be expected to promote the purchase or sale of securities of the issuer, but does not include any of the following:

- (a) the dissemination of information or preparation of records in the ordinary course of the business of the issuer:
 - (i) to promote the sale of products or services of the issuer; or
 - (ii) to raise public awareness of the issuer;
- (b) activities or communications necessary to comply with the requirements of:
 - (i) the securities legislation of any jurisdiction of Canada;
 - (ii) the securities laws of any foreign jurisdiction governing the issuer;
 - (iii) any exchange or market on which the issuer’s securities trade;

‘ticker-symbol date’ means the date that an OTC issuer is first assigned a ticker symbol for any class of its securities;

‘trade’, in Québec, for the purpose of this Instrument, refers to any of the following activities:

- (a) the activities described in the definition of ‘dealer’ in section 5 of the *Securities Act* (R.S.Q., c. V-1.1), including the following activities:
 - (i) the sale or disposition of a security by onerous title, whether the terms of payment be on margin, instalment or otherwise, but does not include a transfer or the giving in guarantee of securities in connection with a debt or the purchase of a security, except as provided in paragraph (b);
 - (ii) participation as a trader in any transaction in a security through the facilities of an exchange or a quotation and trade reporting system;
 - (iii) the receipt by a registrant of an order to buy or sell a security;
- (b) a transfer or the giving in guarantee of securities of an issuer from the holdings of a control person in connection with a debt.

“2 National Instrument definitions apply

Terms used in this Instrument that are defined or interpreted in National Instrument 51-102 *Continuous Disclosure Obligations* have the same meaning in this Instrument.

“3 Reporting issuer designation and determination

An OTC issuer is a reporting issuer under securities legislation if one or more of the following apply:

- (a) on or after July 31, 2012, its business has been directed or administered in or from the local jurisdiction;
- (b) on or after July 31, 2012, promotional activities have been carried on in or from the local jurisdiction;
- (c) the ticker-symbol date is on or after July 31, 2012, and, on or before the ticker-symbol date, the issuer distributed a security to a person resident in the local jurisdiction and that security is of the class of securities that became the issuer's OTC-quoted securities.

“4 Ceasing to be an OTC reporting issuer

(1) Except in Québec, an OTC issuer ceases to be a reporting issuer under section 3 if all of the following conditions are met:

- (a) its business is not directed or administered, and has not been directed or administered for at least one year, in or from the local jurisdiction;
- (b) promotional activities are not carried on, and have not been carried on for at least one year, in or from the local jurisdiction;
- (c) more than one year has passed since the ticker-symbol date;
- (d) it has filed Form 51-105F1 *Notice - OTC Issuer Ceases to be an OTC Reporting Issuer*.

(2) Except in Québec, if an OTC reporting issuer ceases to be an OTC issuer as a result of its securities being listed or quoted on an exchange or a quotation and trade reporting system specified in the definition of 'OTC issuer' in section 1, the OTC reporting issuer must file Form 51-105F4 *Notice - Issuer Ceases to be an OTC Reporting Issuer* at least 10 days before its next required filing under securities legislation in the local jurisdiction.

(3) In Québec, an OTC reporting issuer must apply to the securities regulatory authority to have its status as an OTC reporting issuer revoked in order to cease to be a reporting issuer under section 3.

“PART 2 DISCLOSURE**“5 Additional disclosure requirements**

In addition to all other provisions of securities legislation that apply to a reporting issuer and its insiders, an OTC reporting issuer must comply with the provisions of the following National Instruments:

- (a) National Instrument 13-101 *System for Electronic Document Analysis and Retrieval (SEDAR)* that apply to an electronic filer, despite section 2.1 of that instrument;

- (b) National Instrument 51-102 *Continuous Disclosure Obligations* that apply to a reporting issuer that is a venture issuer;
- (c) Part 6 of National Instrument 51-102 *Continuous Disclosure Obligations* despite section 6.1 of that instrument;
- (d) National Instrument 52-109 *Certification of Disclosure in Issuers' Annual and Interim Filings* that apply to a reporting issuer that is a venture issuer;
- (e) National Instrument 52-110 *Audit Committees* that apply to a reporting issuer that is a venture issuer;
- (f) National Instrument 58-101 *Disclosure of Corporate Governance Practices* that apply to a reporting issuer that is a venture issuer.

“6 Timely disclosure obligations

- (1) Section 14.2 of National Instrument 71-101 *The Multijurisdictional Disclosure System* and section 4.2 of National Instrument 71-102 *Continuous Disclosure and Other Exemptions Relating to Foreign Issuers* do not apply to an OTC reporting issuer.
- (2) An OTC reporting issuer may file a copy of the Form 8-K *Current Report* that it files with the SEC to comply with its obligation in paragraph 7.1(1)(b) of National Instrument 51-102 *Continuous Disclosure Obligations* to file Form 51-102F3 *Material Change Report*.

“7 Registration statement

- (1) If an OTC issuer becomes a reporting issuer on the ticker-symbol date, the OTC reporting issuer must file, within 5 days of the date it became a reporting issuer, a copy of the most recent registration statement it filed with the SEC.
- (2) The OTC reporting issuer must file the registration statement in electronic format under section 2.2 of National Instrument 13-101 *System for Electronic Document Analysis and Retrieval (SEDAR)*.

“8 Promotional activities

- (1) If a person will carry on promotional activities under an agreement, arrangement, commitment or understanding with an OTC reporting issuer, the OTC reporting issuer must file a notice in the form of Form 51-105F2 *Notice of Promotional Activities* naming the person and describing the activities and the relationship of the OTC reporting issuer with the person, and the particulars of their agreement, arrangement, commitment or understanding with the OTC reporting issuer.
- (2) The OTC reporting issuer must file the notice under subsection (1) within one of the following dates:
 - (a) at least one day before the promotional activities commence;
 - (b) if on the date the OTC issuer became an OTC reporting issuer promotional activities are being carried on, within 5 days of that date.
- (3) The OTC reporting issuer must file the notice in electronic format in accordance with National Instrument 13-101 *System for Electronic Document Analysis and Retrieval (SEDAR)*.

“9 Technical reports - mineral properties

Section 4.1 of National Instrument 43-101 *Standards of Disclosure for Mineral Projects* does not apply to an OTC reporting issuer.

“10 Personal information form and authorization

(1) Each director, officer, promoter and control person of an OTC reporting issuer must deliver to the securities regulatory authorities Form 51-105F3 *A Personal Information Form and Authorization of Indirect Collection, Use and Disclosure of Personal Information* or Form 51-105F3B *Personal Information Form and Authorization of Indirect Collection, Use and Disclosure of Personal Information* within 10 days of the issuer becoming an OTC reporting issuer, except for a promoter of an OTC issuer that becomes an OTC reporting issuer more than 2 years after the ticker-symbol date.

(2) Each person that becomes a director, officer, promoter or control person of an OTC reporting issuer must deliver to the securities regulatory authorities a personal information form referred to in subsection (1) within 10 days of becoming a director, officer, promoter or control person of an OTC reporting issuer.

(3) If a promoter or control person is not an individual, then each of its directors, officers and control persons must deliver a personal information form referred to in subsection (1) to the securities regulatory authorities within 10 days of the promoter or control person becoming a promoter or control person of an OTC reporting issuer.

“PART 3 RESALE OF PRIVATE PLACEMENT SECURITIES**“11 Resale of seed stock**

After the ticker-symbol date, a person must not trade a security of an OTC reporting issuer that the person acquired on or after July 31, 2012 and before the ticker-symbol date unless either of the following occurs:

- (a) the trade is in connection with one or more of the following:
 - (i) a take-over bid or an issuer bid in a jurisdiction of Canada;
 - (ii) an amalgamation, merger, reorganization or arrangement that is under a statutory procedure or court order;
 - (iii) a dissolution or winding-up of the issuer that is under a statutory procedure or court order;
- (b) all of the following conditions are met:
 - (i) the certificate representing the security carries the legend, or the ownership statement issued under a direct registration system or other electronic book entry system relating to the security bears the legend restriction notation, set out in subsection 12(2);
 - (ii) the person trades the security through an investment dealer registered in a jurisdiction of Canada from an account at that investment dealer in the name of that person;
 - (iii) the investment dealer executes the trade through any of the over-the-counter markets in the United States of America.

“12 Legends on seed stock

(1) As soon as practicable after the ticker-symbol date, an OTC reporting issuer must place:

- (a) a legend on each certificate representing a security issued before the ticker-symbol date; and
- (b) a legend restriction notation on each ownership statement issued under a direct registration system or other electronic book entry system relating to a security issued before the ticker-symbol date.

(2) The legend and legend restriction notation must state the following:

“Unless permitted under section 11 of Multilateral Instrument 51-105 Issuers Quoted in the U.S. Over-the-Counter Markets, the holder of this security must not trade the security in or from a jurisdiction of Canada unless:

- (a) the security holder trades the security through an investment dealer registered in a jurisdiction of Canada from an account at that dealer in the name of that security holder; and*
- (b) the dealer executes the trade through any of the over-the-counter markets in the United States of America”.*

“13 Resale of private placement securities acquired after ticker-symbol date

(1) A person must not trade a security of an OTC reporting issuer that the person acquired under an exemption from the prospectus requirement after the ticker-symbol date unless the following conditions are satisfied:

- (a) unless the security was acquired under a director or employee stock option, a 4-month period has passed from one of the following:
 - (i) the date the OTC reporting issuer distributed the security;
 - (ii) the date a control person distributed the security;
- (b) if the person trading the security is a control person of the OTC reporting issuer, the person has held the security for at least 6 months;
- (c) the number of securities the person proposes to trade, plus the number of securities of the OTC reporting issuer of the same class that the person has traded in the preceding 12-month period, does not exceed 5% of the OTC reporting issuer’s outstanding securities of the same class;
- (d) the person trades the security through an investment dealer registered in a jurisdiction of Canada;
- (e) the investment dealer executes the trade through any of the over-the-counter markets in the United States of America;
- (f) there has been no unusual effort made to prepare the market or create a demand for the security;
- (g) no extraordinary commission or other consideration is paid to a person for the trade;

(h) if the person trading the security is an insider of the OTC reporting issuer, the person reasonably believes that the OTC reporting issuer is not in default of securities legislation;

(i) the certificate representing the security bears a legend, or the ownership statement issued under a direct registration system or other electronic book entry system relating to the security bears a legend restriction notation, stating the following:

“The holder of this security must not trade the security in or from a jurisdiction of Canada unless the conditions in section 13 of Multilateral Instrument 51-105 Issuers Quoted in the U.S. Over-the-Counter Markets are met”.

(2) Despite subsection (1), a person may trade a security of an OTC reporting issuer that the person acquired under an exemption from the prospectus requirement if the trade is in connection with one or more of the following:

- (a) a take-over bid or an issuer bid in a jurisdiction of Canada;
- (b) an amalgamation, merger, reorganization or arrangement that is under a statutory procedure or court order;
- (c) a dissolution or winding-up of the issuer that is under a statutory procedure or court order.

“14 No other hold periods

Sections 2.3, 2.4, 2.5 and 2.6 of National Instrument 45-102 *Resale of Securities* do not apply to the first trade of a security of an OTC reporting issuer distributed under an exemption from the prospectus requirement.

“PART 4 OTHER RESTRICTIONS

“15 Securities for services

An OTC reporting issuer must not distribute a security to a director, officer, or consultant of the issuer for the provision of a service unless:

- (a) the consideration for the service is commercially reasonable;
- (b) in the case of a debt, the debt is a bona fide debt; and
- (c) the security is distributed for a price that is at least at its current market value.

“16 Take-over bid

Section 4.2 of Multilateral Instrument 62-104 *Take-Over Bids and Issuer Bids* does not apply to a take-over bid for an OTC reporting issuer for 2 years after the ticker-symbol date.

“17 Insider reports

A person that is exempt or otherwise not required to file an insider report under U.S. federal securities law relating to insider reporting may not rely on the exemption from insider reporting under section 17.1 of National Instrument 71-101 *The Multijurisdictional Disclosure System* or section 4.12 of National Instrument 71-102 *Continuous Disclosure and Other Exemptions Relating to Foreign Issuers*.

“PART 5 EXEMPTION**“18 Exemption**

The regulator, except in Québec, or securities regulatory authority may, under the statute referred to in Appendix B of National Instrument 14-101 *Definitions* opposite the name of the local jurisdiction, grant an exemption from this Instrument.

“PART 6 TRANSITION AND COMING INTO FORCE**“19 Transition - financial disclosure for non-SEC filers**

Except in British Columbia, for an OTC reporting issuer that does not have a class of securities registered under section 12 of the 1934 Act and is not required to file reports under paragraph 15(d) of the 1934 Act, the requirements of National Instrument 51-102 *Continuous Disclosure Obligations* and National Instrument 52-109 *Certification of Disclosure in Issuers' Annual and Interim Filings* concerning the filing of:

- (a) annual financial statements, related MD&A and annual certificates apply only to financial years beginning on or after January 1, 2012;
- (b) interim financial reports, related MD&A and interim certificates apply only to interim periods that:
 - (i) begin on or after January 1, 2012; and
 - (ii) end after July 31, 2012; and
- (c) AIFs apply only to financial years beginning on or after January 1, 2012.

“20 Transition - oil and gas disclosure

Except in British Columbia, for an OTC reporting issuer, the requirement of National Instrument 51-101 *Standards of Disclosure for Oil and Gas Activities* concerning the filing of Form 51-101F1 *Statement of Reserves Data and Other Oil and Gas Information* applies only to financial years beginning on or after January 1, 2012.

“21 Coming into force

- (1) Subject to subsection (2), this Instrument comes into force on July 31, 2012.
- (2) Despite subsection (1), except in British Columbia, sections 5, 6, 7, and 8 come into force on September 30, 2012.

“FORM 51-105F1
Notice - OTC Issuer Ceases to be an OTC Reporting Issuer

This is the form required under paragraph 4(1)(d) of Multilateral Instrument 51-105 *Issuers Quoted in the U.S. Over-the-Counter Markets* for an OTC issuer to give notice that it has ceased to be an OTC reporting issuer under section 3 of the Instrument in a jurisdiction other than Québec.

In Québec, an OTC reporting issuer must apply to the securities regulatory authority to have its status as an OTC reporting issuer revoked in order to cease to be a reporting issuer.

The Issuer

Name of Issuer: _____ (the Issuer)

Head office address: _____

Last head office address
 (if different from above): _____

Telephone number: _____

Fax number: _____

E-mail address: _____

Ticker-symbol date: _____

Ceasing to be a Reporting Issuer

The Issuer certifies the following statements to be true:

1. The Issuer's business is not directed or administered, and has not been directed or administered for at least one year, in or from [insert name of local jurisdiction].
2. Promotional activities are not carried on, and have not been carried on for at least one year, in or from [insert name of local jurisdiction].
3. More than one year has passed since the ticker-symbol date.

If the preceding statements are true, on filing this Notice, the Issuer is no longer an OTC reporting issuer in [insert name of local jurisdiction].

If the preceding statements are true, on filing this Notice, the Issuer **has ceased to be** a reporting issuer in [name of local jurisdiction].

Certificate

On behalf of the Issuer, I certify that the statements made in this Notice are true.

Date: _____

Name of Issuer

Print name, title and telephone number of
person signing on behalf of the Issuer

Signature

Warning: It is an offence to make a statement in this Notice that is false or misleading in a material respect, or to omit facts that make this Notice false or misleading in a material respect.

**“FORM 51-105F2
Notice of Promotional Activities**

This is the form required under subsection 8(1) of Multilateral Instrument 51-105 *Issuers Quoted in the U.S. Over-the-Counter Markets* for an OTC reporting issuer to give notice of promotional activities.

Issuer Information

Name of Issuer: _____ (the Issuer)

Head office address: _____

Telephone number: _____

Fax number: _____

E-mail address: _____

Notice of Promotional Activities

1. Identify each person engaged in promotional activities and provide the person's address, telephone and fax number, and email address. If the person is not an individual, provide the name(s) of the individual(s) carrying on the activities.

2. Describe the relationship between the Issuer and each person engaged in promotional activities.

3. Include particulars of any agreement, arrangement, commitment or understanding between the Issuer and a person engaged in promotional activities. Include
- i. the effective date and duration of the agreement, arrangement or commitment;
 - ii. the scope of activities being conducted; and
 - iii. the compensation paid or to be paid by the Issuer, including any non-cash compensation.

The Issuer [has / has not] issued a news release disclosing this information.

If the Issuer has issued a news release, the Issuer may file it with this form.

Certificate

On behalf of the Issuer, I certify that the statements made in this Notice are true.

Date: _____

Name of Issuer

Print name, title and telephone number of
person signing on behalf of the Issuer

Signature

Warning: It is an offence to make a statement in this Notice that is false or misleading in a material respect, or to omit facts that make this Notice false or misleading in a material respect.

“FORM 51-105F3A**Personal Information Form and Authorization of Indirect Collection, Use and Disclosure of Personal Information**

This Personal Information Form and Authorization of Indirect Collection, Use and Disclosure of Personal Information must be completed and delivered to the securities regulatory authority by each individual who is required to do so under section 10 of Multilateral Instrument 51-105 *Issuers Quoted in the U.S. Over-the-Counter Markets*. If an individual has previously delivered a personal information form (an ‘Exchange Form’) to the Toronto Stock Exchange or the TSX Venture Exchange and the information has not changed, the individual may deliver the Exchange Form in lieu of this Form if the Certificate and Consent on page 8 of this Form is completed and attached to the Exchange Form.

The securities regulatory authority does not make any of the personal information provided in this Form public, unless required under freedom of information legislation.

General Instructions:

All Questions All questions must have a response. The response of ‘N/A’ or ‘Not Applicable’ for any questions, except Questions 1(B), 2B(iii) and 5, will not be accepted.

Questions 6 to 9 Please check (ü) in the appropriate space provided. If your answer to any of questions 6 to 9 is ‘YES’, you must, in an attachment, provide complete details, including the circumstances, relevant dates, names of the parties involved and final disposition, if known. **Any attachment must be initialled by the person completing this Form.** Responses must consider all time periods.

Delivery The issuer must deliver completed Forms electronically via the System for Electronic Document Analysis and Retrieval (SEDAR) under the document type ‘Personal Information Form and Authorization’. Access to this document type is not available to the public.

CAUTION

It is an offence to make a statement in this Form that is false or misleading in a material respect, or to omit facts that make this Form false or misleading in a material respect. Steps may be taken to verify the answers you have given in this Form, including verification of information relating to any previous criminal record.

DEFINITIONS

‘Offence’ includes:

- (a) a summary conviction or indictable offence under the *Criminal Code* (Canada);
- (b) a quasi-criminal offence (for example under the *Income Tax Act* (Canada), the *Immigration Act* (Canada) or the tax, immigration, drugs, firearms, money laundering or securities legislation of any jurisdiction of Canada);
- (c) a misdemeanour or felony under the criminal legislation of the United States of America, or any state or territory therein;
- (d) an offence under the criminal legislation of any other foreign jurisdiction;

NOTE: If you have received a pardon under the *Criminal Records Act (Canada)* for an Offence that relates to fraud (including any type of fraudulent activity), misappropriation of money or other property, theft, forgery, falsification of books or documents or similar Offences, you must disclose the pardoned offence in this Form. In such circumstances:

- (a) the appropriate written response would be 'Yes, pardon granted on (date)', and
- (b) you must provide complete details in an attachment to this Form.

'Proceedings' means:

- (a) a civil or criminal proceeding or inquiry before a court;
- (b) a proceeding before an arbitrator or umpire or a person or group of persons authorized by law to make an inquiry and take evidence under oath in the matter;
- (c) a proceeding before a tribunal in the exercise of a statutory power of decision making where the tribunal is required by law to hold or afford the parties to the proceeding an opportunity for a hearing before making a decision;
- (d) a proceeding before a self-regulatory organization authorized by law to regulate the operations and the standards of practice and business conduct of its members and their representatives, in which the self-regulatory organization is required under its by-laws or rules to hold or afford the parties the opportunity for a hearing before making a decision, but does not apply to a proceeding in which one or more persons are required to make an investigation and to make a report, with or without recommendations, if the report is for the information or advice of the person to whom it is made and does not in any way bind or limit that person in any decision the person may have the power to make;

'securities regulatory authority' (or 'SRA') means a body created by statute in any jurisdiction or in any foreign jurisdiction to administer securities law, regulation and policy (e.g. securities commission) but does not include an exchange or other self regulatory or professional organization;

'self-regulatory or professional organization' means:

- (a) a stock, commodities, futures or options exchange;
- (b) an association of investment, securities, mutual fund, commodities, or future dealers;
- (c) an association of investment counsel or portfolio managers;
- (d) an association of other professionals (e.g. legal, accounting, engineering);
- (e) any other group, institution or self-regulatory entity, recognized by a securities regulatory authority, that is responsible for the enforcement of rules, disciplines or codes under any applicable legislation, or considered a self-regulatory or professional organization in another country.

1. A. IDENTIFICATION OF INDIVIDUAL COMPLETING FORM

LAST NAME(S)	FIRST NAME(S)	MIDDLE NAME(S) (If none, please state)			
NAME(S) MOST COMMONLY KNOWN BY:					
NAME OF ISSUER					
PRESENT or PROPOSED POSITION(S) WITH THE ISSUER - check (✓) all positions below that are applicable.	(✓)	IF DIRECTOR / OFFICER DISCLOSE THE DATE ELECTED / APPOINTED			IF OFFICER - PROVIDE TITLE IF OTHER - PROVIDE DETAILS
		Month	Day	Year	
Director					
Officer					
Other					

B.

Other than the name given in Question 1A above, provide any legal names, assumed names, or nicknames, under which you have carried on business or have otherwise been known, including information regarding any name change(s) resulting from marriage, divorce, court order or any other process. Use an attachment if necessary.	FROM		TO	
	MM	YY	MM	YY

C.

GENDER	DATE OF BIRTH			PLACE OF BIRTH		
	Month	Day	Year	City	Province/State	Country
Male						
Female						

D.	MARTIAL STATUS	FULL NAME OF SPOUSE - include common-law	OCCUPATION OF SPOUSE

E.	TELEPHONE AND FACSIMILE NUMBERS AND E-MAIL ADDRESS			
	RESIDENTIAL	()	FACSIMILE	()
	BUSINESS	()	E-MAIL	()

F.	RESIDENTIAL HISTORY - Provide all residential addresses for the past 10 YEARS starting with your current principal residential address. If you are unable to correctly identify the complete residential address for a period, which is beyond five years from the date of completion of this Form, the municipality and province or state and country must be identified. The regulator reserves the right to require the full address.								
	STREET ADDRESS, CITY, PROVINCE/STATE, COUNTRY & POSTAL/ZIP CODE	FROM				TO			
		MM	YY	MM	YY				

2. CITIZENSHIP

A.	CANADIAN CITIZENSHIP	YES	NO
	(i) Are you a Canadian Citizen?		
	(ii) Are you a person lawfully in Canada as an immigrant but are not yet a Canadian citizen?		
	(iii) If 'Yes' to Question 2A(ii), the number of years of continuous residence in Canada:		

B.	OTHER CITIZENSHIP	YES	NO
	(i) Do you hold citizenship in any country other than Canada?		
	(ii) If 'Yes' to Question 2B(i), the name of the country(s):		
	(iii) Please provide U.S. Social Security number, where you have such a number		

3. EMPLOYMENT HISTORY

Provide your employment history for the **10 YEARS** immediately prior to the date of this Form starting with your current employment. Use an attachment if necessary.

EMPLOYEE NAME	EMPLOYEE ADDRESS	POSITION HELD	FROM		TO	
			MM	YY	MM	YY

4. POSITIONS WITH OTHER ISSUERS

		YES	NO			
A.	While you were a director, officer or insider of an issuer, did any exchange or self-regulatory organization refuse approval for listing or quotation of that issuer (including a listing resulting from a qualifying transaction, reverse takeover, backdoor listing or change of business)? If yes, attach full particulars.					
B.	Has your employment in a sales, investment or advisory capacity with any firm or company engaged in the sale of real estate, insurance or mutual funds ever been terminated for cause?					
C.	Has a firm or company registered under the securities laws of any jurisdiction of Canada or of any foreign jurisdiction as a securities dealer, broker, investment advisor or underwriter, suspended or terminated your employment for cause?					
D.	Are you or have you during the last 10 years been a director, officer, promoter, insider or control person for any reporting issuer?					
E.	If 'YES' to 4D above, provide the names of each reporting issuer. State the position(s) held and the period(s) during which you held the position(s). Use an attachment if necessary.					
NAME OF REPORTING ISSUER	POSITION(S) HELD	MARKET TRADED ON	FROM		TO	
			MM	YY	MM	YY

5. EDUCATIONAL HISTORY

A. PROFESSIONAL DESIGNATION(S) - Provide any professional designation held and professional associations to which you belong. For example, Barrister & Solicitor, C.A., C.M.A., C.G.A., P.Eng., P.Geol., and CFA, etc. and indicate which organization and the date the designations were granted.						
PROFESSIONAL DESIGNATION And MEMBERSHIP NUMBER	GRANTOR OF DESIGNATION And JURISDICTION OR FOREIGN JURISDICTION	DATE GRANTED			ACTIVE?	
		MM	DD	YY	YES	NO

B. Provide your post-secondary educational history starting with the most recent.						
SCHOOL	LOCATION	DEGREE OR DIPLOMA	DATE OBTAINED			
			MM	DD	YY	

6. OFFENCES - If you answer 'YES' to any item in Question 6, you must provide complete details in an attachment.

		YES	NO
A.	Have you ever pleaded guilty to or been found guilty of an offence?		
B.	Are you the subject of any current charge, indictment or proceeding for an offence?		
C.	To the best of your knowledge, are you or have you ever been a director, officer, promoter, insider, or control person of an issuer, in any jurisdiction of Canada or in any foreign jurisdiction, at the time of events, where the issuer:		
	(i) has ever pleaded guilty to or been found guilty of an offence?		
	(ii) is the subject of any current charge, indictment or proceeding for an offence?		

7. **BANKRUPTCY** - If you answer 'YES' to any item in Question 7, you must provide complete details in an attachment and attach a copy of any discharge, release or other applicable document.

		YES	NO
A.	Have you, in any jurisdiction of Canada or in any foreign jurisdiction, within the past 10 years had a petition in bankruptcy issued against you, made a voluntary assignment in bankruptcy, made a proposal under any bankruptcy or insolvency legislation, been subject to any proceeding, arrangement or compromise with creditors, or had a receiver, receiver-manager or trustee appointed to manage your assets?		
B.	Are you now an undischarged bankrupt?		
C.	To the best of your knowledge, are you or have you ever been a director, officer, promoter, insider, or control person of an issuer, in any jurisdiction of Canada or in any foreign jurisdiction, at the time of events, or for a period of 12 months preceding the time of events, where the issuer:		
	(i) has made a petition in bankruptcy, a voluntary assignment in bankruptcy, a proposal under any bankruptcy or insolvency legislation, been subject to any proceeding, arrangement or compromise with creditors or had a receiver, receiver-manager or trustee appointed to manage the issuer's assets?		
	(ii) is now an undischarged bankrupt?		

8. **PROCEEDINGS** - If you answer 'YES' to any item in Question 8, you must provide complete details in an attachment.

		YES	NO
A.	CURRENT PROCEEDINGS BY SECURITIES REGULATORY AUTHORITY OR SELF-REGULATORY OR PROFESSIONAL ORGANIZATION Are you now, in any jurisdiction or in any foreign jurisdiction, the subject of:		
	(i) a notice of hearing or similar notice issued by a SRA?		
	(ii) a proceeding or to your knowledge, under investigation, by an exchange or other self-regulatory or professional organization?		
	(iii) settlement discussions or negotiations for settlement with a SRA or any self-regulatory or professional organization?		

		YES	NO
B.	PRIOR PROCEEDINGS BY SECURITIES REGULATORY AUTHORITY OR SELF-REGULATORY OR PROFESSIONAL ORGANIZATION Have you ever:		
	(i) been reprimanded, suspended, fined, been the subject of an administrative penalty, or otherwise been the subject of any disciplinary proceedings, in any jurisdiction of Canada or in any foreign jurisdiction, by a SRA or self-regulatory or professional organization?		
	(ii) had a registration or licence for the trading of securities, exchange or commodity futures contracts, real estate, insurance or mutual fund products cancelled, refused, restricted or suspended?		
	(iii) been prohibited or disqualified under securities, corporate or any other legislation from acting as a director or officer of a reporting issuer?		
	(iv) had a cease trading or similar order issued against you or an order issued against you that denied you the right to use any statutory prospectus or registration exemption?		
	(v) been the subject of any other proceeding?		
C.	SETTLEMENT AGREEMENT(S)		
	Have you ever entered into a settlement agreement with a SRA, self-regulatory or professional organization, an attorney general or comparable official or body, in any jurisdiction of Canada or in any foreign jurisdiction, in a matter that involved, actual or alleged, fraud, theft, deceit, misrepresentation, conspiracy, breach of trust, breach of fiduciary duty, insider trading, unregistered trading in securities or exchange or commodity futures contracts, illegal distributions, failure to disclose material facts or changes or similar conduct, or any other settlement agreement with respect to any other violation of securities legislation in a jurisdiction or in a foreign jurisdiction or the rules of any self-regulatory or professional organization?		
D.	To the best of your knowledge, are you now or have you ever been a director, officer, promoter, insider, or control person of an issuer at the time of such event, in any jurisdiction of Canada or in any foreign jurisdiction, for which a securities regulatory authority or self-regulatory or professional organization has:		
	(i) refused, restricted, suspended or cancelled the registration or licensing of an issuer to trade securities, exchange or commodity futures contracts, or to sell or trade real estate, insurance or mutual fund products?		
	(ii) issued a cease trade or similar order or imposed an administrative penalty against the issuer, other than an order for failure to file financial statements that was revoked within 30 days of its issuance?		
	(iii) refused a receipt for a prospectus or other offering document, denied any application for listing or quotation or any other similar application, or issued an order that denied the issuer the right to use any statutory prospectus or registration exemptions?		
	(iv) issued a notice of hearing, notice as to a proceeding or similar notice against the issuer?		

(v) taken any other proceeding against the issuer, including a trading halt, suspension or delisting of the issuer (other than in the normal course for proper dissemination of information, pursuant to a reverse takeover, backdoor listing or similar transaction)?		
(vi) entered into a settlement agreement with the issuer in a matter that involved actual or alleged fraud, theft, deceit, misrepresentation, conspiracy, breach of trust, breach of fiduciary duty, insider trading, unregistered trading in securities or exchange or commodity futures contracts, illegal distributions, failure to disclose material facts or changes or similar conduct by the issuer, or involved in any other violation of securities legislation in a jurisdiction or in a foreign jurisdiction or a self-regulatory or professional organization's rules?		

9. **CIVIL PROCEEDINGS** - If you answer 'YES' to any item in Question 9, you must provide complete details in an attachment.

		YES	NO
A.	JUDGMENT, GARNISHMENT AND INJUNCTIONS Has a court in any jurisdiction of Canada or in any foreign jurisdiction:		
	(i) rendered a judgment, ordered garnishment or issued an injunction or similar ban (whether by consent or otherwise) against <u>you</u> in a claim based in whole or in part on fraud, theft, deceit, misrepresentation, conspiracy, breach of trust, breach of fiduciary duty, insider trading, unregistered trading, illegal distributions, failure to disclose material facts or changes or allegations of similar conduct?		
	(ii) rendered a judgment, ordered garnishment or issued an injunction or similar ban (whether by consent or otherwise) against <u>an issuer</u> , for which you are currently or have ever been a director, officer, promoter, insider or control person, in a claim based in whole or in part on fraud, theft, deceit, misrepresentation, conspiracy, breach of trust, breach of fiduciary duty, insider trading, unregistered trading, illegal distributions, failure to disclose material facts or changes or allegations of similar conduct?		
B.	CURRENT CLAIMS		
	(i) Are <u>you</u> now the subject, in any jurisdiction of Canada or in any foreign jurisdiction, of a claim that is based in whole or in part on actual or alleged fraud, theft, deceit, misrepresentation, conspiracy, breach of trust, breach of fiduciary duty, insider trading, unregistered trading, illegal distributions, failure to disclose material facts or changes or allegations of similar conduct?		
	(ii) To the best of your knowledge, are you currently or have you ever been a director, officer, promoter, insider or control person of <u>an issuer</u> now subject, in any jurisdiction of Canada or in any foreign jurisdiction, of a claim that is based in whole or in part on actual or alleged fraud, theft, deceit, misrepresentation, conspiracy, breach of trust, breach of fiduciary duty, insider trading, unregistered trading, illegal distributions, failure to disclose material facts or changes or allegations of similar conduct?		

C. SETTLEMENT AGREEMENT			
(i)	Have <u>you</u> ever entered into a settlement agreement, in any jurisdiction of Canada or in any foreign jurisdiction, in a civil action that involved actual or alleged fraud, theft, deceit, misrepresentation, conspiracy, breach of trust, breach of fiduciary duty, insider trading, unregistered trading, illegal distributions, failure to disclose material facts or changes or allegations of similar conduct?		
(ii)	To the best of your knowledge, are you currently or have you ever been a director, officer, promoter, insider or control person of <u>an issuer</u> that has entered into a settlement agreement, in any jurisdiction of Canada or in any foreign jurisdiction, in a civil action that involved actual or alleged fraud, theft, deceit, misrepresentation, conspiracy, breach of trust, breach of fiduciary duty, insider trading, unregistered trading, illegal distributions, failure to disclose material facts or changes or allegations of similar conduct?		

CERTIFICATE AND CONSENT

I, _____ hereby certify that:
(Please Print - Name of Individual)

- (a) I have read and understand the questions, cautions, acknowledgement and consent in this Form, and the answers I have given to the questions in this Form and in any attachments to it are true and correct, except where stated to be to the best of my knowledge, in which case I believe the answers to be true;
- (b) I have read and understand Schedule 1;
- (c) I consent to the collection, use and disclosure of the information in this Form (or in a delivered Exchange Form if one is delivered in lieu of this Form) and to the collection, use and disclosure of further personal information in accordance with Schedule 1; and
- (d) I understand that I am delivering this Form with one or more securities regulatory authorities listed in Schedule 2 and it is an offence to make a statement in this Form that is false or misleading in a material respect, or to omit facts that make this Form false or misleading in a material respect.

Date

Signature of person named above

Name(s) of OTC reporting issuer(s)
for which this Form is delivered

“FORM 51-105F3A**Personal Information Form and Authorization of Indirect Collection,
Use and Disclosure of Personal Information****“Schedule 1****Collection of Personal Information**

The securities regulatory authorities listed in Schedule 2 are authorized, under securities legislation, to collect personal information. The securities regulatory authorities do not make any of the information provided in this Form public, unless required under freedom of information legislation.

By signing the Certificate and Consent in this Form, you are consenting to submitting your personal information in this Form (the ‘Information’) to the securities regulatory authorities and to the collection and use by the securities regulatory authorities of the Information, as well as any other information that may be necessary to administer securities legislation and assist in the administration of securities laws elsewhere. This may include the collection of information from law enforcement agencies, other government or non-governmental regulatory authorities, self-regulatory organizations, exchanges, and quotation and trade reporting systems in order to conduct background checks, verify the Information, perform investigations and conduct enforcement proceedings.

Under Multilateral Instrument 51-105 *Issuers Quoted in the U.S. Over-the-Counter Markets*, you are required to deliver the Information to the securities regulatory authorities because you are a director, officer, promoter or control person of an OTC Reporting Issuer. Under freedom of information and protection of privacy legislation, you have a right to be informed of the existence of personal information about you that is kept by a securities regulatory authority, to request access to that information, and to request that such information be corrected, subject to applicable freedom of information and protection of privacy legislation.

By signing the Certificate and Consent in this Form, you acknowledge that the securities regulatory authorities may disclose the Information they collect about you, as permitted by law, where its use and disclosure is for the purposes described above. The securities regulatory authorities may use a third party to process the Information, but when that happens, the third party is obligated to comply with the limited use restrictions described above and federal and provincial privacy legislation.

Warning: It is an offence to submit information that, in a material respect, and at the time and in the light of the circumstances in which it is submitted, is misleading or untrue.

Questions

If you have any questions about the collection, use and disclosure of the information you provide to a securities regulatory authority, you may contact the securities regulatory authority at the address or telephone number listed in Schedule 2.

“FORM 51-105F3A**Personal Information Form and Authorization of Indirect Collection,
Use and Disclosure of Personal Information****“Schedule 2****Securities Regulatory Authorities****British Columbia Securities Commission**

P.O. Box 10142, Pacific Centre
701 West Georgia Street
Vancouver, British Columbia V7Y 1L2
Telephone: 604-899-6500
Toll free in British Columbia and Alberta 1-800-373-6393
Facsimile: 604-899-6506

Alberta Securities Commission

Suite 600, 250 - 5 th Street SW
Calgary, Alberta T2P 0R4
Telephone: 403-297-6454
Facsimile: 403-297-6156

Saskatchewan Financial Services Commission

Suite 601 - 1919 Saskatchewan Drive
Regina, Saskatchewan S4P 4H2
Telephone: 306-787-5879
Facsimile: 306-787-5899

The Manitoba Securities Commission

500 - 400 St Mary Avenue
Winnipeg, Manitoba R3C 4K5
Telephone: 204-945-2548
Toll free in Manitoba 1-800-655-5244
Facsimile: 204-945-0330

Autorité des marchés financiers

800, Square Victoria, 22 e étage
C.P. 246, Tour de la Bourse
Montréal, Québec H4Z 1G3
Telephone: 514-395-0337
or 1-877-525-0337
Facsimile: 514-873-6155 (For delivery purposes only)
Facsimile: 514-864-6381 (For privacy requests only)

New Brunswick Securities Commission

85 Charlotte Street, Suite 300
Saint John, New Brunswick E2L 2J2
Telephone: 506-658-3060
Toll Free in New Brunswick 1-866-933-2222
Facsimile: 506-658-3059

Nova Scotia Securities Commission

2nd Floor, Joseph Howe Building
1690 Hollis Street
Halifax, Nova Scotia B3J 3J9
Telephone: 902-424-7768
Facsimile: 902-424-4625

Prince Edward Island Securities Office

95 Rochford Street, 4th Floor Shaw Building
P.O. Box 2000
Charlottetown, Prince Edward Island C1A 7N8
Telephone: 902-368-4569
Facsimile: 902-368-5283

Government of Newfoundland and Labrador

Financial Services Regulation Division
P.O. Box 8700
Confederation Building
2nd Floor, West Block
Prince Philip Drive
St. John's, NFLD A1B 4J6
Attention: Director of Securities
Telephone: 709-729-4189
Facsimile: 709-729-6187

Government of Yukon

Department of Community Services
Corporate Affairs, Yukon Securities Office
307 Black Street, 1st Floor
PO Box 2703 (C-6)
Whitehorse, Yukon Y1A 2C6
Telephone: 867-667-5466
Facsimile: 867-393-6251

Government of the Northwest Territories

Government of the Northwest Territories
Office of the Superintendent of Securities
P.O. Box 1320
Yellowknife, NT X1A 2L9
Attention: Deputy Superintendent, Legal & Enforcement
Telephone: 867-920-8984
Facsimile: 867-873-0243

Government of Nunavut

Department of Justice
Legal Registries Division
P.O. Box 1000, Station 570
1 st Floor, Brown Building
Iqaluit, Nunavut X0A 0H0
Telephone: 867-975-6590
Facsimile: 867-975-6594

“FORM 51-105F3B

**Personal Information Form and Authorization of Indirect Collection,
Use and Disclosure of Personal Information**

This Personal Information Form and Authorization of Indirect Collection, Use and Disclosure of Personal Information must be completed and delivered to the securities regulatory authority by each individual who is required to do so under section 10 of Multilateral Instrument 51-105 *Issuers Quoted in the U.S. Over-the-Counter Markets*. If an individual has previously delivered either Form 51-105F3A *Personal Information Form and Authorization of Indirect Collection, Use and Disclosure of Personal Information* or a personal information form to the Toronto Stock Exchange or TSX Venture Exchange in connection with another OTC Reporting Issuer and the information has not changed, the individual may deliver this Form in satisfaction of the requirement in section 10 of Multilateral Instrument 51-105 *Issuers Quoted in the U.S. Over-the-Counter Markets* if the Certificate and Consent below is completed.

The securities regulatory authority does not make any of the personal information provided in this Form public, unless required under freedom of information legislation.

CERTIFICATE AND CONSENT

I, _____ hereby certify that:
(Please Print - Name of Individual)

- (a) I delivered form 51-105F3A *Personal Information Form and Authorization of Indirect Collection, Use and Disclosure of Personal Information* on _____
(insert date)
for _____
(insert name of issuer).

I have read and understood the questions, cautions, acknowledgement and consent in that Form, and the answers I have given to the questions in that Form and in any attachments to it are true and correct, except where stated to be to the best of my knowledge, in which case I believe the answers to be true;

- (b) I have read and understand the attached Schedule 1;
- (c) I consent to the collection, use and disclosure of the information in this Form and to the collection, use and disclosure of further personal information in accordance with Schedule 1; and
- (d) I understand that I am delivering this Form to a securities regulatory authority, and it is an offence under securities legislation to provide false or misleading information to the securities regulatory authority.

Date

Signature of person named above

Name(s) of OTC reporting issuer(s) for
which this Form is delivered

“FORM 51-105F3B**Personal Information Form and Authorization of Indirect Collection,
Use and Disclosure of Personal Information****“Schedule 1****Collection of Personal Information**

The securities regulatory authorities listed in Schedule 2 are authorized, under securities legislation, to collect personal information. The securities regulatory authorities do not make any of the information provided in this Form public, unless required under freedom of information legislation.

By signing the Certificate and Consent in this Form, you are consenting to submitting your personal information in this Form (the ‘Information’) to the securities regulatory authorities and to the collection and use by the securities regulatory authorities of the Information, as well as any other information that may be necessary to administer securities legislation and assist in the administration of securities laws elsewhere. This may include the collection of information from law enforcement agencies, other government or non-governmental regulatory authorities, self-regulatory organizations, exchanges, and quotation and trade reporting systems in order to conduct background checks, verify the Information, perform investigations and conduct enforcement proceedings.

Under Multilateral Instrument 51-105 *Issuers Quoted in the U.S. Over-the-Counter Markets*, you are required to deliver the Information to the securities regulatory authorities because you are a director, officer, promoter or control person of an OTC Reporting Issuer. Under freedom of information and protection of privacy legislation, you have a right to be informed of the existence of personal information about you that is kept by a securities regulatory authority, to request access to that information, and to request that such information be corrected, subject to applicable freedom of information and protection of privacy legislation.

By signing the Certificate and Consent in this Form, you acknowledge that the securities regulatory authorities may disclose the Information they collect about you, as permitted by law, where its use and disclosure is for the purposes described above. The securities regulatory authorities may use a third party to process the Information, but when that happens, the third party is obligated to comply with the limited use restrictions described above and federal and provincial privacy legislation.

Warning: It is an offence to submit information that, in a material respect, and at the time and in the light of the circumstances in which it is submitted, is misleading or untrue.

Questions

If you have any questions about the collection, use and disclosure of the information you provide to a securities regulatory authority, you may contact the securities regulatory authority at the address or telephone number listed in Schedule 2.

“FORM 51-105F3B**Personal Information Form and Authorization of Indirect Collection,
Use and Disclosure of Personal Information****“Schedule 2****Securities Regulatory Authorities****British Columbia Securities Commission**

P.O. Box 10142, Pacific Centre
701 West Georgia Street
Vancouver, British Columbia V7Y 1L2
Telephone: 604-899-6500
Toll free in British Columbia and Alberta 1-800-373-6393
Facsimile: 604-899-6506

Alberta Securities Commission

Suite 600, 250 - 5 th Street SW
Calgary, Alberta T2P 3C4
Telephone: 403-297-6454
Facsimile: 403-297-6156

Saskatchewan Financial Services Commission

Suite 601 - 1919 Saskatchewan Drive
Regina, Saskatchewan S4P 4H2
Telephone: 306-787-5879
Facsimile: 306-787-5899

The Manitoba Securities Commission

500 - 400 St Mary Avenue
Winnipeg, Manitoba R3C 4K5
Telephone: 204-945-2548
Toll free in Manitoba 1-800-655-5244
Facsimile: 204-945-0330

Autorité des marchés financiers

800, Square Victoria, 22 e étage
C.P. 246, Tour de la Bourse
Montréal, Québec H4Z 1G3
Telephone: 514-395-0337
or 1-877-525-0337
Facsimile: 514-873-6155 (For delivery purposes only)
Facsimile: 514-864-6381 (For privacy requests only)

New Brunswick Securities Commission

85 Charlotte Street, Suite 300
Saint John, New Brunswick E2L 2J2
Telephone: 506-658-3060
Toll Free in New Brunswick 1-866-933-2222
Facsimile: 506-658-3059

Nova Scotia Securities Commission

2 nd Floor, Joseph Howe Building
1690 Hollis Street
Halifax, Nova Scotia B3J 3J9
Telephone: 902-424-7768
Facsimile: 902-424-4625

Prince Edward Island Securities Office

95 Rochford Street, 4th Floor Shaw Building
P.O. Box 2000
Charlottetown, Prince Edward Island C1A 7N8
Telephone: 902-368-4569
Facsimile: 902-368-5283

Government of Newfoundland and Labrador

Financial Services Regulation Division
P.O. Box 8700
Confederation Building
2 nd Floor, West Block
Prince Philip Drive
St. John's, NFLD A1B 4J6
Attention: Director of Securities
Telephone: 709-729-4189
Facsimile: 709-729-6187

Government of Yukon

Department of Community Services
Corporate Affairs, Yukon Securities Office
307 Black Street, 1st Floor
PO Box 2703 (C-6)
Whitehorse, Yukon Y1A 2C6
Telephone: 867-667-5466
Facsimile: 867-393-6251

Government of the Northwest Territories

Government of the Northwest Territories
Office of the Superintendent of Securities
P.O. Box 1320
Yellowknife, NT X1A 2L9
Attention: Deputy Superintendent, Legal & Enforcement
Telephone: 867-920-8984
Facsimile: 867-873-0243

Government of Nunavut

Department of Justice
Legal Registries Division
P.O. Box 1000, Station 570
1 st Floor, Brown Building
Iqaluit, Nunavut X0A 0H0
Telephone: 867-975-6590
Facsimile: 867-975-6594

“FORM 51-105F4**Notice - Issuer Ceases to be an OTC Reporting Issuer**

This is the form required under subsection 4(2) of Multilateral Instrument 51-105 *Issuers Quoted in the U.S. Over-the-Counter Markets*. This form must be completed and filed in jurisdictions other than Québec if an OTC reporting issuer has ceased to be an OTC issuer because it has a class of securities listed or quoted on an exchange or a quotation and trade reporting system specified in the definition of ‘OTC issuer’ in section 1 of the Instrument.

In Québec, an OTC reporting issuer that has a class of securities listed or quoted on an exchange or a quotation and trade reporting system specified in the definition of ‘OTC issuer’ in section 1 of the Instrument must apply to the securities regulatory authority to have its status as an OTC reporting issuer revoked in order to cease to be an OTC issuer.

The Issuer

Name of Issuer: _____ (the Issuer)

Head office address: _____

Last head office address
 (if different from above): _____

Telephone number: _____

Fax number: _____

E-mail address: _____

Ceasing to be an OTC Reporting Issuer

The Issuer’s _____
 [describe class of securities] are listed or quoted

on _____
 [name of exchange or quotation and trade reporting

system listed in definition of OTC issuer in section 1 of Multilateral Instrument 51-105 *Issuers Quoted in the U.S. Over-the-Counter Markets*].

If the Issuer has ceased to be an OTC issuer, the Issuer is no longer an OTC Reporting Issuer under Multilateral Instrument 51-105 *Issuers Quoted in the U.S. Over-the-Counter Markets*.

The Issuer [will not be / will remain] a reporting issuer in a jurisdiction of Canada.

Certificate

On behalf of the Issuer, I certify that the statements made in this Notice are true.

Date: _____

Name of Issuer

Print name, title and telephone number of
person signing on behalf of the Issuer

Signature

Warning: It is an offence to make a statement in this Notice that is false or misleading in a material respect, or to omit facts that make this Notice false or misleading in a material respect.”.

Coming into force

5 These regulations come into force on the day on which they are filed with the Registrar of Regulations.

SASKATCHEWAN REGULATIONS 63/2012*The Corporation Capital Tax Act*

Section 58

Order in Council 495/2012, dated September 6, 2012

(Filed September 7, 2012)

Title

1 These regulations may be cited as *The Corporation Capital Tax Amendment Regulations, 2012*.

R.R.S. c.C-38.1 Reg 1 amended

2 *The Corporation Capital Tax Regulations, 1984* are amended in the manner set forth in these regulations.

Section 2 amended

3 **Clause 2(4)(a) is amended by striking out** “section 64 of *The Freehold Oil and Gas Production Tax Regulations, 1995*” **and substituting** “section 68 of *The Freehold Oil and Gas Production Tax Regulations, 2012*”.

Section 4 amended

4 **The following subsections are added after subsection 4(1.1):**

“(1.2) For the purposes of subsection (1.1), for taxation years ending after March 22, 2011, a resource corporation’s proportionate share of the value of resource sales of a partnership is the amount A calculated in accordance with the following formula:

$$A = B + C - D$$

where:

B means the corporation’s proportionate share of the value of resource sales of the partnership for the partnership’s fiscal year that ends in the taxation year for which the corporation is filing its return;

C means the corporation’s proportionate share of the value of resource sales of the partnership for the stub period; and

D means the amount included as the amount C for the purposes of calculating the corporation’s proportionate share of the value of resource sales of the partnership for the corporation’s immediately preceding taxation year.

“(1.3) For the purposes of subsection (1.2), ‘**stub period**’ means the period commencing on the day after the last day of the fiscal year of the partnership that falls within the taxation year for which the corporation is filing its return and ending on the last day of that taxation year”.

Coming into force

5 These regulations come into force on the day on which they are filed with the Registrar of Regulations but are retroactive and are deemed to have been in force on and from March 22, 2011.

SASKATCHEWAN REGULATIONS 64/2012*The Tobacco Tax Act, 1998*

Section 35

Order in Council 496/2012, dated September 6, 2012

(Filed September 7, 2012)

Title

1 These regulations may be cited as *The Tobacco Tax Amendment Regulations, 2012*.

R.R.S. c.T-15.001 Reg 1 amended

2 *The Tobacco Tax Regulations, 1998* are amended in the manner set forth in these regulations.

Section 2 amended

3 Subsection 2(2) is amended:

(a) by adding the following clause after clause (b):

“(b.1) ‘**excise stamp**’ means an excise stamp as defined in section 2 of the *Excise Act, 2001* (Canada); and

(b) by adding the following clause after clause (e):

“(e.1) ‘**Saskatchewan stamp**’ means an excise stamp that includes the letters ‘SK’ and that has a background colour of pantone green 802, 100%”.

New sections 8 and 8.1

4 Section 8 is repealed and the following substituted:

“Marking of tobacco packages

8(1) Subject to section 8.1, a package containing tobacco that is required pursuant to the Act to be marked must be marked in accordance with this section.

(2) Subject to subsections (3) to (5), every package containing cigarettes, tobacco sticks or fine cut tobacco that is required to be marked for sale in Saskatchewan must be marked with a Saskatchewan stamp.

(3) Every carton containing tobacco that is intended to be sold or provided to a recipient in Saskatchewan must bear stickers that:

(a) either seal the end flaps of the wrapper or, if the carton is a paperboard box, are located so that there is a sticker at each end of the box; and

(b) meet all of the following criteria:

(i) they must state ‘SASK’, printed in Helvetica, bold, 10 point, upper case lettering and coloured in process black, 100%;

(ii) they must be at least 2.9 centimetres in width;

(iii) they must be at least 1.4 centimetres in height;

(iv) they must be surrounded by a border that is 1.5 points in width and coloured in process black, 100%;

(v) they must have a background colour of pantone green 802, 100%.

- (4) Subject to subsection (5), every case that contains cartons that are marked in accordance with subsection (3) or packages of cigarettes, tobacco sticks or fine cut tobacco that are marked in accordance with subsection (2) must be marked with 'SASK' on the outside of any two opposite face sides of the case.
- (5) For the purposes of subsection (4), the lettering must:
- (a) be printed in block letters;
 - (b) be 38.1 millimetres in height, upper case lettering; and
 - (c) be coloured in process black, 100%.
- (6) Every person who holds an authorization shall:
- (a) order all Saskatchewan stamps from the Minister of National Revenue for Canada in accordance with subsection 25.1(1) of the *Excise Act, 2001*(Canada);
 - (b) safeguard all Saskatchewan stamps in his or her possession;
 - (c) keep records, in accordance with any specifications provided by the minister, that account for all Saskatchewan stamps ordered pursuant to clause (a) and provide those records to the minister on the minister's request; and
 - (d) retain the records required pursuant to clause (c) until the person receives written permission from the minister to dispose of the records.

“Transitional - marking

8.1(1) In this section, ‘**former provision**’ means section 8 of these regulations as that section read before the coming into force of *The Tobacco Tax Amendment Regulations, 2012*.

(2) A package of cigarettes, tobacco sticks or fine cut tobacco that is intended to be sold or provided to a recipient in Saskatchewan on or before March 31, 2013 may be marked in accordance with the former provision”.

Coming into force

5(1) Subject to subsection (2), these regulations come into force on October 1, 2012.

(2) If these regulations are filed with the Registrar of Regulations after October 1, 2012, these regulations come into force on the day on which they are filed with the Registrar of Regulations.

SASKATCHEWAN REGULATIONS 65/2012*The Public Guardian and Trustee Act*

Section 54

Order in Council 497/2012, dated September 6, 2012

(Filed September 7, 2012)

Title

1 These regulations may be cited as *The Public Guardian and Trustee Amendment Regulations, 2012*.

R.R.S. c.P-36.3 Reg 1 amended

2 *The Public Guardian and Trustee Regulations* are amended in the manner set forth in these regulations.

Section 2 amended

3 **Subclause 2(c)(iii) is repealed and the following substituted:**

“(iii) property of a person declared to be a missing person pursuant to *The Missing Persons and Presumption of Death Act*, all assets of the missing person recorded with the public guardian and trustee without deduction for debts and liabilities”.

Section 5 amended

4 **Subsections 5(3) and (4) are repealed.**

Section 6 amended

5 **Subsections 6(3) and (4) are repealed.**

Section 7 amended

6 **Subsection 7(5) is repealed.**

New section 7.1

7 **The following section is added after section 7:**

“No further interest, dividends or capital gains paid to estate

7.1 Notwithstanding sections 4 to 7, in the administration of the estate of a deceased person the public guardian and trustee may, after filing the final return for the deceased with the Canada Revenue Agency or receiving the clearance certificate respecting the deceased from the Canada Revenue Agency, determine that no further interest, dividends or capital gains are to be distributed to the estate”.

Section 11 amended

8 **Subsection 11(3) is amended by striking out “an absentee pursuant to *The Absentee Act*” and substituting “a missing person pursuant to *The Missing Persons and Presumption of Death Act*”.**

Section 18 amended

9(1) **Subsection 18(1) is amended by striking out the portion preceding clause (a) and substituting the following:**

“If the public guardian and trustee is appointed as a property guardian pursuant to *The Missing Persons and Presumption of Death Act* to administer the property of a person declared to be a missing person pursuant to that Act, the public guardian and trustee may charge a fee equal to the greater of:”.

(2) Subsection 18(2) is amended in the portion preceding clause (a) by striking out “an absentee’s” and substituting “a missing person’s”.

Section 19 amended

10 Section 19 is amended by striking out “*The Trustee Act*” and substituting “*The Trustee Act, 2009*”.

Section 22 amended

11 Subsection 22(1) is repealed.

Section 24 amended

12 Clause 24(1)(d) is repealed and the following substituted:

“(d) expenditures when acting as a property guardian pursuant to *The Missing Persons and Presumption of Death Act*, as a trustee pursuant to *The Trustee Act, 2009* or pursuant to a power of attorney, if the missing person’s estate, the trust estate or the property that is subject to the power of attorney will be used to reimburse the public guardian and trustee when funds become available”.

Coming into force

13 These regulations come into force on the day on which they are filed with the Registrar of Regulations.

