TORONTO STOCK EXCHANGE

Guide to TSX Timely Disclosure Requirements

DEC 2023

TMX THE FUTURE IS YOURS TO SEE.®

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Introduction

About this Guide

This guide is intended to provide guidance to issuers regarding the timely disclosure requirements in Part IV of the TSX Company Manual (the "Manual"). Therefore, this guide should be read in conjunction with Part IV of the Manual.

This Guide only refers to Toronto Stock Exchange ("TSX" or the "Exchange") requirements. Issuers may be subject to other requirements such as other exchange rules or corporate or securities legislation, as applicable.

Principle

It is a cornerstone policy of TSX that all persons investing in securities listed on TSX have equal access to information that may affect their investment decisions. Public confidence in the integrity of the Exchange as a securities market requires timely disclosure of material information concerning the business and affairs of issuers listed on the Exchange ("issuers"), thereby placing all participants in the market on an equal footing.

Other regulations

The Timely Disclosure Policy of the Exchange is the primary timely disclosure standard for all issuers. National Policy 51-201 *Disclosure Standards* ("NI 51-201") , assists issuers in meeting their legislative disclosure requirements. While the legislative and Exchange timely disclosure requirements differ somewhat, the Canadian Securities Administrators clearly state in NI 51-201 that they expect issuers to comply with the requirements of the Exchange.

To minimize the number of authorities that must be consulted in a particular matter, in the case of securities listed on the Exchange, TSX is the relevant contact. The issuer may, of course, consult with the government securities administrator of the particular jurisdiction. In the case of securities listed on more than one stock market, the issuer should deal with each market.

The requirements of the Exchange and NI 51-201 are in addition to any applicable statutory requirements. The Exchange enforces its own policy. issuer whose securities are listed on the Exchange are legally obligated to comply with the provisions on timely disclosure set out in section 75 of the Securities Act (Ontario) ("OSA") and the regulation under the OSA. Reference should also be made to National Instrument 71-102 *Continuous Disclosure and Other Exemptions Relating to Foreign Issuers*, National Instrument 55-102 *System for Electronic Disclosure by Insiders, ("SEDI")* National Instrument 62-103 *The Early Warning System and Related Take-Over Bid and Insider Reporting Issues*, and National Instrument 62-104 *Take-Over Bids and Issuer Bids*.

In addition to the foregoing requirements, issuers whose securities are listed on the Exchange and who engage in mineral exploration, development and/or production, must follow the "Disclosure Standards for Companies Engaged in Mineral Exploration, Development and Production" as outlined in Appendix B of the Manual for both their timely and continuous disclosure.

Canadian Investment Regulatory Organization ("market surveillance"), monitors the Timely Disclosure.

MATERIAL INFORMATION

Definition

Material information is any information relating to the business and affairs of an issuer that results in or would reasonably be expected to result in a significant change in the market price or value of any of the issuer's listed securities.

Material information consists of both material facts and material changes relating to the business and affairs of an issuer. In addition to material information, trading on the Exchange is sometimes affected by the existence of rumours and speculation. Where this is the case, Market Surveillance may require that an announcement be made by the issuer whether such rumours and speculation are factual or not. The policy of the Exchange with regard to rumours is set out more fully under the section entitled "Rumours".

The Timely Disclosure Policy of the Exchange is designed to supplement the provisions of the OSA which requires disclosure of any "material change" as defined therein. A report must be filed with the Ontario Securities Commission concerning any "material change" as soon as practicable and in any event within ten days of the date on which the change occurs. The Exchange considers that "material information" is a broader term than "material change" since it encompasses material facts that may not entail a "material change" as defined in the OSA. It has long been the practice of most issuers to disclose a broader range of information to the public pursuant to the Exchange's timely disclosure policy than a strict interpretation of the OSA might require. Issuers subject to securities legislation outside of Ontario should be aware of their disclosure obligations in other jurisdictions.

It is the responsibility of each issuer to determine what information is material according to the above definition in the context of the issuer's own affairs. The materiality of information varies from one issuer to another according to the size of its profits, assets and capitalization, the nature of its operations and many other factors. An event that is "significant" or "major" in the context of a smaller issuer's business and affairs is often not material to a large issuer. The issuer itself is in the best position to apply the definition of material information to its own unique circumstances. The Exchange recognizes that decisions on disclosure require careful subjective judgments, and encourages issuers to consult Market Surveillance when in doubt as to whether disclosure should be made.

Rule: Immediate Disclosure

An issuer is required to disclose material information concerning its business and affairs forthwith upon the information becoming known to management, or in the case of information previously known, forthwith upon it becoming apparent that the information is material. Immediate release of information is necessary to ensure that it is promptly available to all investors and to reduce the risk of persons with access to the information acting upon undisclosed information. Unusual trading marked by significant changes in the price or trading volumes of any of an issuer's securities prior to the announcement of material information is embarrassing to issuer management and damaging to the reputation of the

securities market, since the investing public may assume that certain persons benefited from access to material information which was not generally disclosed.

In restricted circumstances, disclosure of material information may be delayed for reasons of corporate confidentiality. In this regard, please see the section entitled "CONFIDENTIALITY" on page 12.

Developments to be disclosed

Issuers are not required to interpret the impact of external political, economic and social developments on their affairs, but if the external development will have or has had a direct effect on their business and affairs that is both material in the sense outlined above and uncharacteristic of the effect generally experienced as a result of such development by other issuers engaged in the same business or industry, issuers are urged, where practical, to explain the particular impact on them. For example, a change in government policy that affects most issuers in a particular industry does not require an announcement, but if it affects only one or a few issuers in a material way, an announcement should be made.

The market price of an issuer's securities may be affected by factors directly relating to the securities themselves as well as by information concerning the issuer's business and affairs. For example, changes in an issuer's issued capital, stock splits, redemptions and dividend decisions may all impact upon the market price of a security.

Other actual or proposed developments that are likely to give rise to material information and thus to require prompt disclosure include, but are not limited to, those listed below. Of course, any development must be material according to the definition of material information before disclosure is required.

Many developments must be disclosed at the proposal stage, or before an event actually occurs, if the proposal gives rise to material information at that stage. Announcements of an intention to proceed with a transaction or activity should be made when a decision has been made to proceed with it by the board of directors of the issuer, or by senior management with the expectation of concurrence from the board of directors. Subsequently, updates should be announced at least every 30 days, unless the original announcement indicates that an update will be disclosed on another indicated date. In addition, prompt disclosure is required of any material change to the proposed transaction, or to the previously disclosed information.

Examples of developments likely to require prompt disclosure as referred to above include the following:

- Changes in share ownership that may affect control of the issuer.
- Changes in corporate structure, such as reorganizations, amalgamations, etc.
- Take-over bids or issuer bids.
- Major corporate acquisitions or dispositions.
- Changes in capital structure.
- Borrowing of a significant amount of funds.
- Public or private sale of additional securities.
- Development of new products and developments affecting the issuer's resources, technology, products or market.
- Significant discoveries by resource companies.
- Entering into or loss of significant contracts.
- Firm evidence of significant increases or decreases in near-term earnings prospects.

- Changes in capital investment plans or corporate objectives.
- Significant changes in management.
- Significant litigation.
- Major labour disputes or disputes with major contractors or suppliers.
- Events of default under financing or other agreements.
- Any other developments relating to the business and affairs of the issuer that would reasonably be expected to significantly affect the market price or value of any of the issuer's securities or that would reasonably be expected to have a significant influence on a reasonable investor's investment decisions.

Forecasts of earnings and other financial forecasts need not be disclosed, but where a significant increase or decrease in earnings is indicated in the near future, such as in the next fiscal quarter, this fact must be disclosed. Forecasts should not be provided on a selective basis to certain investors not involved in the management of the affairs of the issuer. If disclosed, they should be generally disclosed. Reference should be made to National Instrument 51-102 - *Continuous Disclosure Obligations* (FOFI and Financial Outlooks).

MARKET SURVEILLANCE

Monitoring Trading

Market Surveillance maintains a continuous stock watch program which is designed to highlight unusual market activity, such as unusual price and volume changes in a stock relative to its historical pattern of trading. Where unusual trading activity takes place in a listed security, Market Surveillance attempts to determine the specific cause of such activity. If the specific cause cannot be determined immediately, issuer management will be contacted. Should this contact result in Market Surveillance staff becoming aware of a situation which requires a news release, the issuer will be asked to make an immediate announcement. Should the issuer be unaware of any undisclosed developments, Market Surveillance staff will continue to monitor trading and, if concerns continue, may ask the issuer to issue a statement that it is not aware of any undisclosed developments that would account for the unusual trading pattern.

Timing of Announcements

Market Surveillance has the responsibility of receiving all timely disclosure news releases from issuers detailing material information concerning their affairs. The overriding rule is that significant announcements are required to be released immediately. Release of certain announcements may be delayed until the close of trading, subject to the approval of Market Surveillance. Issuer officials are encouraged to seek assistance and direction from Market Surveillance as to when an announcement should be released and whether trading in the issuer's shares should be halted for dissemination of an announcement.

Rumours

Unusual market activity is often caused by the presence of rumours. The Exchange recognizes that it is impractical to expect management to be aware of, and comment on, all rumours, but when market activity indicates that trading is being unduly influenced by rumours, Market Surveillance will request

that a clarifying statement be made by the issuer. Prompt clarification or denial of rumours through a news release is the most effective manner of rectifying such a situation. A trading halt may be instituted pending a "no corporate developments" statement from the issuer. If a rumour is correct in whole or in part, immediate disclosure of the relevant material information must be made by the issuer and a trading halt will be instituted pending release and dissemination of the information.

Rumours about the issuer may appear in blogs, online forums, content-sharing websites or disseminated through other social media channels. Rumours may spread more quickly and more widely on the internet than by other media. Market Surveillance monitors chat rooms, news groups, and social media to identify rumours about issuers that may influence the trading activity of their stocks. TSX recommends that the issuer's standard policy for addressing rumours also include those on blogs, online forums, content-sharing websites or disseminated through other social media channels, or otherwise in electronic format.

Whether an issuer should respond to a rumour depends on the circumstances. TSX suggests that the issuer should consider the market impact of the rumour and the degree of accuracy and significance to the issuer. In general, TSX recommends against an issuer participating in a chat room, newsgroup or social media to dispel or clarify a rumour as such action may give rise to selective disclosure concerns and may create the expectation that the issuer will always respond. Instead, the issuer should issue a news release to ensure widespread dissemination of its statement.

If an issuer becomes aware of a rumour in a chat room, newsgroup or on social media or any other source that may have a material impact on the price of its stock, it should immediately contact Market Surveillance. If the information is false and is materially influencing the trading activity of the issuer's securities, it may consider issuing a clarifying news release. The issuer should contact Market Surveillance so that they can monitor trading in the issuer's securities. If Market Surveillance determines that trading is being affected by the rumour, it may require the issuer to issue a news release stating that there are no corporate developments to explain the market activity.

OSC Cease Trading Order

In certain circumstances, trading in a listed security may be stopped by Market Surveillance as a result of a cease trading order being issued by the Ontario Securities Commission ("OSC"). Such an order may be issued by the Commission where it is of the opinion that a halt in trading is in the public interest. However, Market Surveillance generally handles halts for the dissemination of announcements of material information.

ANNOUNCEMENTS OF MATERIAL INFORMATION

Pre-Notification

The Exchange's policy requires immediate release of material information except in unusual circumstances. While Market Surveillance may permit certain news releases to be issued after the close of trading, the policy of immediate disclosure frequently requires that news releases be issued during trading hours, especially when an important corporate development has occurred. If this is the case, it is absolutely essential that issuer officials notify Market Surveillance prior to the issuance of a news release. Market Surveillance staff will then be in a position to determine whether trading in any of the issuer's securities should be temporarily halted. Also, if the Exchange is not advised of news releases in advance, any subsequent unusual trading activity will generate enquiries and perhaps a halt in trading.

Regardless of when an announcement involving material information is released, Market Surveillance must be advised of its content and supplied with a copy in advance of its release. Market Surveillance must also be advised of the proposed method of dissemination. When an announcement is to be made during trading hours, an issuer must file a copy of the announcement with Market Surveillance via the PR Portal or email, followed by a telephone call to Market Surveillance. Where an announcement is to be released after the Exchange has closed, Market Surveillance staff should be advised before trading opens on the next trading day. Copies of the announcement may be filed through TMX LINX, the PR Portal or email at: pr@ciro.ca.

Market Surveillance co-ordinates trading halts with other exchanges and markets where an issuer's securities are listed or traded elsewhere. A convention exists that trading in a security traded in more than one market shall be halted and resumed at the same time in each market. Failing to pre-notify Market Surveillance of an imminent material announcement could disrupt this system.

Dissemination

After notifying Market Surveillance, a news release must be transmitted to the media by the quickest possible method, and by one that provides the widest dissemination possible. To ensure that the entire financial community is aware of the news at the same time, a wire service or combination of services must be used which provides national and simultaneous coverage.

The Exchange accepts the use of any news services that meet the following criteria:

- Dissemination of the full text of the release to the national financial press and to daily newspapers that provide regular coverage of financial news;
- Dissemination to all Participating Organizations; and
- Dissemination to all relevant regulatory bodies.

Issuers are also expected to use services that provide wide dissemination. However, issuers should be aware that these services do not carry all releases and may substantially edit releases they do carry. News services that guarantee that the full text of the release will be carried are required to be used.

The following are examples of acceptable newswire service providers:

Provider	Website	Phone
ACCESSWIRE Canada Company	accesswire.com	(888) 952-4446
Business Wire	businesswire.com	(800) 221-2462 Toronto - (416) 593-0208 Calgary - (403) 520-3282
Cision	newswire.ca	(877) 269-7890
GlobeNewswire, Inc	globenewswire.com	(800) 307-6627
Marketwired	marketwired.com	Canada - (888) 299-0338 U.S. - (800) 774-9473
Newsfile Corp.	newsfilecorp.com	Toronto - (416) 806-1750 Vancouver - (604) 609-0244
TheNewswire	thenewswire.com	(877) 456-6241

Dissemination of news is essential to ensure that all investors trade on equal information. The onus is on the issuer to ensure appropriate dissemination of news releases, and any failure to properly disseminate news shall be deemed to be a breach of this policy and shall be grounds for suspension of trading or delisting of the issuer's securities. In particular, the Exchange will not consider relieving an issuer from its obligation to disseminate news properly because of cost factors.

Content of Announcements

Announcements of material information should be factual and balanced, neither over-emphasizing favourable news nor underemphasizing unfavourable news. Unfavourable news must be disclosed just as promptly and completely as favourable news. It is appreciated that news releases may not be able to contain all the details that would be included in a prospectus or similar document. However, news releases should contain sufficient detail to enable media personnel and investors to appreciate the true substance and importance of the information so that investors may make informed investment decisions. The guiding principle should be to communicate clearly and accurately the nature of the information, without including unnecessary details, exaggerated reports or editorial commentary designed to colour the investment community's perception of the announcement one way or another. The issuer should be prepared to supply further information when appropriate, and the Exchange recommends that the name and telephone number of the issuer official to contact be provided in the release.

Bad news must be disclosed just as promptly and fully as good news. Unwillingness to release a negative story, a disguising of unfavourable news, or a partial release can endanger a company's reputation. Such actions may encourage the public to view all company announcements with distrust. News releases should be explicit, and should accurately reflect corporate news.

If this is impractical for a particular document, such as a technical report with graphs, charts or maps, care must be taken to ensure that an excerpt is not misleading when read on its own. In such circumstances, it may be sufficient to post the executive summary.

Misleading Announcements

While the policy of the Exchange is that all material information must be released immediately, judgment must be exercised by issuer officials as to the timing and propriety of any news releases concerning corporate developments, since misleading disclosure activity designed to influence the price of a security is considered by the Exchange to be improper. Misleading news releases send signals to the investment community which are not justified by an objective examination of the facts, and may detract from the credibility of the issuer. Announcements of an intention to proceed with a transaction or activity should not be made unless the issuer has the ability to carry out the intent (although proceeding may be subject to contingencies) and a decision has been made to proceed with the transaction or activity by the board of directors of the issuer, or by senior management with the expectation of concurrence from the board of directors. Disclosure of corporate developments must be handled carefully and requires the exercise of judgment by issuer officials as to the timing of an announcement of material information, since either premature or late disclosure may result in damage to the reputation of the securities markets.

TRADING HALTS

When Trading May Be Halted

The Exchange's objective is to provide a continuous auction market in listed securities. The guiding principle is therefore to reduce the frequency and length of trading halts as much as possible.

Trading may be halted in the securities of an issuer upon the occurrence of a material change during normal trading hours, which requires immediate public disclosure. The determination that trading should be halted is made by Market Surveillance. Market Surveillance determines the amount of time necessary for dissemination in any particular case, which determination is dependent upon the significance and complexity of the announcement.

It is neither the intention nor practice of Market Surveillance to halt trading for all news releases from issuers. A news release is discussed by Market Surveillance and the issuer prior to its release and a determination is made as to whether a trading halt is justified based upon the impact which the particular announcement is expected to have on the market for the issuer's securities.

A halt in trading does not reflect upon the reputation of management of an issuer nor upon the quality of its securities. Indeed, trading halts for material information announcements are usually made at

the request of the issuer involved. Market Surveillance normally attempts to contact an issuer before imposing a halt in trading.

Requests for Trading Halts

It is not appropriate for an issuer to request a trading halt in a security if a material announcement is not going to be made forthwith.

When an issuer (or its advisors) requests a trading halt for an announcement, the issuer must provide assurance to Market Surveillance that an announcement is imminent. The nature of this announcement and the current status of events shall be disclosed to Market Surveillance, so that Market Surveillance can assess the need for and appropriate duration of a trading halt.

Length of Trading Halts

When a halt in trading is necessary, trading is normally interrupted for a period of less than two hours. In the normal course, the announcement should be made immediately after the halt is imposed and trading will resume within approximately one hour of the dissemination of the announcement through major news wires.

A trading halt in a security shall not normally extend for a period longer than 24 hours from the time the halt was imposed. This is a maximum time period intended to address unusual situations. The only exception to the 24-hour time limit is where Market Surveillance determines that resumption of trading would have a significant negative impact on the integrity of the market.

Failure to Make An Announcement Immediately

If trading is halted but an announcement is not immediately forthcoming as expected, Market Surveillance will establish a reopening time, which shall not be later than 24 hours after the time that the halt was imposed (excluding non-business days). If the issuer fails to make an announcement, Market Surveillance will issue a notice stating that trading was halted for dissemination of news or for clarification of abnormal trading activity, that an announcement was not immediately forthcoming, and that trading will therefore resume at a specific time.

When Market Surveillance advises an issuer in applying Section 423 of the Manual that it will announce the reopening of trading the issuer should reconsider, in light of its responsibility to make timely disclosure of all material information, whether it should issue a statement prior to the reopening becoming effective to clarify why it requested a trading halt (if this is the case) and why it is not able to make an announcement prior to the reopening of trading.

CONFIDENTIALITY

When Information May Be Kept Confidential

In restricted circumstances, disclosure of material information concerning the business and affairs of an issuer may be delayed and kept confidential temporarily where immediate release of the information would be unduly detrimental to the interests of the issuer.

Examples of instances in which disclosure might be unduly detrimental to the issuer's interests are as follows:

- Release of the information would prejudice the ability of the issuer to pursue specific and limited objectives or to complete a transaction or series of transactions that are under way. For example, premature disclosure of the fact that an issuer intends to purchase a significant asset may increase the cost of making the acquisition.
- Disclosure of the information would provide competitors with confidential corporate information that would be of significant benefit to them. Such information may be kept confidential if the issuer is of the opinion that the detriment to it resulting from disclosure would outweigh the detriment to the market in not having access to the information. A decision to release a new product, or details on the features of a new product, may be withheld for competitive reasons. Such information should not be withheld if it is available to competitors from other sources.
- Disclosure of information concerning the status of ongoing negotiations would prejudice the successful completion of those negotiations. It is unnecessary to make a series of announcements concerning the status of negotiations with another party concerning a particular transaction. If it seems that the situation is going to stabilize within a short period, public disclosure may be delayed until a definitive announcement can be made. Disclosure should be made once "concrete information" is available, such as a final decision to proceed with the transaction or, at a later point in time, finalization of the terms of the transaction.

It is the policy of the Exchange that the withholding of material information on the basis that disclosure would be unduly detrimental to the issuer's interests must be infrequent and can only be justified where the potential harm to the issuer or to investors caused by immediate disclosure may reasonably be considered to outweigh the undesirable consequences of delaying disclosure, keeping in mind at all times the considerations that have given rise to the Exchange's immediate disclosure policy. While recognizing that there must be a tradeoff between the legitimate interests of an issuer in maintaining secrecy and the right of the investing public to disclosure of corporate information, the Exchange discourages delaying disclosure for a lengthy period of time, since it is unlikely that confidentiality can be maintained beyond the short term.

Maintaining Confidentiality

If disclosure of material information is delayed, complete confidentiality must be maintained. In the event that such confidential information, or rumours respecting the same, is divulged in any manner (other than in the necessary course of business), the issuer is required to make an immediate announcement on the matter. Market Surveillance must be notified of the announcement in advance in the usual manner. During the period before material information is disclosed, market activity in

the issuer's securities should be closely monitored. Any unusual market activity probably means that news of the matter is being disclosed and that certain persons are taking advantage of it. In such case, Market Surveillance should be advised immediately, and a halt in trading will be imposed until the issuer has made disclosure on the matter.

At any time when material information is being withheld from the public, the issuer is under a duty to take precautions to keep such information completely confidential. Such information should not be disclosed to any officers or employees of the issuer, or to the issuer's advisors, except in the necessary course of business. The directors, officers and employees of an issuer should be reminded on a regular basis that confidential information obtained in the course of their duties must not be disclosed. It is contrary to law under the Ontario Securities Act for any person in a "special relationship" with an issuer to make use of undisclosed material information. This point is discussed in the section - Insider Trading.

Issuers must comply with the provisions of Section 75 of the OSA requiring confidential disclosure to the Ontario Securities Commission of any "material change" that is not immediately being disclosed to the public.

Disclosure, Confidentiality and Employee Trading

Issuers listed on the Exchange must comply with two sets of rules:

- securities law governing corporate disclosure, confidentiality and employee trading; and
- the Exchange's Timely Disclosure Policy (Sections 406 to 423.4), which expands on the requirements of securities law.

Collectively, these rules are referred to as the Disclosure Rules. Compliance with them is essential to maintaining investor confidence in the integrity of the Exchange's market and its issuers.

ELECTRONIC COMMUNICATION GUIDELINES

Issuers are reminded that disclosure of material information via email, content on the issuer's website, posts to blogs, online forums, content-sharing websites or disseminated through other social media channels alone is not sufficient in order for information to be considered widely disseminated under the Timely Disclosure Policy. Consequently, while it is acceptable to supplement disclosure with such electronic means, it cannot be the sole means of satisfying such obligations.

Each listed issuer should establish a clear written policy on electronic communications as part of its existing policies governing corporate disclosure, confidentiality and employee trading. Please refer to TSX Timely Disclosure Policy.

TSX suggests that the policy describe how its electronic communications are to be structured, supervised and maintained. The policy should be reviewed regularly and updated as necessary. To ensure that the policy is followed, it should be communicated to all individuals of the issuer to whom it will apply.

Monitoring Electronic Communications

TSX recommends that one or more of the officers appointed under the issuer's disclosure policy be made responsible for maintaining, updating and implementing the issuer's policies on electronic communications. Reference should be made to TSX Timely Disclosure Policy. These officers should ensure that all investor relations information made available by the issuer on the website, broadcast via e-mail or otherwise on the Internet complies with applicable securities laws and internal policies. This responsibility includes ensuring the issuer website is properly reviewed and updated.

INVESTOR RELATIONS

TSX reminds issuers that the posting of disclosure documents and information on its website does not fulfill the issuer's obligation to disseminate such information through a timely news release.

An issuer may either post its own investor relations information or establish links to other websites that also maintain publicly disclosed documents on behalf of the issuer such as news wire services, SEDAR+ and stock quote services. "Investor relations information" includes all material public documents such as: the annual report; annual and interim financial statements; the Annual Information Form; news releases; material change reports; information regarding DRIPs; declarations of dividends; redemption notices; management proxy circulars; and any other communications to shareholders.

TSX recommends that an issuer post its investor relations information, particularly its news releases, as soon as possible following dissemination. Documents that an issuer files on SEDAR+ should be posted concurrently on its website, as suggested in National Policy 51-201 *Disclosure Standards* or the issuer could create a hyper-link to the SEDAR+ website.

Important information should be displayed with the same prominence and a single document should not be divided into shorter, linked documents that could obscure or "bury" unfavourable information. While issuers may divide a lengthy document into sections for ease of access and downloading, issuers must ensure that the full document appears on the site, that each segment is easily accessible and that the division of the document has not altered the import of the document or any information contained in it.

Investor relations contact information

TSX suggests that an issuer provide an email link on its website for investors to communicate directly with an investor relations representative of the issuer. The issuer policy should specify who may respond to investor inquiries and should provide guidance as to the type of information that may be transmitted electronically. When distributing information electronically the issuer must adhere to TSX and legislative disclosure requirements in order to minimize the potential of selective disclosure of information.

To assure rapid distribution of material information to internet users who follow the issuer, an issuer may consider establishing an email distribution list, permitting users who access its website to subscribe to receive electronic delivery of news directly from the issuer. Alternatively, an issuer may consider using software that notifies subscribers automatically when the issuer's website is

updated. The issuer must note, however, that any electronic distribution of material information must be made after the information has been disseminated on a news wire service.

Online conferences

TSX recommends that issuers hold analyst conference calls and industry conferences in a manner that enables any interested party to listen either by telephone and/or through a web cast, in accordance with s. 6.7(1) of National Policy 51-201 *Disclosure Standards*.

If an issuer chooses to participate in an online news or investor conference, TSX suggests that participation by the issuer in such online conferences should be governed by the same policy that the issuer has established in respect of its participation in other conferences such as analyst conference calls.

THIRD PARTIES

Analyst reports and third party information

As a general practice, TSX recommends that an issuer not post any investor relations information on its website that is authored by a third party, unless the information was prepared on behalf of the issuer, or is general in nature and not specific to the issuer. For example, if an issuer posts an analyst report or consensus report on its website, it may be seen to be endorsing the views and conclusions of the report. By posting such information on its site, an issuer may become "entangled" with the report and be legally responsible for the content even though it did not author it. This could also give rise to an obligation to correct the report if the issuer becomes aware that the content is or has become misleading (for example, if the earnings projection is too optimistic).

While TSX recommends that issuers refrain from posting analyst and consensus reports on their websites, it recognizes that some issuers take a different view. If an issuer chooses to post any third party reports on its website, TSX recommends that extreme caution be exercised. An issuer's policy on posting analyst reports should address the following concerns:

- permission to reprint a report should be obtained in advance from the third party, since reports are subject to copyright protection;
- the information should clearly be identified as representing the views of the third party and not necessarily those of the issuer;
- the entire report should be reproduced so that it is not misleading;
- any updates, including changes in recommendations, should also be posted so the issuer's website wilt not contain out-of-date and possibly misleading information;
- all third party reports should be posted.

Instead of posting third party reports on its website, an alternative approach is for an issuer to provide a list of all analysts who follow the issuer or all consensus reports issued regarding the issuer together with contact information so that investors may contact the third party directly. If an issuer chooses to provide its investors with a list of analysts and other third party authors, the list should be complete and include all analysts and other third party authors that the issuer knows to follow it, regardless of the content of their reports. Since issuers are not obligated to keep track of every third party that

follows them or develops a consensus report regarding the issuer, it may be onerous to compile an accurate and complete list that is not misleading to investors.

Concerns also exist regarding the posting of media articles, including radio, television, blogs, online forums, content-sharing websites or disseminated through other social media channels and online news reports, about an issuer on the issuer's website. TSX recommends that issuers refrain from posting media articles on their websites as it is very difficult for an issuer to ensure that it is posting all relevant articles to its website. If an issuer chooses to do so, it must make every effort to ensure that all significant articles concerning the issuer are posted to the website and that negative and positive articles are given similar prominence. Also, given the frequency with which media articles may appear, the issuer will have to regularly update the articles posted on its website.

Third party links

If an issuer chooses to link to SEDAR+ or to a news wire website, a link can be provided directly to the issuer's page on that site, provided that the terms and conditions of the site to which the link is provided do not place restrictions on "deep-linking", or object to "framing". An issuer providing deep-linking from its website to a third party website should consult its legal advisors to assess the legal issues surrounding deep-linking and to ensure the proposed link is effected properly. The practice of deep-linking has given rise to a number of legal issues, including whether permission from the third party must be sought in order to access a website other than through the homepage and whether the issuer may incur liability in sending a user to a third party site bypassing any disclaimers posted on the homepage of the third party site.

Links to other websites should be checked regularly to ensure they still work, are up-to-date and accurate. In addition, a disclaimer should be included on the issuer's website, preferably via a pop-up window, clearly stating that the viewer is leaving the issuer website and that the issuer is not responsible for the content, accuracy or timeliness of the other site.

If an issuer creates a hyperlink to a third party site, there is a risk that a viewer will not realize that he or she has left the issuer's website. TSX recommends that the issuer include a disclaimer stating clearly that the viewer is leaving the issuer website and that the issuer is not responsible for the content, accuracy or timeliness of the other site.

Promotional information

TSX recommends that an issuer clearly identify and separate its investor information from other information on its website. In particular, promotional, sales and marketing information should not be included on the same web pages as investor relations information. An issuer's website should clearly distinguish sections containing investor relations information from sections containing other information.

Analysts information

TSX recommends that an issuer that distributes non-material investor relations information to analysts and institutional clients make such supplemental information available to all investors. Supplemental information includes such materials as fact sheets, fact books, slides of investor

presentations and transcripts of management investor relations speeches and other materials distributed at investor presentations. Posting supplemental information on a website is a very useful means of making it generally available.

In addition to any supplemental information provided by the issuer to analysts, TSX recommends that whenever an issuer is making a planned disclosure of material corporate information in compliance with TSX Timely Disclosure Policy and related guidelines, it should also consider providing dial-in and or webcast link and/or web replay or make transcripts of the related conference call available for a reasonable period of time after the call.

Updating websites

An issuer has the duty to include on its website all material information and to correct any material information available on its web site that is misleading. It is not sufficient that the information has been corrected or updated elsewhere.

It is possible for information to become inaccurate over time. An issuer must regularly review and update or correct the information on the site.

Care should be taken to make sure that information that is inaccurate or out-of-date no longer appears on the website. The currency of information on a website will vary depending on the nature of the information. An issuer may retain on its website its annual financial statements for a full year while removing other information such as frequent product releases more quickly. An issuer should review the types of information it posts on its website, as well as social media channels and develop a consistent policy for the posting and removal of such different types of information. Issuers may delete or remove inaccurate information from the website, as long as a correction has been posted. In addition, TSX recommends that issuers establish an archiving system to store and provide access to information that is no longer current. An electronic archive is a repository of information which has been removed from the website but which can still be accessed from the website through a link. To assist investors in determining the currency of the information on the site, TSX recommends that an issuer date the first page of each document as it is posted on the website.

TSX recommends that the issuer's policy establish a minimum retention period for material corporate information that it posts on its website. Different types of information may be retained for a different period of time. For example, the issuer may decide to retain all news releases on the site for a period of one year from the date of issue. In contrast, the issuer may decide that investors would want to access its financials for a longer period (e.g., two years for quarterlies and five years for annuals).

Issuers should also maintain a log of the date and content of all material information that it has posted and removed from the website. Issuers should also try to ensure that the information posted on their website is made available in a manner that makes it accessible by others so that it can be used for subsequent reference and is capable of being retained (e.g., printer friendly versions and save/download buttons).

Dealing with the News Media

Issuers are frequently called upon to deal with the media in matters relating to day-to-day company developments. Generally, if given all available information, news writers will reciprocate with a straightforward reporting of the issuer's business. Successful issuers recognize that the media provide an effective extension of their lines of communication.

Many issuers have well-organized public relations departments which effectively carry out standard company disclosure policies. While the following comments may be of interest to such companies, they will be more pertinent to companies which, because they have no such permanent staff are relatively unfamiliar with such matters. This is particularly true of newly listed companies. They may find that for the first time, as a result of the public attention which their listing now commands, they receive many more enquiries from the media.

Notifying the Financial Media

The Exchange's timely disclosure policy (Sections 406 to 423.4) makes it desirable that an officer of an issuer, in handling news arising from important decisions by the board of directors, leave the board meeting and contact Market Surveillance by telephone in order that the Exchange may determine whether a halt in trading is necessary prior to public release of the information. The news should then be reported to the financial media by a TSX recognized full text news service. To release information after the adjournment of the meeting may not prove to be the most satisfactory procedure.

If possible, it is preferable to schedule meetings of boards of directors after the Exchange has closed for the day, so that disclosure can be made when the market is closed. This allows for more complete dissemination of the news, provides a greater opportunity for the investment community and the public to assess the significance of the news and minimizes the risk of misinterpretation of media coverage of the news before trading of the issuer's securities resumes in the market.

An immediate statement containing the major points is the first objective. Additional details can follow in a news release. When several significant actions are resolved at one meeting, they should all be given immediate release, so that the total implications may be judged by the public.

Under the Exchange's timely disclosure policy, further developments must be reported just as promptly as the original notice. Since many developments are disclosed at the proposal stage, further announcements are required when the decision is made to proceed with the development. Updates are required at least every 30 days or at a date designated for an update in the initial announcement.

Dealing with Enquiries from Press and Public

Regarding specific requests for information, not only from the press but also from security analysts, security holders, and others who have a legitimate interest in an issuer's business, the Exchange recommends that an issuer maintain a policy of full co-operation, even though it may seem burdensome at times.

Such a policy builds up goodwill, and thus contributes to a positive attitude towards an issuer.

The Exchange recommends that:

a. an issuer not give to one inquirer facts which it would not give to another; this can result in bad publicity and lasting resentment;
b. an issuer not give out facts to market analysts or individuals which it would not willingly give to the press, or make public; and
c. one or more key executives be delegated to speak for the issuer in all matters relating to the public interest; this practice helps to ensure that all disclosure is consistent and is handled capably; should the person normally giving out issuer information go on vacation or on a business trip, prior arrangements should be made for another qualified officer to assume his or her responsibilities.

INSIDER TRADING

Law

Every issuer must have a firm rule prohibiting those who have access to confidential information from making use of such information in trading in the issuer's securities before the information has been fully disclosed to the public and a reasonable period of time for dissemination of the information has passed.

Insider trading is strictly regulated by Part XXI and Sections 76 and 134 of the OSA and the Regulation under the OSA. The securities laws of other provinces also regulate insider trading in their respective jurisdictions. Insider trading in the securities of issuers incorporated under the Canada Business Corporations Act is also regulated by Part XI of that Act. The definition of an "insider" will vary from statute to statute, but in any case will include directors and senior officers of the issuer and large shareholders. In Ontario, directors and senior officers of any issuer that is itself an insider of a second issuer are considered insiders of that second issuer. It is recommended that directors and officers of issuers be fully conversant with all applicable legislation concerning insider trading.

The OSA requires insiders who own securities of an issuer to file an initial report with the OSC upon becoming insiders and to report all trades made in the securities of the issuer of which they are insiders within ten days after a trade is made.

In addition, Section 76 of the OSA prohibits any person or issuer in a "special relationship" with an issuer from trading on the basis of undisclosed material information on the affairs of that issuer. Those considered to be in a "special relationship" with a issuer include those who are insiders, affiliates or associates of the issuer, a person or issuer proposing to make a take-over bid of the issuer, and a person or issuer proposing to become a party to a reorganization, amalgamation, merger or similar business arrangement with the issuer. A person or company in a "special relationship" also includes those involved, or which were involved, in the provision of business or professional services for the issuer, including employees.

An indefinite chain of "tippees" is created by including in the "special relationship" category persons or companies who acquire information from a source known to them to have a "special relationship" with the issuer.

In any situation where material information is being kept confidential because disclosure would be unduly detrimental to the best interests of the issuer, management is under a duty to take every possible precaution to ensure that no trading whatsoever takes place by any insiders or persons in a "special relationship" with the issuer, such as lawyers, engineers and accountants, in which use is made of such information before it is generally disclosed to the public. Similarly, undisclosed material information cannot be passed on or "tipped" to others who may benefit by trading on the information.

In the event that Market Surveillance is of the opinion that insider or improper trading may have occurred before material information has been disclosed and disseminated, the Exchange requires an immediate announcement to be made disclosing the material information of which use is being made.

Restrictions on Employee Trading

The Disclosure Rules require that employees with access to material information be prohibited from trading until the information has been fully disclosed and a reasonable period of time has passed for the information to be disseminated. This period may vary, depending on how closely the issuer is followed by analysts and institutional investors.

This prohibition applies not only to trading in issuer securities, but also to trading in other securities whose value might be affected by changes in the price of the issuer's securities. For example, trading in listed options or securities of other issuers that can be exchanged for the issuer's securities is also prohibited.

In addition, if employees become aware of undisclosed material information about another public company such as a subsidiary, they may not trade in the securities of that other issuer.

In the case of pending transactions, the circumstances of each case should be considered in determining when to prohibit trading. In some cases, prohibition may be appropriate as soon as discussions about the transaction begin. The definition of materiality helps determine when trading should be prohibited in the case of pending transactions. Trading must be prohibited once the negotiations have progressed to a point where it reasonably could be expected that the market price of the issuer's securities would materially change if the status of the transaction were publicly disclosed. As the transaction becomes more concrete, it is more likely that the market will react. This prohibition on trading will often come into effect before the point in time when it must be disclosed publicly.

In all situations, it is a judgment call as to when employee trading should be restricted.

POLICIES

Each issuer should establish a clear written policy to help it comply with the Disclosure Rules. The guidelines in this document are intended to help issuers establish their policies. They should be viewed as a means to an end (compliance with the Disclosure Rules) and not as an end in themselves.

Disclosure

These guidelines are not hard and fast rules, and will not be appropriate for every issuer. The TSX recognizes that issuer policies will vary depending on the issuer's size and corporate culture but provides the following guideline on what is expected to be included in issuers policies.

Every issuer's policy, however, should:

- describe the procedures to be followed and spell out the consequences of violations;
- be updated regularly; and
- be brought to the attention of employees regularly.

The policy should also give specific guidance in the following areas:

- disclosing material information;
- maintaining the confidentiality of information; and
- restricting employee trading.

The Exchange suggests that the issuer's policy include provisions to assist management in determining:

- if the information is material and must therefore be disclosed;
- when and how the material is to be disclosed; and
- the content of any press release disclosing the information.

In addition, the policy should provide for specific corporate officers that are responsible for disclosing material information. These officers would:

- be completely familiar with the issuer's operations;
- be kept up to date on any pending material developments;
- have a sufficient understanding of the disclosure rules to be able to decide whether or not a piece of information is material;
- be responsible for communications with the media, shareholders and securities analysts; and
- have back-ups assigned, in case they are unavailable.

To assist these officers, it might be helpful for them to have access to a file containing all relevant public information about the issuer, including news releases, brokerage research reports and debriefing notes following analyst contacts.

Different corporate officers may be designated for different circumstances. For example, a specific employee might be designated as a corporate spokesperson for a particular area of operations or a particular press release. At the same time, investor relations personnel might be designated as the contact for shareholders, the media and analysts, but not have the authority to issue a particular press release.

The names of the designated officers, the names of their backups, and their areas of responsibility should be given to Market Surveillance. Market Surveillance may need to contact them in the event of unusual trading in the issuer's securities.

Avoid situations where:

- delays occur because the person responsible for disclosure is unavailable or cannot be located; and
- employees other than designated spokespersons comment on material corporate developments.

Maintaining the Confidentiality of Information

The Disclosure Rules allow that if the early disclosure of material information would be unduly detrimental to the issuer, that information may be kept confidential for a limited period of time. To keep material information completely confidential, issuers should:

- not disclose the information to anybody, except in the necessary course of business;
- make sure that if the information has been disclosed in the necessary course of business, everyone understands that it is to be kept confidential; and
- make sure that there is no selective disclosure of confidential information to third parties, for example, in a meeting with an analyst. This is "tipping", which is prohibited under securities law.

In the event that selective disclosure of confidential information inadvertently occurs, the issuer must immediately disclose the information publicly by issuing a press release.

The Exchange suggests that an issuer addresses confidentiality in its policy. The policy might:

- limit the number of people with access to confidential information;
- require confidential documents to be locked up and code names to be used if necessary; and
- make sure that confidential documents cannot be accessed through technology such as shared servers;
- educate all staff about the need to keep certain information confidential, not to discuss confidential information when they may be overheard, and not to discuss investment in the issuer, for example, in an investment club, when they are aware of confidential information (so that they don't influence the investments of other people, when they themselves are not allowed to trade).

Social Media

Appropriate guidelines should be established about the type of information that may be circulated by email, posts to blogs, online forums, content-sharing websites or disseminated through other social media channels. TSX recommends that issuers adopt a social media policy, as a standalone policy or integrated in the issuer's disclosure policy. The social media policy should include provisions such as:

a. **Roles and responsibilities** - TSX suggests that issuers clearly identify who can post information about the issuer on social media, which social media site may be used, what type of information may be posted, whether approvals are required before information may be posted and who will monitor the issuer's social media accounts.

b. **Security protocols** - To ensure the Issuer complies with laws and regulations, a security protocol should be implemented. For example, the protocol may set out authorized individuals

to: (i) vet proposed social media postings with respect to the materiality of the information and its consistency with previous disclosure; and (ii) ensure that any proposed disclosure is not selective, misleading or overly promotional.

c. **Third-party links** - to avoid (i) possible legal responsibility for the linked content, including possible obligation to provide updates; (ii) possible requirements for consent; and (iii) "balance" issues that could result from linking selectively rather than, say, to, for example, all analyst reports, both positive and negative (or from a potential failure to identify reports that were not independently prepared), third-party links should not be provided.
d. **Restrictions** - The policy should have measures to ensure that more traditional avenues of disclosure, such as press releases and issuer websites, include a note identifying the social media platforms on which the issuer may make disclosures. It should also ensure that social media channels that may be used for disclosure purposes are available without restriction to the public.
e. **Guidance for employees' personal social media accounts** - TSX recommends that the policy has strict restrictions to ensure that employees, while using their personal social media accounts, do not: (i) make misleading statements; (ii) exclude facts needed to avoid misleading readers; (iii) announce material changes/facts; or (iv) make false or promotional commentary, as they relate to the issuer. Appropriate guidelines should be established about the type of information that may be circulated by email, content on the issuer's website, posts to blogs, online forums, content-sharing websites or disseminated through other social media channels.

As stated in s. 6.13 of National Policy 51-201 *Disclosure Standards*, an issuer should also consider requiring employees to report to a designated issuer official any discussion pertaining to the issuer which they find on the Internet. Moreover, communications over the Internet via e-mail may not be secure unless the issuer has appropriate encryption technology. Employees should be warned of the danger of transmitting confidential information externally via unencrypted e-mail.

Insider Trading

The Exchange suggests that an issuer's policy addresses trading blackouts. Trading blackouts are periods of time during which designated employees cannot trade the issuer's securities or other securities whose price may be affected by a pending corporate announcement. A trading blackout:

- prohibits trading before a scheduled material announcement is made (such as the release of financial statements or other announcement);
- may prohibit trading before an unscheduled material announcement is made, even if the employee affected doesn't know that the announcement will be made; and
- prohibits trading for a specific period of time after a material announcement has been made.

It is easiest to implement a policy on trading blackouts that applies to scheduled announcements, such as the release of financial statements. In this case the policy might:

- prohibit trading by employees for a certain number of days before and after the release of financial statements; and
- provide "open windows", which are limited periods of time following the release of financial statements during which employees may trade.

It is more problematic to implement a policy on trading blackouts for unscheduled announcements. An issuer should make the following decisions about its policy on trading blackouts according to its particular circumstances:

- should the policy apply to employees other than those already prevented from trading by insider trading rules (for example, senior employees not directly involved in the material transaction)?
- would telling an employee not to trade tip them off as to the content of the pending announcement?

If an issuer decides to implement a pre-announcement blackout policy, it might want to consider one of the following options:

- without giving a reason, instruct employees not to trade until further notice if there is a pending undisclosed material development;
- require employees to obtain approval before trading, on the understanding that this approval will be denied if any material information has not been disclosed.

An issuer's policy on post-announcement trading blackouts should:

- state whether the blackout rules apply to all staff or only to those involved in the material transaction;
- allow the market time to absorb the information before employees can resume trading. The amount of time that the market needs to absorb the information and set a new price level will depend upon the size of the issuer and to what extent it is tracked by analysts and investors.

The Exchange also suggests that an issuer:

- circulate some basic do's and don'ts about employee trading to all their staff;
- designate a contact person who is familiar with the disclosure rules and who can help employees determine whether or not they may trade in a given circumstance;
- set expiry dates for the exercise of stock options and other such compensation plans so that the expiry dates normally would fall after the release of financial statements;
- educate employees about any additional specific trading restrictions that may apply to them (for example, Section 130 of the Canada Business Corporations Act generally prohibits insiders of CBCA companies from selling that issuer's shares short, or from buying or selling put or call options on the shares. Insiders of issuer which have to report under the U.S. Securities Exchange Act of 1934 may be subject to other restrictions, such as liability to account for short swing profits.);
- decide whether employees who are subject to more stringent trading restrictions, and who are not required by law to file insider trading reports, should have to report details of their trading to the issuer; and
- decide whether the issuer should review insider trading reports to make sure that employees have complied with issuer policy and disclosure rules.

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