



**BULLETIN TYPE: Notice to Issuers**

**BULLETIN DATE: April 10, 2024**

**Re: Investor Relations, Promotional and Market-Making Activities**

TSX Venture Exchange (the “**Exchange**”) refers to its Notice to Issuers dated June 28, 2018 and is now providing additional guidance in respect of Policy 3.4 – *Investor Relations, Promotional and Market-Making Activities* (“**Policy 3.4**”) of the Exchange’s Corporate Finance Manual. The Exchange uses Bulletins to provide applicants and listed issuers with a better understanding of existing Exchange Requirements.

The Exchange reminds Issuers that the compensation for all investor relations, promotional and market-making activities should be on a fee for service basis that is reasonable and in proper proportion to the financial resources and level of business activity of the Issuer. In addition, as set out in Part 5 of Policy 3.4, the security-based compensation permitted for such services is limited to stock options. For greater clarity, such limits apply to direct and indirect compensation and accordingly, it is not acceptable for the Person providing the services to receive cash compensation from the Issuer and also participate in a financing by subscribing for securities of the Issuer in close proximity to receiving such cash compensation (i.e. a “flow of funds”). To that end, where the proposed compensation includes the payment of cash upfront, the Exchange may impose additional requirements, including an officer’s certificate that the service provider has not participated in any recent financing of the Issuer and an undertaking from the Issuer in a form acceptable to the Exchange not to issue any securities to that service provider (in connection with a financing or otherwise) during the term of the agreement without prior Exchange acceptance. Further, where a “flow of funds” is determined to have occurred, the Exchange may impose additional restrictions and/or remedial measures.

In addition, Form 3C – *Certified Filing for Persons Conducting Investor Relations, Promotional or Market-Making Activities* (“**Form 3C**”) requires an Issuer to certify that any agreements or understandings between the Issuer and the Person for the provision of the services are in compliance with, or reflect in all respects, the requirements of Policy 3.4. To provide such certification, the Issuer must have a clear understanding of the services to be provided for the consideration to be paid, and accordingly, as a matter of good corporate governance, the Exchange considers it prudent and requires the Issuer to enter into a written agreement in this regard. The Exchange will consider the terms of such agreement in determining whether it is acceptable. Each Issuer is responsible for the activities of, and is expected to supervise and monitor, all of its promotional, market-making and investor relations service providers (including their employees, contractors, sub-contractors and consultants) to ensure that their activities comply with Exchange Requirements and applicable corporate and securities laws. The written agreement must enable the Issuer to have control, direction, oversight and complete knowledge of all content created and disseminated on its behalf by the Person retained for the provision of services, as well as any third parties and/or sub-contractors that may be retained by that Person. Issuers are reminded that any such agreement, together with the Form 3C, must be promptly filed with the Exchange. Any amendment, extension or renewal of any such agreement is also required to be disclosed by way of news release and promptly filed with the Exchange for acceptance.

The Form 3C also requires an Issuer to certify that the Person (including each individual, principal and/or key employee) providing the services has filed a Personal Information Form or Declaration (as applicable) with the Exchange, so the Exchange reminds Issuers to ensure that has been done prior to submitting the Form 3C.

The Exchange also reminds Issuers that a disclosure document filed in relation to a New Listing (including an Initial Public Offering, Reverse Takeover, Qualifying Transaction and Change of Business) must include disclosure of every agreement for investor relations, promotional or market-making activities. If there is no such agreement in place as at the date of the disclosure document, but such an agreement is subsequently entered into, the Issuer must comply with Policy 3.4 and must immediately file such agreement with the Exchange to seek its acceptance, particularly if such agreement is entered into prior to the date the trading in the securities of the New Listing commences. The Exchange reminds Issuers that under section 3.8(t) of Policy 3.3 – *Timely Disclosure*, any agreement to provide any Investor Relations, Promotional or Market Making activities is deemed to be material and requires immediate disclosure. In addition, section 3.1 of Policy 3.4 sets out specific requirements for the disclosure of such arrangements. Failure to comply with these requirements constitutes a breach of the Listing Agreement and could result in a review of the acceptability of the Directors and Officers of an Issuer.

If you have any questions about this Bulletin, please contact:

Charlotte Bell	Senior Policy Counsel	604-643-6577	<a href="mailto:charlotte.bell@tmx.com">charlotte.bell@tmx.com</a>
Tim Babcock	Vice President and Head of TSX Venture Exchange	672-971-2587	<a href="mailto:tim.babcock@tmx.com">tim.babcock@tmx.com</a>
Kyle Araki	Managing Director, TSXV Listings (Calgary)	403-218-2851	<a href="mailto:kyle.araki@tmx.com">kyle.araki@tmx.com</a>
Andrew Creech	Managing Director, TSXV Listings (Vancouver)	604-602-6936	<a href="mailto:andrew.creech@tmx.com">andrew.creech@tmx.com</a>
Sylvain Martel	Managing Director, TSXV Listings (Montréal and Toronto)	514-788-2408	<a href="mailto:sylvain.martel@tmx.com">sylvain.martel@tmx.com</a>
Janice Harrington	Director, TSXV Listings (Vancouver)	604-647-7038	<a href="mailto:janice.harrington@tmx.com">janice.harrington@tmx.com</a>