

Chapter 13

SRO Notices and Disciplinary Proceedings

13.1.1 TSX Notice of Approval of Amendments to Part VIII of the TSX Company Manual in Respect of Fees Payable by Listed Companies

TORONTO STOCK EXCHANGE NOTICE OF APPROVAL OF AMENDMENTS TO PART VIII OF THE TORONTO STOCK EXCHANGE COMPANY MANUAL IN RESPECT OF FEES PAYABLE BY LISTED COMPANIES

Introduction

In accordance with the "Protocol for Commission Oversight of Toronto Stock Exchange Rule Proposals" (the Protocol) between the Ontario Securities Commission (the "OSC") and Toronto Stock Exchange ("TSX"), TSX has adopted and the OSC has approved the repeal of Sections 801 to 816 of Part VIII (the "Amendment") of the TSX Company Manual (the "Manual") and its replacement with a revised Section 801. The Amendment will become effective on October 1, 2005.

Substance and Purpose

Listing fees do not relate to the rules or standards which listed issuers must follow. As a result, TSX proposes to remove them from the Manual and in turn, remove them from the rule review approval process set out under the Protocol. The purpose of the Amendment is to clarify that listing fees are not subject to the rule review approval process, and, to avoid any potential application of the rule review process to listing fee changes. The listing fees contained in Part VIII will remain in effect upon the repeal and will be posted on TSX's website.

Application of the rule review process to listing fee changes would hinder TSX's ability to react quickly and transparently to competitive developments or changing market conditions, and effectively, it would require the OSC to approve a market's fee changes, which it does not do for other markets. TSX must have the ability to adjust its fees on an ongoing basis in order to reduce the risk of losing issuers to competing markets, particularly for novel issuers and products which are continuing to evolve and where TSX is increasingly competing globally for stock exchange listings.

Listing fees are a business related function of TSX and as such, TSX management should, subject to TSX's recognition order, be able to exercise control over the timing and process of amending fees. Similar to trading and data fees charged by TSX, listing fees need not be subject to the rule review process.

Summary of the Amendments

The Manual is amended by removing all listing fees from Part VIII to a listing fee schedule, which will be located on TSX's website. All references to fees and/or applicable fees throughout the Manual will now refer to the respective fees in the Listing Fee Schedule, as published by TSX from time to time. Attached as Appendix A is the Amendment. Attached as Appendix B is the Listing Fee Schedule, as it will appear on TSX's website at www.tsx.com.

BY ORDER OF THE BOARD OF DIRECTORS
SHARON C. PEL
SENIOR VICE PRESIDENT, LEGAL & BUSINESS AFFAIRS

Appendix A

Amendments to Part VIII of the TSX Company Manual

The Policies of the TSX Company Manual are amended by amending Part VIII as follows:

1. Section 801 are repealed and replaced with the following:
“Sec. 801 All references to fees in the TSX Company Manual shall refer to the fees in the Listing Fees Schedule, as published by TSX from time to time.”; and
2. Sections 802 – 816 are repealed.

Appendix B

TSX LISTING FEE SCHEDULE

**TSX Listing Fee Schedule
(As of: October 1, 2005)**

Fees Payable by Listed Companies

A. DEFINITIONS

1. For the purposes of this Listing Fee Schedule:

“**Issue Price Per Share**” means the price at which the company's shares are issued.

“**Listing Capitalization**” means the value of shares to be listed by the company and is calculated as: (i) the price per share to be listed, as specified in the following sections, multiplied by (ii) the number of shares to be listed, such number being the number of shares issued and outstanding, together with any shares which have been authorized for issuance for a specific purpose.

“**Market Price Per Share**” means the volume weighted average trading price for the five previous trading days on which the company's shares traded. For original listings, the Market Price Per Share shall be calculated for the period ending five days prior to listing on TSX and for additional listings shall be calculated for the period ending one day prior to the earlier of the issuance of the relevant press release and letter notice to TSX.

Please refer to our web site at www.tsx.com to access our listing fee calculator.

B. ORIGINAL LISTING

Application Fee

2. Original listing applications submitted to TSX must be accompanied by a non-refundable application fee of \$5,000.

Listing Fee

3. The listing fee, calculated separately for each class of shares to be listed, shall be comprised of a base charge of \$15,000 plus an assessment of the Listing Capitalization of the shares to be listed by the company. The assessment of Listing Capitalization is at the rate of \$1,200 for each \$1,000,000 of Listing Capitalization or part thereof, over \$15,000,000 (subject to a maximum fee of \$150,000). (Fee Schedule 1.)

Fee Schedule 1

LISTING CAPITALIZATION RANGE	FIXED FEE	VARIABLE FEE/\$MM LISTING CAPITALIZATION OVER \$15MM
Up to \$15 million	\$15,000	
Over \$15 million	\$15,000 +	\$1,200
Maximum Fee	\$150,000	

For Initial Public Offerings, the fee shall be based on Fee Schedule 1, where the Issue Price of the Offering shall be used to calculate Listing Capitalization.

For transfers from other exchanges, the fee shall be based on Fee Schedule 1, where Market Price shall be used to calculate Listing Capitalization.

The fee to list the shares underlying warrants shall be based on Fee Schedule 1, where the exercise price per share to acquire the underlying shares shall be used to calculate Listing Capitalization. In the event the warrant specifies varying exercise prices, the exercise price of the first exercise period is to be used.

The fee to list the shares underlying convertible securities shall be based on Fee Schedule 1, where the conversion price per share to acquire the underlying shares shall be used to calculate Listing Capitalization.

Structured Product Issuers

For structured product companies, the fee shall be comprised of a base charge of \$15,000, plus an assessment of the Listing Capitalization of the shares to be listed by the company. The assessment of Listing Capitalization is at the rate of 0.025% of Listing Capitalization in excess of \$15,000,000 (subject to a maximum fee of \$150,000). Listing Capitalization is rounded up to the nearest \$million. At the time of original listing approval, TSX, in its discretion, shall determine if a company will be deemed a structured product company.

For international exchange traded funds which are already listed on another recognized exchange, the fee shall be \$20,000. For fund families with at least five of such international exchange traded funds listed on TSX, the fee for each additional new listing shall be \$10,000. An international exchange traded fund will generally be limited to funds organized outside of Canada, and which are not based on TSX indexes or TSX issuers.

4. Where Market Price or Issue Price are unavailable, as in the case of a new entity created by a listed company (e.g. corporate “spin off”), the company will be required to deposit with TSX the maximum fee, subject to subsequent adjustment. The fee shall be based on Fee Schedule 1, where the volume weighted average trading price for the first five days trading of the new entity’s shares on TSX shall be used to calculate Listing Capitalization.

If less than 5% of the shares to be listed are held in Canada, refer to Section 2.

C. ADDITIONAL LISTINGS

5. Where, after an initial listing, additional shares of a listed class are to be listed, the fee for listing the additional shares, calculated separately for each class of listed shares, shall be comprised of a base charge of \$1,000 plus an assessment of the Listing Capitalization of the shares to be listed by the company. The assessment of Listing Capitalization is at the rate of \$1,200 for each \$1,000,000 of Listing Capitalization or part thereof, over \$1,000,000 (subject to a maximum fee of \$125,000). (Fee Schedule 2.)

Issue Price or Market Price, as appropriate, shall be used to calculate Listing Capitalization.

Fee Schedule 2

LISTING CAPITALIZATION RANGE	FIXED FEE	VARIABLE FEE/\$MM LISTING CAPITALIZATION OVER \$1MM
Up to \$1 million	\$1,000	
Over \$1 million	\$1,000 +	\$1,200
Maximum Fee	\$125,000	

The fee to list the shares underlying warrants shall be based on Fee Schedule 2, where the exercise price per share to acquire the underlying shares shall be used to calculate Listing Capitalization. In the event the warrant specifies varying exercise prices, the exercise price of the first exercise period is to be used.

The fee to list the shares underlying convertible securities shall be based on Fee Schedule 2, where the conversion price per share to acquire the underlying shares shall be used to calculate Listing Capitalization.

The fee to list non-convertible debentures shall be based on Fee Schedule 2, where Issue Price per debenture shall be used to calculate Listing Capitalization.

6. Where Market Price or Issue Price are deemed inappropriate by TSX, due to significant changes occurring in the listed entity, the company will be required to deposit with TSX the maximum fee, subject to subsequent adjustment. The fee shall be based on Fee Schedule 2, where the volume weighted average trading price for the first five days trading of the new entity’s shares on TSX shall be used to calculate Listing Capitalization.

Structured Product Issuers

7. Where, after an initial listing, structured product companies list additional shares of a listed class, the fee for listing the additional shares, calculated separately for each class of listed shares, shall be comprised of a base charge of \$1,000 plus an assessment of the Listing Capitalization of the shares to be listed by the company. The assessment of Listing Capitalization is at the rate of 0.0125% of Listing Capitalization in excess of \$1,000,000 (subject to a maximum fee of \$125,000). Listing Capitalization is rounded up to the nearest \$million.

For structured product companies required to redeem and/or issue additional shares of a listed class on a *continual* basis, the assessment of Listing Capitalization is calculated separately for each class of listed shares at the rate of 0.0125% of (i) the volume weighted average trading price of the company's shares during a calendar quarter, multiplied by (ii) the net increase in number of shares listed during that calendar quarter, subject to a maximum fee of \$125,000, and without minimum.

At the time of original listing approval, TSX, in its discretion, shall determine if a company will be subject to this section.

D. SUBSTITUTIONAL LISTINGS

8. Where, after an initial listing, shares are to be split, subdivided, or otherwise changed, except as set out below, the fee for listing all substituted shares shall be \$8,000.

Where, after an initial listing, the capitalization is to be reduced so as to result in a consolidation of shares, the fee for listing the consolidated shares shall be \$4,000.

Where there is to be a change in the classification or name of a listed class of shares without a change in the number of shares issued and outstanding or authorized for issuance for a specific purpose, the fee shall be \$2,000.

Where the name of a company is to be changed without any change in capital structure, the fee shall be \$2,000.
Where the stock symbol of a company is to be changed without any change in the name of the company or other change in capital structure, the fee shall be \$1,000.

E. SUPPLEMENTAL LISTINGS

9. Where, after an initial listing of shares of a company, shares of the company are to be listed and such shares are not of a class already listed, the fee shall be based on Fee Schedule 2, where the Issue Price shall be used to calculate Listing Capitalization.

F. LISTING OF WARRANTS

10. For each series of warrants to be listed, the fee shall be \$3,000.

G. LISTING OF CONVERTIBLE SECURITIES

11. For each series of convertible securities to be listed, the fee shall be \$3,000.

H. LISTING OF SHARES PRIMARILY HELD OUTSIDE OF CANADA

12. Where less than 5% of the issued and outstanding shares of the company are owned by residents of Canada, the price per share used to calculate listing Capitalization shall be as per the applicable sections, above. For original listings, Fee Schedule 3 shall apply.

Fee Schedule 3

LISTING CAPITALIZATION RANGE	FIXED FEE	VARIABLE FEE/\$MM LISTING CAPITALIZATION OVER \$15MM
Up to \$15 million	\$15,000	
Over \$15 million	\$15,000 +	\$600
Maximum Fee	\$95,000	

For additional, substitutional and supplemental listings, Fee Schedule 4 shall apply.

Fee Schedule 4

LISTING CAPITALIZATION RANGE	FIXED FEE	VARIABLE FEE/\$MM LISTING CAPITALIZATION OVER \$1MM
Up to \$1 million	\$1,000	
Over \$1 million	\$1,000 +	\$600
Maximum Fee	\$40,000	

I. FILING FEES

13. A fee of \$1,000 shall be payable to TSX by a listed company upon acceptance of a notice filed pursuant to Section 602 regarding treasury securities if no additional fee is payable.

A fee of \$1,000 shall be payable to TSX for its review of: (i) any shareholder rights plan; and (ii) any amendment to a shareholder rights plan which has been adopted by a listed company.

A fee of \$1,000 shall be payable to TSX upon acceptance of a notice filed by a listed company to commence a normal course issuer bid.

J. EXTRAORDINARY CIRCUMSTANCES

14. TSX reserves the right to charge additional fees in extraordinary circumstances where an inordinate amount of time is required to process an application or a filing.

K. RECOVERY OF EXPENSES

15. TSX may levy charges to cover expenses that it has incurred relating to due diligence, research or assessment procedures which TSX deems necessary in connection with any notice or application that has been filed, or that in the opinion of TSX ought to have been filed, pursuant to any Section or Appendix of the TSX Company Manual. These charges may include, but are not limited to, expenses associated with investigations of the background of companies or their officers, directors or major shareholders.

L. SUSTAINING FEE

16. The annual sustaining fee pertains to all listed companies. The fee is comprised of a base charge of \$8,000 plus an assessment on the market value of the company's issued listed securities as at the end of the preceding calendar year. This assessment is calculated separately for each class of listed securities at the rate of \$380 for each \$5,000,000 of market value or part thereof. Statements covering the fees payable are sent to the listed companies prior to the end of February. Companies listed during the course of the year will be charged a sustaining fee on a pro rata basis, based on the market value of the company's issued listed securities at the time of listing. Companies delisted during the first six months of a calendar year will be entitled to a refund of one-half of the sustaining fee for that year.

Minimum Fee: \$8,380

Maximum Fee: \$65,000 (Non-Canadian Companies: \$40,000)

For international exchange traded funds which are already listed on another recognized exchange, the fee shall be \$20,000. For fund families with at least five of such international exchange traded funds listed on TSX, the fee for each additional new listing shall be \$10,000, subject to an aggregate maximum fee of \$200,000. An international exchange traded fund will generally be limited to funds organized outside of Canada, and which are not based on TSX indexes or TSX issuers.

The fees set out in this Listing Fee Schedule do not include the Canadian Goods and Services Tax, which Canadian issuers must remit with the fee payment.