

This document is an unofficial consolidation of all amendments to National Instrument 62-103 *The Early Warning System and Related Take-Over Bid and Insider Reporting Issues*, current to **May 9, 2016**. This document is for reference purposes only and is not an official statement of the law.

**National Instrument 62-103**  
***The Early Warning System and Related Take-Over Bid and Insider Reporting Issues***

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**National Instrument 62-103**  
***The Early Warning System and Related Take-Over Bid and***  
***Insider Reporting Issues***

**PART 1            DEFINITIONS AND INTERPRETATION**

**1.1                Definitions**

(1)            In this Instrument

“acquiror” has the meaning ascribed to that term in Part 5 of NI 62-104;

“acquiror’s securities” has the meaning ascribed to that term in Part 5 of NI 62-104;

“acquisition announcement provisions” means the requirement in securities legislation for an acquiror to issue a news release if, during a formal bid for voting or equity securities of a reporting issuer by an entity other than the acquiror, the acquiror acquires ownership of, or control over, securities of the class subject to the bid that, together with the acquiror’s securities of the class, constitute an amount equal to or greater than the amount specified in securities legislation;

“acting jointly or in concert” has the meaning ascribed to that phrase in securities legislation, and, when used in connection with an entity, has the meaning ascribed in securities legislation as if the term “entity” replaced the term “person or company” or similar term;

“applicable definitions” means

- (a)            the definitions of “take-over bid” and “offeror’s securities” in the take-over provisions, and
- (b)            the control block distribution definition;

“applicable provisions” means

- (a)            the early warning requirements,
- (b)            Part 4,
- (c)            the moratorium provisions,
- (d)            the insider reporting requirement, and
- (e)            the acquisition announcement provisions;

“associate” has the meaning ascribed to that term in section 1.1 of NI 62-104;

“business unit” means a legal entity or part of a legal entity, or a combination of legal entities or parts of legal entities, that engage in a distinct business or

investment activity separately from other businesses and investment activities of the relevant entities;

“class” means, in relation to a security, a class or series of a class of the security;

“control” means, for a security

- (a) when used in connection with the insider reporting requirements, the take-over bid requirements and related definitions and the early warning requirements, the power to exercise control or direction over the security, or similar term or expression used in securities legislation; and
- (b) when used in connection with the control block distribution definition, holding the security, or similar term or expression used in securities legislation;

“control block distribution definition” means the provisions of securities legislation listed in Appendix A;

“early warning requirements” means the requirements set out in section 5.2 of NI 62-104;

“economic exposure” has the meaning ascribed to that term in NI 55-104;

“effective control” means, for a reporting issuer, the control in fact of the reporting issuer by an entity through the ownership of, or control over, voting securities of the reporting issuer, other than securities held by way of security only;

“eligible institutional investor” means

- (a) a financial institution,
- (b) a pension fund that is regulated by either the Office of the Superintendent of Financial Institutions (Canada), a pension commission of a jurisdiction, or a similar regulatory authority,
- (c) a mutual fund that is not a reporting issuer,
- (d) an investment manager in relation to securities over which it exercises discretion to vote, acquire or dispose without the express consent of the beneficial owner, subject to applicable legal requirements, general investment policies, guidelines, objectives or restrictions, or
- (e) an entity referred to in clauses (D) or (F) of Rule 13d-1(b)(1)(ii) under the 1934 Act;

“entity” means a person or company or a business unit;

“equity security” has the meaning ascribed to that term in securities legislation;

“financial institution” means

- (a) a Canadian financial institution,

- (b) an entity that is engaged in financial services activities and that is supervised and regulated under the banking, insurance, trust or similar laws of, and incorporated in, the United States of America or Japan,
- (c) a credit institution, within the meaning of European Union Directive 77/780/EEC, whose home member state for purposes of that European Union Directive is France, Germany, Italy or the United Kingdom of Great Britain and Northern Ireland;

“formal bid” means a take-over bid or issuer bid made in accordance with Part 2 of NI 62-104;

“investment manager” means an entity that

- (a) either
  - (i) is registered or licensed to provide investment counselling, portfolio management or similar advisory services in respect of securities, or is exempt from the requirement to be so registered or licensed, under the securities laws of a jurisdiction or of Japan or under the Investment Advisers Act of 1940 of the United States of America, as amended, or
  - (ii) is subject to European Union Directive 93/22 on investment services in the securities field, and provides the portfolio management services referred to in Section A(3) of the Annex to that Directive, and whose home member state is France, Germany, Italy or the United Kingdom of Great Britain and Northern Ireland, and
- (b) provides the services referred to in paragraph (a) for valuable consideration under a contractual arrangement;

“joint actor” means, in relation to an entity and a security, another entity acting jointly or in concert with the entity in connection with the ownership of, or control over, the security;

“moratorium provisions” means the provisions set out in subsection 5.3(1) of NI 62-104;

“news release” includes a press release;

“NI 55-104” means National Instrument 55-104 *Insider Reporting Requirements and Exemptions*;

“NI 62-104” means National Instrument 62-104 *Take-Over Bids and Issuer Bids*;

“ownership” means, in relation to a security, the beneficial ownership of the security, and “owns”, “owned” and similar words have corresponding meanings;

“pledgee” includes a holder of any type of security interest;

“portfolio adviser” means an entity that provides investment advice or portfolio management services to, or for, an investment fund;

“private mutual fund” means

- (a) a private investment club referred to in section 2.20 of National Instrument 45-106 *Prospectus Exemptions*, or
- (b) a private investment fund referred to in section 2.21 of National Instrument 45-106 *Prospectus Exemptions*;

“related financial instrument” has the meaning ascribed to that term in NI 55-104;

“securities lending arrangement” has the meaning ascribed to that term in Part 5 of NI 62-104;

“securityholding percentage” means, in relation to an entity and a class of securities, the percentage of the outstanding securities of the class owned, together with the percentage controlled by the entity, determined in accordance with the provisions of applicable securities legislation listed in Appendix D and after application of any aggregation relief available under Part 5 that is relied on by the entity;

“significant change in a related financial instrument position” means, in relation to an entity and a related financial instrument that involves, directly or indirectly, a security of a reporting issuer, any change in the entity’s interest in, or rights or obligations associated with, the related financial instrument if the change has a similar economic effect to an increase or decrease in the entity’s securityholding percentage in a class of voting or equity securities of the reporting issuer by 2.5 percent or more;

“take-over provisions” means the provisions in securities legislation that regulate take-over bids and issuer bids; and

“underwriting period” means, for an entity acting as an underwriter of securities, the period commencing from the date of execution of an underwriting agreement or commitment until

- (a) for securities acquired by the entity upon the exercise of an over-allotment option, four business days after the acquisition of those securities, and
- (b) for all other securities, the earlier of
  - (i) the expiration of 40 days after the date of the closing of the purchase of the securities, and
  - (ii) the date of the completion of the distribution by the underwriter of the securities.

**1.2 Deemed Effective Control** - For the purposes of the definition of “effective control”, an

entity that, either alone or together with one or more joint actors, owns or controls voting securities carrying more than 30 percent of the votes attached to all of the outstanding

voting securities of a reporting issuer shall, in the absence of evidence to the contrary, be deemed to possess effective control over the reporting issuer.

## **PART 2 GENERAL RELIANCE AND REPORTING PROVISIONS**

### **2.1 Reliance on Reported Outstanding Shares**

- (1) Subject to subsection (2), in determining its securityholding percentage in a class of securities for the purposes of the early warning requirements or Part 4, an entity may rely upon information most recently provided by the issuer of the securities in a material change report or under section 5.4 of National Instrument 51-102 *Continuous Disclosure Obligations*, whichever contains the most recent relevant information.
- (2) Subsection (1) does not apply if the entity has knowledge both
  - (a) that the information filed is inaccurate or has changed; and
  - (b) of the correct information.

**2.2 Copies of News Release and Report** - An entity that files a news release and report under the early warning requirements, or a report under Part 4, in relation to a reporting issuer shall immediately send a copy of each filing to the reporting issuer.

### **2.3 No Duplication of News Releases or Reports**

- (1) An entity that is required to issue a news release under both the early warning requirements and the acquisition announcement provisions is exempt from the requirement to issue the news release contained in the provision requiring the later release if
  - (a) the news release is filed under the provision with the earlier reporting requirement; and
  - (b) the facts required to be contained in the two news releases are identical.
- (2) An entity that is required to file a report under the acquisition announcement provisions and either the early warning requirements or Part 4 is exempt from the requirement to file the report under the provision requiring the later report if
  - (a) the report is filed under the provision requiring the earlier report; and
  - (b) the facts required to be contained in the two reports are identical.

## **PART 3 EARLY WARNING REQUIREMENTS**

### **3.1 Contents of News Releases and Reports**

- (1) A news release and report required under the early warning requirements shall contain the information required by Form 62-103F1 *Required Disclosure under the Early Warning Requirements*.

- (2) Despite subsection (1), a news release required under the early warning requirements may omit the information otherwise required by Items 2.3, 3.3, 3.5 through 3.8, 4.2, 4.3, 6 and 9, and Item 7 to the extent that the information relates to those sections and items, of Form 62-103F1 *Required Disclosure under the Early Warning Requirements*, if
  - (a) the omitted information is included in the corresponding report required by the early warning requirements, and
  - (b) the news release indicates the name and telephone number of an individual to contact to obtain a copy of the report.
- (3) The acquiror shall send a copy of the report referred to in paragraph (2)(a) promptly to any entity requesting it.

**3.2 Filing Relief for Joint Actors** - The early warning requirements and the acquisition announcement provisions do not apply to a joint actor of an acquiror in connection with the obligation to make a specific filing of a news release or report if

- (a) the acquiror files a news release or report at the time that the joint actor would be required to file; and
- (b) the news release or report filed discloses the information concerning the joint actor required by securities legislation.

**3.3 Exemption from Early Warning Requirements for Mutual Fund Securities** - The early warning requirements do not apply in connection with the ownership or control of securities issued by a mutual fund to which National Instrument 81-102 Mutual Funds applies.

#### **PART 4 ALTERNATIVE MONTHLY REPORTING SYSTEM**

**4.1 Exemption from the Early Warning Requirements** - The early warning requirements do not apply to an eligible institutional investor for a reporting issuer if the eligible institutional investor

- (a) is not disqualified by section 4.2 from filing reports under this Part for the reporting issuer; and
- (b) either
  - (i) intends to file reports under this Part for the reporting issuer, if no reports are yet required to be filed; or
  - (ii) is not in arrears of filing reports under this Part for the reporting issuer, if a report has been required by this Part to be filed.

#### **4.2 Disqualification**

- (1) An eligible institutional investor shall not file reports under this Part for a reporting issuer if the eligible institutional investor, or a joint actor



- (a) makes or intends to make a formal bid for securities of the reporting issuer;
  - (b) proposes or intends to propose a reorganization, amalgamation, merger, arrangement or similar business combination with a reporting issuer that if completed would reasonably be expected to result in the eligible institutional investor, either alone or together with any joint actors, possessing effective control over the reporting issuer or a successor to all or a part of the business of the reporting issuer; or
  - (c) solicits proxies from securityholders of the reporting issuer in any of the following circumstances:
    - (i) in support of the election of one or more persons as directors of the reporting issuer other than the persons proposed to be nominated by management of the reporting issuer;
    - (ii) in support for a reorganization, amalgamation, merger, arrangement or other similar corporate action involving the securities of the reporting issuer if that action is not supported by management of the reporting issuer;
    - (iii) in opposition to a reorganization, amalgamation, merger, arrangement or other similar corporate action involving the securities of the reporting issuer if that action is proposed by management of the reporting issuer.
- (2) For the purposes of this section, “solicit” has the meaning ascribed to that term in National Instrument 51-102 *Continuous Disclosure Obligations*.

### **4.3 Reporting and Filing Requirements**

- (1) If an eligible institutional investor is relying on the exemption in section 4.1 for a reporting issuer and becomes disqualified under section 4.2 from filing, or no longer intends to file, reports under this Part for the reporting issuer, the eligible institutional investor shall
  - (a) immediately issue and file a news release; and
  - (b) within two business days after filing the news release, file a report.
- (2) The news release and report required by subsection (1) shall contain the information required by Form 62-103F2 *Required Disclosure by an Eligible Institutional Investor under Section 4.3*.
- (3) An eligible institutional investor that is required to file a report under subsection (1) for a reporting issuer is not exempt from the early warning requirements for that reporting issuer as of the date on which the news release required by subsection (1) is required to be filed.

- (4) An eligible institutional investor that files reports under this Part for a reporting issuer and that controls securities of the reporting issuer that are owned by another entity shall
  - (a) on request by the entity, promptly advise the entity of the number of securities held on its behalf; and
  - (b) if the eligible institutional investor has reason to believe that the securityholding percentage of the entity in a class of voting or equity securities of the reporting issuer equals 10 percent or more, promptly advise the entity of the number of securities held on its behalf.

**4.4 Restrictions on Acquisitions** - An eligible institutional investor that has become disqualified under section 4.2 from filing reports under this Part for a reporting issuer, if the securityholding percentage of the eligible institutional investor in a class of voting or equity securities of the reporting issuer is 10 percent or more, shall not acquire ownership of, or control over, any additional securities of the reporting issuer for the period

- (a) starting at the time that the news release referred to in paragraph 4.3(1)(a) is required to be filed; and
- (b) ending 10 days after the news release is filed.

**4.5 Filing Obligations under this Part** - In order to rely on the exemption provided by section 4.1, an eligible institutional investor shall file a report

- (a) within 10 days after the end of the month in which the eligible institutional investor elected to begin to file reports for the reporting issuer under this Part, if the securityholding percentage of the eligible institutional investor in a class of voting or equity securities of the reporting issuer at the end of the month is 10 percent or more;
- (b) within 10 days after the end of the month in which the securityholding percentage of the eligible institutional investor in a class of voting or equity securities of the reporting issuer, as at the end of the month, increased to 10 percent or more;
- (c) within 10 days after the end of the month in which the securityholding percentage of the eligible institutional investor in a class of voting or equity securities of the reporting issuer, as at the end of the month, increased or decreased past thresholds that are products of whole numbers multiplied by 2.5 percent of the outstanding securities of the class and that are in excess of 10 percent of the outstanding securities of the class; and
- (d) within 10 days after the end of the month in which the securityholding percentage of the eligible institutional investor in a class of voting or equity securities of the reporting issuer, as at the end of the month, decreased to less than 10 percent.

**4.6 Change Reports** - In addition to the filing requirements of section 4.5, an eligible institutional investor shall file a report within 10 days after the end of the month in which there has been a change in a material fact contained in the report of the eligible institutional investor most recently filed under this Part.

#### 4.7 Contents of Reports

- (1) A report filed under this Part shall contain the information required by Form 62-103F3 *Required Disclosure by an Eligible Institutional Investor under Part 4*.
- (2) Despite subsection (1), a report filed under paragraph 4.5(d) may be limited to
  - (a) the name and address of the eligible institutional investor;
  - (b) the name of the reporting issuer and the designation and number or principal amount of voting or equity securities of the reporting issuer in respect of which the report is being filed and the securityholding percentage of the eligible institutional investor in the class of securities; and
  - (c) a statement that the eligible institutional investor is eligible to file reports under this Part.

#### 4.8 Exemptions - The requirement to file a report under this Part does not apply to a joint actor with an eligible institutional investor in connection with a specific filing if

- (a) the eligible institutional investor files a report under this Part at the time that the joint actor is required to file; and
- (b) the report discloses the information concerning the joint actor required by this Instrument.

### PART 5 AGGREGATION RELIEF

#### 5.1 Separate Business Units - An eligible institutional investor, or an affiliate or associate of an eligible institutional investor, that conducts business or investment activities through business units may, for the purposes of the applicable provisions and securities legislation related to the applicable definitions, treat securities that are owned or controlled through a business unit, or securities into which those securities are convertible, exercisable or exchangeable, separately from securities owned or controlled through any other of its business units if

- (a) decisions on each of the acquisition, disposition, holding or voting of the securities owned or controlled by a business unit are made in all circumstances by that business unit;
- (b) the business unit is not a joint actor with any other business unit with respect to the securities, determined without regard to the provisions of securities legislation that deem an affiliate, and presume an associate, to be acting jointly or in concert with an acquiror;
- (c) no entity that makes, advises on, participates in the formulation of, or exercises influence over, decisions on the acquisition, disposition, holding or voting of securities owned or controlled by or on behalf of a business unit also makes, advises on, participates in the formulation of or exercises influence over, decisions on the

acquisition, disposition, holding or voting of securities owned or controlled by or on behalf of any other business unit, except for the purposes of

- (i) preparing research reports,
  - (ii) monitoring or ensuring compliance with regulatory requirements, or
  - (iii) setting, monitoring or ensuring compliance with general investment policies, guidelines, objectives or restrictions;
- (d) the eligible institutional investor or affiliate or associate has reasonable grounds for believing that each business unit complies with the applicable provisions and securities legislation related to the applicable definitions in connection with the securities owned or controlled by the business unit;
- (e) the eligible institutional investor or affiliate or associate has taken reasonable steps to ensure that each business unit complies with the requirements of this Part; and
- (f) the eligible institutional investor or affiliate or associate complies with section 5.3.

## 5.2

**Securities Held by an Investment Fund** - An eligible institutional investor, or an affiliate or associate of an eligible institutional investor, may, for the purposes of the applicable provisions and securities legislation related to the applicable definitions, treat securities owned or controlled by an investment fund over which the eligible institutional investor, affiliate or associate exercises or shares control, or securities into which those securities are convertible, exercisable or exchangeable, separately from other securities owned or controlled by the eligible institutional investor or affiliate or associate if

- (a) the investment fund is not a private mutual fund;
- (b) a portfolio adviser manages the investment fund on behalf of the eligible institutional investor under a written agreement;
- (c) the portfolio adviser has been identified as managing the investment fund in a document provided to an investor;
- (d) none of the eligible institutional investor, its affiliates or associates, or a director, officer, partner, employee or agent of the eligible institutional investor or its affiliates or associates, makes, advises on, participates in the formulation of, or exercises influence over, decisions made by the portfolio adviser on the acquisition, disposition, holding or voting of securities, except for the purposes of
  - (i) preparing research reports,
  - (ii) monitoring or ensuring compliance with regulatory requirements, or
  - (iii) setting, monitoring or ensuring compliance with general investment policies, guidelines, objectives or restrictions;
- (e) the eligible institutional investor or affiliate or associate has reasonable grounds for believing that the portfolio adviser complies with the applicable provisions and

securities legislation related to the applicable definitions in connection with securities owned or controlled by the investment fund;

- (f) the portfolio adviser neither controls nor is controlled by the eligible institutional investor or an affiliate or associate of the eligible institutional investor; and
- (g) the eligible institutional investor or affiliate or associate complies with section 5.3.

### **5.3 Reporting and Record Keeping**

- (1) In addition to the requirements of sections 5.1 and 5.2, in order to rely on section 5.1 or 5.2, an eligible institutional investor or an affiliate or associate shall indicate in any document released or filed under the applicable provisions or securities legislation related to the applicable definitions
  - (a) its reliance on either section 5.1 or 5.2;
  - (b) the identity of the business units or investment funds for which ownership and control of the securities has been disclosed; and
  - (c) the fact that securities owned or controlled by other business units or investment funds have not been, or may not have been, disclosed.
- (2) An eligible institutional investor or affiliate or associate shall maintain records of the details concerning
  - (a) business units of the entity that are treated separately, by reason of section 5.1, for the purposes of compliance with the applicable provisions and securities legislation related to the applicable definitions; and
  - (b) investment funds whose ownership of, or control over, securities are treated separately, by reason of section 5.2, for the purposes of compliance with the applicable provisions and securities legislation related to the applicable definitions.

**5.4 No Requirement to Satisfy Insider Reporting Requirement** - If an eligible institutional investor, or an affiliate or associate of an eligible institutional investor, is relying on this Part so that it is not subject to the insider reporting requirement for a reporting issuer, then every director or senior officer of the eligible institutional investor, or of the affiliate or associate of an eligible institutional investor, who is an insider of the reporting issuer solely as a result of being a director or senior officer of the eligible institutional investor, or the affiliate or associate of an eligible institutional investor, is not subject to the insider reporting requirement for the reporting issuer.

## **PART 6 ISSUER ACTIONS**

### **6.1 Issuer Actions**

- (1) An entity is exempt from the early warning requirements and the obligation to report under Part 4 in connection with an increase in the securityholding percentage of the entity in a class of securities of a reporting issuer that arises without any action being

taken by the entity and solely from a reduction in outstanding securities that occurs as a result of redemptions, retractions or other repurchases by the reporting issuer, that affect or are offered to all security holders of the relevant class.

- (2) An entity is exempt from the early warning requirements and the obligation to report under Part 4 in connection with a decrease in the securityholding percentage of the entity in a class of securities of a reporting issuer that arises without any action being taken by the entity and solely from an increase in outstanding securities that occurs as a result of treasury issuances of securities by the reporting issuer.
- (3) An entity may rely upon an exemption provided by this section in connection with a class of securities only until the entity undertakes any transaction that changes the securityholding percentage of the entity in that class of securities.
- (4) An entity that undertakes a transaction described in subsection (3) shall comply with the early warning requirements or Part 4 in connection with the class of securities referred to in that subsection in a manner that reflects the changes in the securityholding percentage of the entity in that class of securities since the last news release or report made or filed under the early warning requirements or Part 4.

## **PART 7 UNDERWRITING EXEMPTION**

**7.1 Underwriting Exemption** - An entity is exempt from the early warning requirements and the obligation to report under Part 4 in respect of securities owned by the entity in its capacity as underwriter or securities into which those securities are convertible, or exercisable or exchangeable, during the underwriting period, if

- (a) the entity is engaged in the business of an underwriter of securities; and
- (b) the entity or the issuer of the securities has issued and filed a news release that
  - (i) announces the proposed underwriting, and
  - (ii) identifies the reporting issuer and the designation and number or principal amount of the securities underwritten.

## **PART 8 RELIEF FOR PLEDGEEES**

### **8.1 Relief for Pledgrees**

- (1) For securities that are controlled by a person or company as a pledgee, and any securities into which those securities are convertible, exercisable or exchangeable, in either case that are pledged, mortgaged or otherwise encumbered as collateral for a debt under a written pledge agreement and in the ordinary course of the business of the person or company, the person or company is exempt from the applicable provisions, and those securities are not required to be taken into account for the purposes of securities legislation related to the applicable definitions.
- (2) Subsection (1) does not apply at any time that the person or company is legally entitled to dispose of the securities as pledgee for the purpose of applying proceeds of realization in repayment of the secured debt.

**8.2 Further Relief for de minimis Pledges** - Despite subsection 8.1(2), for securities that are controlled by a person or company as a pledgee, and any securities into which those securities are convertible, exercisable or exchangeable, in either case that are or were pledged, mortgaged or otherwise encumbered as collateral for a debt, under a written pledge agreement and in the ordinary course of the business of the person or company, the person or company is exempt from the applicable provisions, and those securities are not required to be taken into account for the purposes of securities legislation related to the applicable definitions, even if the person or company is legally entitled to dispose of the securities as pledgee for the purpose of applying proceeds of realization in repayment of the secured debt, if

- (a) the principal amount of the debt, together with the principal amount of all other debts of or guaranteed by the same borrower to the person or company, does not exceed \$2,000,000; and
- (b) the pledged securities, and securities into which the pledged securities are convertible, exercisable or exchangeable, constitute less than 10 percent of a class of voting or equity securities.

**8.3 Corresponding Insider Reporting Relief** - If a person or company is exempt under section 8.1 or 8.2 from the insider reporting requirement for those securities of a reporting issuer that it controls as pledgee, every director or senior officer of the person or company who is an insider of the reporting issuer solely as a result of being a director or senior officer of the person or company that is an insider of the reporting issuer is exempt from the insider reporting requirement for those securities.

## **PART 9 INSIDER REPORTING EXEMPTION**

### **9.1 Insider Reporting Exemption**

- (1) Subject to subsections (3.1) and (4), an eligible institutional investor is exempt from the insider reporting requirement for a reporting issuer if
  - (a) the eligible institutional investor has filed the report required under the early warning requirements or Part 4 for the reporting issuer in connection with the current securityholding percentage of the eligible institutional investor in the classes of voting and equity securities of the reporting issuer;
    - (a.1) the report referred to in paragraph (a) discloses, in addition to any other required disclosure,
      - (i) the eligible institutional investor's interest in any related financial instrument involving a security of the reporting issuer that is not otherwise reflected in the current securityholding percentage of the eligible institutional investor; and
      - (ii) the material terms of the related financial instrument;
  - (b) the eligible institutional investor is not disqualified under section 4.2 from filing reports under Part 4;

- (c) the eligible institutional investor does not have knowledge of any material fact or material change with respect to the reporting issuer that has not been generally disclosed;
  - (d) the eligible institutional investor does not receive in the ordinary course of its business and investment activities knowledge of any material fact or material change with respect to the reporting issuer that has not been generally disclosed;
  - (e) there are no directors or officers of the reporting issuer who were, or could reasonably be seen to have been, selected, nominated or designated by the eligible institutional investor or any joint actor; and
  - (f) the eligible institutional investor, either alone or together with any joint actors, does not possess effective control of the reporting issuer.
- (2) An eligible institutional investor relying on the exemption in subsection (1) shall maintain records that include the information that, absent this section, would have been required to be included in a report filed under the insider reporting requirement.
- (3.1) Despite subsection (1), an eligible institutional investor that is filing reports under the early warning requirements or Part 4 for a reporting issuer may rely upon the exemption contained in subsection (1) only if the eligible institutional investor treats a significant change in a related financial instrument position as a change in a material fact for the purposes of securities legislation pertaining to the early warning requirements or section 4.6 of this Instrument.
- (4) Despite subsection (1), an eligible institutional investor that is an insider of a reporting issuer may not rely upon the exemption contained in subsection (1) if
- (a) the eligible institutional investor, either alone or with a joint actor or joint actors, purchased in the previous month, directly or indirectly, 50 percent or more of all of the securities of a class that were reported sold on stock exchanges, over-the-counter markets or both in the previous month; or
  - (b) the eligible institutional investor, either alone or with a joint actor or joint actors, sold in the previous month, directly or indirectly, 50 percent or more of all of the securities of a class that were reported sold on stock exchanges, over-the-counter markets or both in the previous month.
- (5) If an eligible institutional investor is exempt under subsection (1) from the insider reporting requirement for a reporting issuer, every director or senior officer of the eligible institutional investor who is an insider of the reporting issuer solely as a result of being director or senior officer of the eligible institutional investor is exempt from the insider reporting requirement for the reporting issuer.

## **PART 10 MORATORIUM RELIEF**

### **10.1 Moratorium Relief**



- (1) An entity is exempt from the moratorium provisions in respect of the acquisition of, or offers to acquire, securities, if those acquisitions or offers are made by an investment manager acting on behalf of the entity without the direction or prior knowledge of the entity.
- (2) Subsection (1) does not apply to an investment manager acting as principal.
- (3) An entity is exempt from the moratorium provisions in respect of any acquisitions of, or offers to acquire, securities made solely in its capacity as an approved specialist, or market maker, recognized by a stock exchange or an over-the-counter market that represents a published market for the securities.
- (4) An eligible institutional investor is exempt from the moratorium provisions in respect of securities of a reporting issuer at any time in which
  - (a) the eligible institutional investor is using the exemption in section 4.1 in connection with filings relating to securities of that reporting issuer; or
  - (b) the eligible institutional investor is subject to the restrictions contained in section 4.4.

## **PART 11 EXEMPTIONS**

### **11.1 Exemptions**

- (1) The regulator or the securities regulatory authority may grant an exemption to 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 such an exemption.

## **PART 12 EFFECTIVE DATE**

### **12.1 Effective Date** - This Instrument comes into force on March 15, 2000.

**National Instrument 62-103  
Appendix A**

**Control Block Distribution Definition**

<b>JURISDICTION</b>	<b>SECURITIES LEGISLATION REFERENCE</b>
ALBERTA	Clause 1(p)(iii) of the <i>Securities Act</i> (Alberta)
BRITISH COLUMBIA	Paragraph (c) of the definition of “distribution” contained in subsection 1(1) of the <i>Securities Act</i> (British Columbia)
MANITOBA	Paragraph 1(b) of the definition of “primary distribution to the public” contained in subsection 1(1) of the <i>Securities Act</i> (Manitoba)
NEW BRUNSWICK	Paragraph (c) of the definition of “distribution” contained in section 1(1) of the <i>Securities Act</i> (New Brunswick)
NEWFOUNDLAND	Clause 2(1)(l)(iii) of the <i>Securities Act</i> (Newfoundland)
NORTHWEST TERRITORIES	Paragraph (c) of the definition of “distribution” contained in subsection 1(1) of the <i>Securities Act</i> (Northwest Territories)
NOVA SCOTIA	Clause 2(1)(l)(iii) of the <i>Securities Act</i> (Nova Scotia)
NUNAVUT	Paragraph (c) of the definition of “distribution” contained in subsection 1(1) of the <i>Securities Act</i> (Nunavut)
ONTARIO	Paragraph (c) of the definition of “distribution” contained in subsection 1(1) of the <i>Securities Act</i> (Ontario)
QUEBEC	Subparagraph 9 of the definition of “distribution” contained in section 5 of the <i>Securities Act</i> (Quebec)
PRINCE EDWARD ISLAND	Subclause (iii) of the definition of “distribution” contained in clause 1(k) of the <i>Securities Act</i> (Prince Edward Island)
SASKATCHEWAN	Subclause 2(1)(r)(iii) of <i>The Securities Act, 1988</i> (Saskatchewan)
YUKON TERRITORY	Paragraph (c) of the definition of “distribution” contained in subsection 1(1) of the <i>Securities Act</i> (Yukon Territory)

**Note: The text of this Appendix reflects local amendments made by Nunavut’s local Rule 11-801.**

**National Instrument 62-103**  
**Appendix B**

**[Repealed]**

**National Instrument 62-103**  
**Appendix C**

**[Repealed]**

**National Instrument 62-103  
Appendix D**

**Beneficial Ownership**

**JURISDICTION**

**SECURITIES LEGISLATION REFERENCE**

ALBERTA	Sections 5 and 6 of the <i>Securities Act</i> (Alberta) and sections 1.8 and 1.9 of NI 62-104
BRITISH COLUMBIA	Subsection 1(4) of the <i>Securities Act</i> (British Columbia) and sections 1.8 and 1.9 of NI 62-104
MANITOBA	Subsections 1(6) and 1(7) of the <i>Securities Act</i> (Manitoba) and sections 1.8 and 1.9 of NI 62-104
NEW BRUNSWICK	Subsections 1(5) and 1(6) of the <i>Securities Act</i> (New Brunswick) and sections 1.8 and 1.9 of NI 62-104
NEWFOUNDLAND AND LABRADOR	Subsections 2(5) and 2(6) of the <i>Securities Act</i> (Newfoundland and Labrador) and sections 1.8 and 1.9 of NI 62-104
NORTHWEST TERRITORIES	Section 11 of the <i>Securities Act</i> (Northwest Territories) and sections 1.8 and 1.9 of NI 62-104
NOVA SCOTIA	Subsections 2(5) and 2(6) of the <i>Securities Act</i> (Nova Scotia) and sections 1.8 and 1.9 of NI 62-104
NUNAVUT	Sections 1.8 and 1.9 of NI 62-104
ONTARIO	Subsections 1(5) and 1(6) of the <i>Securities Act</i> (Ontario) and sections 1.8 and 1.9 of NI 62-104
PRINCE EDWARD ISLAND	Section 11 of the <i>Securities Act</i> (Prince Edward Island) and sections 1.8 and 1.9 of NI 62-104
QUEBEC	Sections 1.8 and 1.9 of NI 62-104
SASKATCHEWAN	Subsections 2(5) and 2(6) of <i>The Securities Act, 1988</i> (Saskatchewan) and sections 1.8 and 1.9 of NI 62-104
YUKON TERRITORY	Section 11 of the <i>Securities Act</i> (Yukon Territory) and sections 1.8 and 1.9 of NI 62-104

**National Instrument 62-103**  
**Appendix E**

**Form 62-103F1**  
***REQUIRED DISCLOSURE UNDER THE EARLY WARNING REQUIREMENTS***

State if the report is filed to amend information disclosed in an earlier report. Indicate the date of the report that is being amended.

**Item 1 – Security and Reporting Issuer**

- 1.1 State the designation of securities to which this report relates and the name and address of the head office of the issuer of the securities.
- 1.2 State the name of the market in which the transaction or other occurrence that triggered the requirement to file this report took place.

**Item 2 – Identity of the Acquiror**

- 2.1 State the name and address of the acquiror.
- 2.2 State the date of the transaction or other occurrence that triggered the requirement to file this report and briefly describe the transaction or other occurrence.
- 2.3 State the names of any joint actors.

*INSTRUCTION*

*If the acquiror is a corporation, general partnership, limited partnership, syndicate or other group of persons, provide its name, the address of its head office, its jurisdiction of incorporation or organization, and its principal business.*

**Item 3 – Interest in Securities of the Reporting Issuer**

- 3.1 State the designation and number or principal amount of securities acquired or disposed of that triggered the requirement to file the report and the change in the acquiror's securityholding percentage in the class of securities.
- 3.2 State whether the acquiror acquired or disposed ownership of, or acquired or ceased to have control over, the securities that triggered the requirement to file the report.
- 3.3 If the transaction involved a securities lending arrangement, state that fact.
- 3.4 State the designation and number or principal amount of securities and the acquiror's securityholding percentage in the class of securities, immediately before and after the transaction or other occurrence that triggered the requirement to file this report.
- 3.5 State the designation and number or principal amount of securities and the acquiror's securityholding percentage in the class of securities referred to in Item 3.4 over which
  - (a) the acquiror, either alone or together with any joint actors, has ownership and control,

- (b) the acquiror, either alone or together with any joint actors, has ownership but control is held by persons or companies other than the acquiror or any joint actor, and
  - (c) the acquiror, either alone or together with any joint actors, has exclusive or shared control but does not have ownership.
- 3.6 If the acquiror or any of its joint actors has an interest in, or right or obligation associated with, a related financial instrument involving a security of the class of securities in respect of which disclosure is required under this item, describe the material terms of the related financial instrument and its impact on the acquiror's securityholdings.
- 3.7 If the acquiror or any of its joint actors is a party to a securities lending arrangement involving a security of the class of securities in respect of which disclosure is required under this item, describe the material terms of the arrangement including the duration of the arrangement, the number or principal amount of securities involved and any right to recall the securities or identical securities that have been transferred or lent under the arrangement.
- State if the securities lending arrangement is subject to the exception provided in section 5.7 of NI 62-104.
- 3.8 If the acquiror or any of its joint actors is a party to an agreement, arrangement or understanding that has the effect of altering, directly or indirectly, the acquiror's economic exposure to the security of the class of securities to which this report relates, describe the material terms of the agreement, arrangement or understanding.

#### *INSTRUCTIONS*

- (i) *“Related financial instrument” has the meaning ascribed to that term in NI 55-104. Item 3.6 encompasses disclosure of agreements, arrangements or understandings where the economic interest related to a security beneficially owned or controlled has been altered.*
- (ii) *For the purposes of Items 3.6, 3.7 and 3.8, a material term of an agreement, arrangement or understanding does not include the identity of the counterparty or proprietary or commercially sensitive information.*
- (iii) *For the purposes of Item 3.8, any agreements, arrangements or understandings that have been disclosed under other items in this Form do not have to be disclosed under this item.*

#### **Item 4 – Consideration Paid**

- 4.1 State the value, in Canadian dollars, of any consideration paid or received per security and in total.
- 4.2 In the case of a transaction or other occurrence that did not take place on a stock exchange or other market that represents a published market for the securities, including an issuance from treasury, disclose the nature and value, in Canadian dollars, of the consideration paid or received by the acquiror.
- 4.3 If the securities were acquired or disposed of other than by purchase or sale, describe the method of acquisition or disposition.

### **Item 5 – Purpose of the Transaction**

State the purpose or purposes of the acquiror and any joint actors for the acquisition or disposition of securities of the reporting issuer. Describe any plans or future intentions which the acquiror and any joint actors may have which relate to or would result in any of the following:

- (a) the acquisition of additional securities of the reporting issuer, or the disposition of securities of the reporting issuer;
- (b) a corporate transaction, such as a merger, reorganization or liquidation, involving the reporting issuer or any of its subsidiaries;
- (c) a sale or transfer of a material amount of the assets of the reporting issuer or any of its subsidiaries;
- (d) a change in the board of directors or management of the reporting issuer, including any plans or intentions to change the number or term of directors or to fill any existing vacancy on the board;
- (e) a material change in the present capitalization or dividend policy of the reporting issuer;
- (f) a material change in the reporting issuer's business or corporate structure;
- (g) a change in the reporting issuer's charter, bylaws or similar instruments or another action which might impede the acquisition of control of the reporting issuer by any person or company;
- (h) a class of securities of the reporting issuer being delisted from, or ceasing to be authorized to be quoted on, a marketplace;
- (i) the issuer ceasing to be a reporting issuer in any jurisdiction of Canada;
- (j) a solicitation of proxies from securityholders;
- (k) an action similar to any of those enumerated above.

### **Item 6 – Agreements, Arrangements, Commitments or Understandings With Respect to Securities of the Reporting Issuer**

Describe the material terms of any agreements, arrangements, commitments or understandings between the acquiror and a joint actor and among those persons and any person with respect to securities of the class of securities to which this report relates, including but not limited to the transfer or the voting of any of the securities, finder's fees, joint ventures, loan or option arrangements, guarantees of profits, division of profits or loss, or the giving or withholding of proxies. Include such information for any of the securities that are pledged or otherwise subject to a contingency, the occurrence of which would give another person voting power or investment power over such securities, except that disclosure of standard default and similar provisions contained in loan agreements need not be included.

#### *INSTRUCTIONS*



- (i) *Agreements, arrangements or understandings that are described under Item 3 do not have to be disclosed under this item.*
- (ii) *For the purposes of Item 6, the description of any agreements, arrangements, commitments or understandings does not include naming the persons with whom those agreements, arrangements, commitments or understandings have been entered into, or proprietary or commercially sensitive information.*

**Item 7 – Change in material fact**

If applicable, describe any change in a material fact set out in a previous report filed by the acquiror under the early warning requirements or Part 4 in respect of the reporting issuer’s securities.

**Item 8 – Exemption**

If the acquiror relies on an exemption from requirements in securities legislation applicable to formal bids for the transaction, state the exemption being relied on and describe the facts supporting that reliance.

**Item 9 – Certification**

The acquiror must certify that the information is true and complete in every respect. In the case of an agent, the certification is based on the agent’s best knowledge, information and belief but the acquiror is still responsible for ensuring that the information filed by the agent is true and complete.

This report must be signed by each person on whose behalf the report is filed or his authorized representative.

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.

**Certificate**

The certificate must state the following:

I, as the acquiror, certify, or I, as the agent filing the report on behalf of an acquiror, certify to the best of my knowledge, information and belief, that the statements made in this report are true and complete in every respect.

\_\_\_\_\_  
Date

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Name/Title

**National Instrument 62-103**  
**Appendix F**

**Form 62-103F2**  
***REQUIRED DISCLOSURE BY AN ELIGIBLE INSTITUTIONAL INVESTOR***  
***UNDER SECTION 4.3***

State if the report is filed to amend information disclosed in an earlier report. Indicate the date of the report that is being amended.

**Item 1 – Security and Reporting Issuer**

- 1.1 State the designation of securities to which this report relates and the name and address of the head office of the issuer of the securities.
- 1.2 State the name of the market in which the transaction or other occurrence that triggered the requirement to file this report took place.

**Item 2 – Identity of the Eligible Institutional Investor**

- 2.1 State the name and address of the eligible institutional investor.
- 2.2 State the date of the transaction or other occurrence that triggered the requirement to file this report and briefly describe the transaction or other occurrence.
- 2.3 State that the eligible institutional investor is ceasing to file reports under Part 4 for the reporting issuer.
- 2.4 Disclose the reasons for doing so.
- 2.5 State the names of any joint actors.

**Item 3 – Interest in Securities of the Reporting Issuer**

- 3.1 State the designation and number or principal amount of securities and the eligible institutional investor's securityholding percentage in the class of securities immediately before and after the transaction or other occurrence that triggered the requirement to file this report.
- 3.2 State whether the acquiror acquired or disposed ownership of, or acquired or ceased to have control over, the securities that triggered the requirement to file the report.
- 3.3 If the transaction involved a securities lending arrangement, state that fact.
- 3.4 State the designation and number or principal amount of securities and the eligible institutional investor's securityholding percentage in the class of securities, immediately before and after the transaction or other occurrence that triggered the requirement to file this report and over which
  - (a) the eligible institutional investor, either alone or together with any joint actors, has ownership and control,

- (b) the eligible institutional investor, either alone or together with any joint actors, has ownership but control is held by persons or companies other than the eligible institutional investor or any joint actor, and
  - (c) the eligible institutional investor, either alone or together with any joint actors, has exclusive or shared control but does not have ownership.
- 3.5 If the eligible institutional investor or any of its joint actors has an interest in, or right or obligation associated with, a related financial instrument involving a security of the class of securities in respect of which disclosure is required under this item, describe the material terms of the related financial instrument and its impact on the eligible institutional investor's securityholdings.
- 3.6 If the eligible institutional investor or any of its joint actors is a party to a securities lending arrangement involving a security of the class of securities in respect of which disclosure is required under this item, describe the material terms of the arrangement including the duration of the arrangement, the number or principal amount of securities involved and any right to recall the securities or identical securities that have been transferred or lent under the arrangement.

State if the securities lending arrangement is subject to the exception provided in section 5.7 of NI 62-104.

- 3.7 If the eligible institutional investor or any of its joint actors is a party to an agreement, arrangement or understanding that has the effect of altering, directly or indirectly, the eligible institutional investor's economic exposure to the security of the class of securities to which this report relates, describe the material terms of the agreement, arrangement or understanding.

#### *INSTRUCTIONS*

- (i) *“Related financial instrument” has the meaning ascribed to that term in NI 55-104. Item 3.5 encompasses disclosure of agreements, arrangements or understandings where the economic interest related to a security beneficially owned or controlled has been altered.*
- (ii) *For the purposes of Items 3.5, 3.6 and 3.7, a material term of an agreement, arrangement or understanding does not include the identity of the counterparty or proprietary or commercially sensitive information.*
- (iii) *For the purposes of Item 3.7, any agreements, arrangements or understandings that have been disclosed under other items in this Form do not have to be disclosed under this item.*

#### **Item 4 – Consideration Paid**

- 4.1 State the value, in Canadian dollars, of any consideration paid or received per security and in total.
- 4.2 In the case of a transaction or other occurrence that did not take place on a stock exchange or other market that represents a published market for the securities, including an issuance from treasury, disclose the nature and value, in Canadian dollars, of the consideration paid or received by the eligible institutional investor.

- 4.3 If the securities were acquired or disposed of other than by purchase or sale, describe the method of acquisition or disposition.

#### **Item 5 – Purpose of the Transaction**

State the purpose or purposes of the eligible institutional investor and any joint actors for the acquisition or disposition of securities of the reporting issuer. Describe any plans or future intentions which the eligible institutional investor and any joint actors may have which relate to or would result in any of the following:

- (a) the acquisition of additional securities of the reporting issuer, or the disposition of securities of the reporting issuer;
- (b) a corporate transaction, such as a merger, reorganization or liquidation, involving the reporting issuer or any of its subsidiaries;
- (c) a sale or transfer of a material amount of the assets of the reporting issuer or any of its subsidiaries;
- (d) a change in the board of directors or management of the reporting issuer, including any plans or intentions to change the number or term of directors or to fill any existing vacancy on the board;
- (e) a material change in the present capitalization or dividend policy of the reporting issuer;
- (f) a material change in the reporting issuer's business or corporate structure;
- (g) a change in the reporting issuer's charter, bylaws or similar instruments or another action which might impede the acquisition of control of the reporting issuer by any person;
- (h) a class of securities of the reporting issuer being delisted from, or ceasing to be authorized to be quoted on, a marketplace;
- (i) the issuer ceasing to be a reporting issuer in any jurisdiction of Canada;
- (j) a solicitation of proxies from securityholders;
- (k) an action similar to any of those enumerated above.

#### **Item 6 – Agreements, Arrangements, Commitments or Understandings With Respect to Securities of the Reporting Issuer**

Describe the material terms of any agreements, arrangements, commitments or understandings between the eligible institutional investor and a joint actor and among those persons and any person with respect to any securities of the reporting issuer, including but not limited to the transfer or the voting of any of the securities, finder's fees, joint ventures, loan or option arrangements, guarantees of profits, division of profits or loss, or the giving or withholding of proxies. Include such information for any of the securities that are pledged or otherwise subject to a contingency, the occurrence of which would give another person voting power or investment power over such securities, except that disclosure of standard default and similar provisions contained in loan agreements need not be included.

*INSTRUCTIONS*

- (i) *Agreements, arrangements or understandings that are described under Item 3 do not have to be disclosed under this item.*
- (ii) *For the purposes of Item 6, the description of any agreements, arrangements, commitments or understandings does not include naming the persons with whom those agreements, arrangements, commitments or understandings have been entered into, or proprietary or commercially sensitive information.*

**Item 7 – Change in material fact**

If applicable, describe any change in a material fact set out in a previous report filed by the eligible institutional investor under the early warning requirements or Part 4 in respect of the reporting issuer's securities.

**Item 8 – Exemption**

If the eligible institutional investor relies on an exemption from the requirement in securities legislation applicable to formal bids for the transaction, state the exemption being relied on and describe the facts supporting that reliance.

**Item 9 – Certification**

The eligible institutional investor must certify that the information is true and complete in every respect. In the case of an agent, the certification is based on the agent's best knowledge, information and belief but the eligible institutional investor is still responsible for ensuring that the information filed by the agent is true and complete.

This report must be signed by each person on whose behalf the report is filed or his authorized representative.

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.

**Certificate**

The certificate must state the following:

I, as the eligible institutional investor, certify, or I, as the agent filing the report on behalf of the eligible institutional investor, certify to the best of my knowledge, information and belief, that the statements made in this report are true and complete in every respect.

---

Date

---

Signature

---

Name/Title

**National Instrument 62-103**  
**Appendix G**

**Form 62-103F3**  
***REQUIRED DISCLOSURE BY AN ELIGIBLE INSTITUTIONAL INVESTOR***  
***UNDER PART 4***

State if the report is filed to amend information disclosed in an earlier report. Indicate the date of the report that is being amended.

**Item 1 – Security and Reporting Issuer**

- 1.1 State the designation of securities to which this report relates and the name and address of the head office of the issuer of the securities.
- 1.2 State the name of the market in which the transaction or other occurrence that triggered the requirement to file this report took place.

**Item 2 – Identity of the Eligible Institutional Investor**

- 2.1 State the name and address of the eligible institutional investor.
- 2.2 State the date of the transaction or other occurrence that triggered the requirement to file this report and briefly describe the transaction or other occurrence.
- 2.3 State the name of any joint actors.
- 2.4 State that the eligible institutional investor is eligible to file reports under Part 4 in respect of the reporting issuer.

**Item 3 – Interest in Securities of the Reporting Issuer**

- 3.1 State the designation and the net increase or decrease in the number or principal amount of securities, and in the eligible institutional investor's securityholding percentage in the class of securities, since the last report filed by the eligible institutional investor under Part 4 or the early warning requirements.
- 3.2 State the designation and number or principal amount of securities and the eligible institutional investor's securityholding percentage in the class of securities at the end of the month for which the report is made.
- 3.3 If the transaction involved a securities lending arrangement, state that fact.
- 3.4 State the designation and number or principal amount of securities and the percentage of outstanding securities of the class of securities to which this report relates and over which
  - (a) the eligible institutional investor, either alone or together with any joint actors, has ownership and control,

- (b) the eligible institutional investor, either alone or together with any joint actors, has ownership but control is held by persons or companies other than the eligible institutional investor or any joint actor, and
  - (c) the eligible institutional investor, either alone or together with any joint actors, has exclusive or shared control but does not have ownership.
- 3.5 If the eligible institutional investor or any of its joint actors has an interest in, or right or obligation associated with, a related financial instrument involving a security of the class of securities in respect of which disclosure is required under this item, describe the material terms of the related financial instrument and its impact on the eligible institutional investor's securityholdings.
- 3.6 If the eligible institutional investor or any of its joint actors is a party to a securities lending arrangement involving a security of the class of securities in respect of which disclosure is required under this item, describe the material terms of the arrangement including the duration of the arrangement, the number or principal amount of securities involved and any right to recall the securities or identical securities that have been transferred or lent under the arrangement.

State if the securities lending arrangement is subject to the exception provided in section 5.7 of NI 62-104.

- 3.7 If the eligible institutional investor or any of its joint actors is a party to an agreement, arrangement or understanding that has the effect of altering, directly or indirectly, the eligible institutional investor's economic exposure to the security of the class of securities to which this report relates, describe the material terms of the agreement, arrangement or understanding.

#### *INSTRUCTIONS*

- (i) *“Related financial instrument” has the meaning ascribed to that term in NI 55-104. Item 3.5 encompasses disclosure of agreements, arrangements or understandings where the economic interest related to a security beneficially owned or controlled has been altered.*
- (ii) *An eligible institutional investor may omit the securityholding percentage from a report if the change in percentage is less than 1% of the class.*
- (iii) *For the purposes of Item 3.5, 3.6 and 3.7, a material term of an agreement, arrangement or understanding does not include the identity of the counterparty or proprietary or commercially sensitive information.*
- (iv) *For the purposes of Item 3.7, any agreements, arrangements or understandings that have been disclosed under other items in this Form do not have to be disclosed under this item.*

#### **Item 4 – Purpose of the Transaction**

State the purpose or purposes of the eligible institutional investor and any joint actors for the acquisition or disposition of securities of the reporting issuer. Describe any plans or future intentions which the eligible institutional investor and any joint actors may have which relate to or would result in any of the following:

- (a) the acquisition of additional securities of the reporting issuer, or the disposition of securities of the issuer;
- (b) a sale or transfer of a material amount of the assets of the reporting issuer or any of its subsidiaries;
- (c) a change in the board of directors or management of the reporting issuer, including any plans or intentions to change the number or term of directors or to fill any existing vacancy on the board;
- (d) a material change in the present capitalization or dividend policy of the reporting issuer;
- (e) a material change in the reporting issuer's business or corporate structure;
- (f) a change in the reporting issuer's charter, bylaws or similar instruments or another action which might impede the acquisition of control of the reporting issuer by any person;
- (g) a class of securities of the reporting issuer being delisted from, or ceasing to be authorized to be quoted on, a marketplace;
- (h) the issuer ceasing to be a reporting issuer in any jurisdiction of Canada;
- (i) a solicitation of proxies from securityholders;
- (j) an action similar to any of those enumerated above.

**Item 5 – Agreements, Arrangements, Commitments or Understandings With Respect to Securities of the Reporting Issuer**

Describe the material terms of any agreements, arrangements, commitments or understandings between the eligible institutional investor and a joint actor and among those persons and any person with respect to securities of the class of securities to which this report relates, including but not limited to the transfer or the voting of any of the securities, finder's fees, joint ventures, loan or option arrangements, puts or calls, guarantees of profits, division of profits or loss, or the giving or withholding of proxies. Include such information for any of the securities that are pledged or otherwise subject to a contingency, the occurrence of which would give another person voting power or investment power over such securities except that disclosure of standard default and similar provisions contained in loan agreements need not be included.

*INSTRUCTIONS*

- (i) *Agreements, arrangements or understandings that are described under Item 3 do not have to be disclosed under this item.*
- (ii) *For the purposes of Item 5, the description of any agreements, arrangements, commitments or understandings does not include naming the persons with whom those agreements, arrangements, commitments or understandings have been entered into, or proprietary or commercially sensitive information.*

**Item 6 – Change in Material Fact**



If applicable, describe any change in a material fact set out in a previous report filed by the eligible institutional investor under the early warning requirements or Part 4 in respect of the reporting issuer's securities.

**Item 7 – Certification**

The eligible institutional investor must certify that the information is true and complete in every respect. In the case of an agent, the certification is based on the agent's best knowledge, information and belief but the eligible institutional investor is still responsible for ensuring that the information filed by the agent is true and complete.

This report must be signed by each person on whose behalf the report is filed or his authorized representative.

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.

**Certificate**

The certificate must state the following:

I, as the eligible institutional investor, certify, or I, as the agent filing the report on behalf of the eligible institutional investor, certify to the best of my knowledge, information and belief, that the statements made in this report are true and complete in every respect.

\_\_\_\_\_  
Date

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Name/Title