

Corporate Securities Law

September 14, 2015

TSX Announces Approval of Rule Changes for Interlisted Issuers

The Toronto Stock Exchange (TSX) has adopted amendments to its Company Manual (the “**Amendments**”) that expand exemptions available to issuers that list on the TSX and one or more other exchanges (“**Interlisted Issuers**”). According to the TSX, a significant number of issuers, whether incorporated in Canada or in a foreign jurisdiction, are interlisted on the TSX and another market as a means to, among other things, increase their access to capital, enhance the liquidity of their securities and broaden their investor base. The Amendments, which were published for comment earlier this year (see our January 26, 2015 Update, *TSX Proposes Amendments to Rules for Interlisted Issuers and Voluntary Delisting*), became effective on September 10, 2015.

Highlights of the Amendments

The Amendments are intended to eliminate potentially burdensome complexity and duplication for issuers whose securities are primarily traded on, and whose activities are being regulated and overseen by, other exchanges.

Previously, the TSX exempted Interlisted Issuers from certain requirements, including those applicable to

private placements and acquisitions, where at least 75% of the issuer’s trading value and volume over the six months immediately preceding notification of the transaction occurred on another exchange (provided that the other exchange was reviewing the transaction in question).

The Amendments expand the scope of the exemptions and the number of Interlisted Issuers that can rely on them. Specifically, provided that another recognized exchange is reviewing the transaction in question, the exemptions will apply to Interlisted Issuers if less than 25% of their trading volume (rather than trading value and volume) has occurred in Canada in the 12 months immediately preceding notification of the transaction. Further, qualifying Interlisted Issuers are now exempt from certain requirements relating to:

- special requirements for non-exempt issuers;
- prospectus offerings;
- convertible securities;
- securities issued to registered charities; and
- rights offerings.

Additionally, Interlisted Issuers incorporated or organized in a recognized jurisdiction of incorporation can apply for an annual exemption from certain corporate governance requirements, such as director election and annual meeting requirements.

Please contact any member of our Corporate Securities Group to discuss the implications of these changes.