

## POLICY 5.8

# ISSUER NAMES, ISSUER NAME CHANGES, SHARE CONSOLIDATIONS AND SPLITS

### Scope of Policy

This Policy provides guidelines for obtaining or changing a name of an Issuer that is or will be listed on the Exchange and reserving a stock symbol to be used by the Issuer. It also sets out the Exchange's requirements for security consolidations (also known as reverse splits or rollbacks), security splits, and security reclassifications (collectively referred to as "substitutional listings").

The main headings of this Policy are:

1. Name
2. Name Changes
3. Stock Symbol
4. Stock Symbol Changes
5. CUSIP and ISIN Application Procedures
6. Security Consolidations, Splits and Reclassifications - General
7. Security Consolidations
8. Security Splits
9. Security Reclassifications

### 1. Name

- 1.1 Before an Issuer adopts a name, the name must be approved by the regulatory body responsible for registering the Issuer (the "Corporate Regulator") in its jurisdiction of incorporation (for example, the Director of Corporations under the *Canada Business Corporations Act* for federally incorporated corporations). Although the Exchange will generally accept a name that has been approved by the Corporate Regulator, it may object to a name that is virtually identical to that of another listed issuer or so nearly resembles that name that it is likely to confuse or mislead the public. Each Issuer is encouraged to review the names of reporting issuers in Canada listed on SEDAR to determine whether a reporting issuer, other than the Issuer, having an identical name or a name which is so similar to that of the Issuer that it is likely to confuse or mislead the public, exists.

## 2. Name Changes

- 2.1 The Exchange deems a name change to be Material Information for any Issuer. Accordingly, an Issuer must obtain Exchange acceptance and disclose the proposed name change in accordance with Policy 3.3 - *Timely Disclosure*.
- 2.2 The effective date of the name change for the Issuer listed on the Exchange should be as soon as possible after the date the Corporate Regulator issues the certificate effecting the name change.
- 2.3 The Issuer may elect to change its symbol where only a name change is involved, however this is not a requirement. If the proposed name change is substantial, it may be appropriate for the Exchange to assign a new stock symbol to the Issuer's securities. See sections 3 and 4 of this Policy for stock symbols and stock symbol changes.
- 2.4 The Issuer must obtain new share certificates or may overprint its existing certificates and obtain a new CUSIP or ISIN number in connection with a name change.
- 2.5 The Issuer's securities will normally commence trading on the Exchange under the new name at the opening of business two or three trading days after Exchange acceptance of the name change.
- 2.6 The effective date of a name change where an Issuer is undertaking a name change pursuant to an RTO, COB or Qualifying Transaction should not occur prior to the closing of the transaction.

### **Filing Requirements**

- 2.7 The Issuer must file the following in order to receive Exchange acceptance of a proposed name change:
  - a) the Name Change Form (Form 5H); and
  - b) the applicable fee as prescribed by Policy 1.3 - *Schedule of Fees*.

## 3. Stock Symbol

- 3.1 The Exchange allocates a one to three letter alphabetic stock symbol to each Issuer and co-ordinates stock symbols with stock exchanges throughout Canada. Applicants and Issuers may request up to three different stock symbols, in order of preference, but the Exchange may not be able to satisfy requests.
- 3.2 Given that certain letters of the alphabet are more frequently used, it is not always possible to allocate a stock symbol whose first letter is the same as the first letter of the applicant or Issuer's name. Although the Exchange tries to devise a symbol to be as abbreviated and as mnemonic to the applicant or Issuer's name as possible, the stock symbol allocated may bear little or no resemblance to the applicant or Issuer's name.

- 3.3 The stock symbol of a security which is no longer listed on the Exchange is not made immediately available to new applicants. The Exchange requires at least a one year lapse before the stock symbol will be reallocated.
- 3.4 Stock symbols are co-ordinated only throughout Canada and not the United States. As such, an applicant or Issuer may be unable to use the same symbol when listing on a stock exchange in the United States.

## 4. Stock Symbol Changes

- 4.1 An Issuer may request a change to the symbol assigned to its Listed Securities upon payment of the applicable fee, and subject to Exchange acceptance.
- 4.2 If an Issuer is proposing a name change which is substantial, it may be appropriate for the Exchange to assign a new stock symbol to the Issuer's securities. See sections 2 and 3 of this Policy for names and name changes.

## 5. CUSIP and ISIN Application Procedures

- 5.1 All security certificates must bear a CUSIP (Committee for Uniform Securities Identification Procedures) number or an ISIN (International Securities Identification Number), which is assigned in each country by a numbering agency of the Association of National Numbering Agencies (the "ANNA"). In Canada, the numbering agency is the Canadian Depository for Securities Limited ("CDS").
- 5.2 All applications for a CUSIP or ISIN number by Canadian companies must be made through CDS. To apply for a CUSIP or ISIN number, send a request in letter or electronic form to:

Attention: Eligibility Department  
The Canadian Depository for Securities Limited  
85 Richmond Street West  
Toronto, ON M5H 2C9  
Telephone: (416) 365-3552  
Fax: (416) 365-7691  
Website Address: [www.cds.ca](http://www.cds.ca)

- 5.3 The request should state:
- (a) the name of the Issuer;
  - (b) the head office and registered office address of the Issuer;
  - (c) the applicable law and date of incorporation or creation;
  - (d) the authorized and issued capital for all classes authorized;
  - (e) a description of the security for which the number is being requested;

- (f) if applicable, the nature and description of the offering to be made;
- (g) the name of the stock exchange that the Issuer is listed and/or intended to be listed on; and
- (h) in the case of name changes, the old name and CUSIP or ISIN number, as applicable, and the new name,

and should include the following documents, where applicable, in draft form (to be followed up in final form):

- (i) Prospectus;
- (j) Rights Offering Circular;
- (k) Information Circular; and/or
- (l) Articles of Amendments in the case of reclassifications, Reorganizations, or name changes.

5.4 The ISIN or CUSIP application should be accompanied by a cheque payable to CDS for the applicable fee. Call 1-800-663-8429 to determine the current fee.

## **6. Security Consolidations, Splits and Reclassifications – General**

6.1 Where an Issuer proposes to split or consolidate its securities, or to undergo a security reclassification, the Issuer must make an application to the Exchange in compliance with the terms of this Policy.

## **7. Security Consolidations**

7.1 All security consolidations are subject to both Exchange acceptance and Shareholder approval.

7.2 Regardless of an Issuer's classification on the Exchange, a consolidation constitutes Material Information, which must be disclosed in accordance with Policy 3.3 – *Timely Disclosure*.

7.3 Except for generic security certificates which the Issuer's transfer agent has confirmed to the Exchange meet STAC requirements, a security consolidation must be accompanied by a concurrent change in the colour of the security certificates, where applicable. A new CUSIP or ISIN number is also generally required. CDS may advise the Issuer in response to its application that a new CUSIP or ISIN number is not required.

7.4 The Issuer must amend its constating documents in accordance with the applicable laws, and must provide full disclosure of the consequences in its Information Circular.

- 7.5 An Issuer undergoing a security consolidation must meet the Tier Maintenance Requirements relating to distribution, on a post-consolidation basis. See Policy 2.5 - *Continued Listing Requirements and Inter-Tier Movement*.
- 7.6 If the proposed consolidation results in a significant portion of the shareholders holding less than a Board Lot, the Exchange may require the Issuer to adopt a small shareholder selling arrangement. See Policy 5.7 - *Small Shareholder Selling and Purchase Arrangements*.
- 7.7 The effective date of the consolidation and name change (where applicable) should be coordinated with the Exchange to coincide as closely as possible with the documents being accepted by the Corporate Regulator.

### **Disclosure**

- 7.8 An Issuer proposing a security consolidation must issue a news release disclosing the proposed consolidation not later than the date the Issuer sends its Information Circular and proxy material to its shareholders. The news release and Information Circular should disclose:
- (a) the proposed consolidation ratio;
  - (b) the number of securities currently outstanding and the number which would be outstanding after the proposed consolidation;
  - (c) the reason(s) for the security consolidation;
  - (d) the date of the shareholders' meeting;
  - (e) the fact that the consolidation is subject to shareholder approval, when applicable, and to Exchange acceptance;
  - (f) whether the Issuer's name will be changed in conjunction with the consolidation and if so, the new name; and
  - (g) any other actual or proposed Material Information.

### **Filing Requirements**

- 7.9 The Issuer must file the following in order to obtain Exchange acceptance of a proposed consolidation:
- (a) Form 5I - *Consolidation/Split Filing Form*; and
  - (b) the applicable fee as prescribed by Policy 1.3 - *Schedule of Fees*.
- 7.10 The securities will normally commence trading on the Exchange on a consolidated basis at the opening of business two or three trading days after Exchange acceptance of the transaction.

## 8. Security Splits

- 8.1 All security splits are subject to Exchange acceptance and Shareholder approval, if required by applicable corporate laws.
- 8.2 Regardless of an Issuer's status on the Exchange, a split constitutes Material Information, which must be disclosed in accordance with the Exchange's timely disclosure policies.
- 8.3 The Issuer must obtain new security certificates, and may require a new CUSIP or ISIN number for the split securities, even if no name change is required, except for a security split effected by way of a "push-out". CDS may advise the Issuer in response to its application that a new CUSIP or ISIN number is not required.
- 8.4 Where an Issuer proposing to split its securities has Warrants trading on the Exchange, the form of Warrant certificate must not be changed by virtue of the split, but any new Warrant certificate issued by the Issuer after the security split becomes effective must contain a notation disclosing the effect of the security split on the rights of the Warrant holders and a statement that the number of Warrants represented by the Warrant certificate for trading purposes is equal to the number imprinted in the top right-hand corner (or other location, if appropriate) of the certificate.
- 8.5 There are two methods of effecting a security split: the "push-out" method and the "call-in" method. If the security split is accompanied by a security reclassification, either the push-out method or the call-in method may be used; otherwise the push-out method is preferable.

### Filing Requirements – Push-out Method

- 8.6 Under the push-out method, the shareholders keep the security certificates they currently hold, and shareholders of record as of the close of business on a specified date (the "record date") are provided with additional or replacement security certificates by the Issuer.
- 8.7 Where a stock split is conducted by push-out, a record date must be set no earlier than the second day after the Exchange Bulletin announcing the transaction is issued. For example, if the Exchange Bulletin is issued on Monday, the record date must be no earlier than Wednesday. Consolidations and stock splits conducted by way of call-in do not require the establishment of a record date.
- 8.8 The following documents must be filed with the Exchange in connection with a stock split conducted by the push-out method:
- (a) Form 5I- *Consolidation/Split Filing Form*; and
  - (b) the applicable fee as prescribed by Policy 1.3 - *Schedule of Fees*.

## **Filing Requirements – Call-in Method**

- 8.9 Under the call-in method, the Issuer implements the stock split by replacing the security certificates currently in the hands of the shareholders with new certificates. Letters of Transmittal are sent to the shareholders requesting them to exchange their security certificates at the offices of the Issuer's transfer agent. The filing requirements in section 8.8 above also apply to splits using the call-in method.

## **Disclosure**

- 8.10 An Issuer proposing a security split must issue a news release disclosing the proposed split prior to the split and if shareholder approval is required by Securities Law, not later than the date the Issuer sends its Information Circular and proxy material to its shareholders. The news release and Information Circular should disclose:
- (a) the proposed split ratio;
  - (b) the number of securities currently outstanding and the number which would be outstanding after the proposed split;
  - (c) the reason(s) for the security split;
  - (d) the date of the shareholders' meeting;
  - (e) the fact that the split is subject to shareholder approval, when applicable, and to Exchange acceptance;
  - (f) whether the Issuer's name will be changed in conjunction with the split and if so, the new name; and
  - (g) any other actual or proposed Material Information.
- 8.11 The effective date of the split and name change should be co-ordinated with the Exchange to coincide as closely as possible with the documents being accepted by the Corporate Regulator.
- 8.12 Where the call-in method is used, the securities will normally commence trading on the Exchange on a split basis at the opening of business two or three trading days after Exchange acceptance of the transaction.

## **Filing Requirements**

- 8.13 The following documents must be filed with the Exchange in connection with a stock split conducted by the push-out method:
- (a) Form 5I - *Consolidation/Split Filing Form*; and
  - (b) the applicable fee as prescribed by Policy 1.3 - *Schedule of Fees*.

## 9. Security Reclassifications

- 9.1 A security reclassification occurs when the terms and privileges of an Issuers' Listed Securities are amended. For example, the addition or amendment of a dividend feature to a class of securities constitutes a reclassification.
- 9.2 A security reclassification by an Issuer requires the prior consent of the Exchange.
- 9.3 The following documentation must be filed with the Exchange in connection with a security reclassification (with no security split):
- a) a letter describing the new terms and conditions of the securities and reasons for the reclassification;
  - b) a copy of the Certificate of Amendment, or equivalent document;
  - c) a specimen of the new or over-printed security certificate with the CUSIP or ISIN number imprinted thereon;
  - d) a copy of the written notice from CDS disclosing the CUSIP or ISIN number(s) assigned to the securities;
  - e) a copy of Letter of Transmittal, if applicable; and
  - f) the additional listing fee as prescribed by Policy 1.3 - *Schedule of Fees*.
- 9.4 The reclassification will normally become effective for trading purposes at the opening of business two or three trading days after the later of the date of Exchange acceptance of the transaction.
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