

Securities Act

Normal course issuer bid exemptions

Designated exchange

101.2 (1) An issuer bid that is made in the normal course through the facilities of a designated exchange is exempt from the formal bid requirements if the bid is made in accordance with the by-laws, rules, regulations and policies of that exchange.

Other published markets

(2) An issuer bid that is made in the normal course on a published market, other than a designated exchange, is exempt from the formal bid requirements if all of the following conditions are satisfied:

1. The bid is for not more than 5 per cent of the outstanding securities of a class of securities of the issuer.
2. The aggregate number of securities or, in the case of convertible debt securities, the aggregate principal amount of securities acquired in reliance on this exemption by the issuer and any person or company acting jointly or in concert with the issuer within any period of 12 months does not exceed 5 per cent of the outstanding securities of that class at the beginning of the 12-month period.
3. The value of the consideration paid for any of the securities acquired is not in excess of the market price at the date of acquisition as determined in accordance with the regulations, plus reasonable brokerage fees or commissions actually paid.

News release

(3) An issuer making a bid under subsection (1) shall promptly file any news releases that the designated exchange requires to be issued.

Same

(4) An issuer making a bid under subsection (2) shall issue and file, at least five days before the commencement of the bid, a news release containing the information prescribed by the regulations.

Definition

(5) In this section,
“designated exchange” means the Toronto Stock Exchange, the TSX Venture Exchange or other exchange designated by the Commission for the purpose of this section.

**ONTARIO SECURITIES COMMISSION RULE 62-504
TAKE-OVER BIDS AND ISSUER BIDS**

1.3 Interpretation, market price - (1) In this Rule and for the purposes of Part XX of the Act

- (a) the market price of a class of securities for which there is a published market, at any date, is an amount equal to the simple average of the closing price of securities of that class for each of the business days on which there was a closing price in the 20 business days preceding that date,
- (b) if a published market does not provide a closing price, but provides only the highest and lowest prices of securities traded on a particular day, the market price of the securities, at any date, is an amount equal to the average of the simple averages of the highest and lowest prices for each of the business days on which there were highest and lowest prices in the 20 business days preceding that date, and
- (c) if there has been trading of securities in a published market for fewer than 10 of the 20 business days preceding the date as of which the market price of the securities is being determined, the market price is the average of the following prices established for each day of the 20 business days preceding that date:
 - (i) the average of the closing bid and ask prices for each day on which there was no trading, and
 - (ii) either the closing price of securities of the class for each day that there has been trading, if the published market provides a closing price, or the average of the highest and lowest prices of securities of that class for each day that there has been trading, if the published market provides only the highest and lowest prices of securities traded on a particular day.

(2) If there is more than one published market for a security, the market price in paragraphs (1)(a), (b) and (c) must be determined as follows:

- (a) if only one of the published markets is in Canada, the market price must be determined solely by reference to that market;
- (b) if there is more than one published market in Canada, the market price must be determined solely by reference to the published market in Canada on which the greatest volume of trading in the particular class of securities occurred during the 20 business days preceding the date as of which the market price is being determined;
- (c) if there is no published market in Canada, the market price must be determined solely by reference to the published market on which the greatest volume of trading in the particular class of securities occurred during the 20 business days preceding the date as of which the market price is being determined.

(3) Despite subsections (1) and (2), for the purposes of section 100 **and 101.2(2)** of the Act, if an offeror acquires securities on a published market, the market price for those securities is the price of the last standard trading unit of securities of that class purchased, before the acquisition by the offeror, by a person or company who was not acting jointly or in concert with the offeror.