

Local Policy 3.13

Policy For Primary Distribution To The Public Of Securities Made Through The Facilities Of The Toronto Stock Exchange

Date: June 8, 1983

Amended: November 7, 1984; June 18, 1986

The Toronto Stock Exchange (the "Exchange" with the approval of the Ontario Securities Commission, has developed rules whereby certain distributions of securities can be effected through the facilities of the Exchange. The rules of the Exchange are set out in the Statement of Policy Regarding Distributions by Exchange Offering Prospectus (Circular No. 5, revised May 1986 and the requirements of the Ontario Securities Commission in its Order dated May 23, 1986

Because the rules of the Exchange, in certain instances, permit distributions of securities that are not listed and posted for trading on the Exchange, such distributions in Manitoba technically cannot be effected by taking advantage of the general conditional exemption provided in subsection 58(2) of The Securities Act. However, after having reviewed the Order of the Ontario Securities Commission and the Statement of Policy of the Exchange, the Commission is of the opinion that it would not be prejudicial to the public interest to permit primary distributions of securities to the public in Manitoba through the facilities of the Exchange, pursuant to the rules of the Exchange.

Accordingly, the Commission is prepared to consider, on a case by case basis, applications from issuers, or a Member of the Exchange acting for the issuer as agent or as underwriter (the "Applicant"), for an order pursuant to section 20 of The Securities Act with respect to any proposed distributions of securities to the public, pursuant to the rules of the Exchange. The Applicant may apply for the section 20 order prior to filing the preliminary Exchange Offering Prospectus, or concurrently therewith. However, no receipt for the filing of a preliminary or final Exchange Offering Prospectus will be granted until the Commission issues the section 20 order.

The preliminary and final Exchange Offering Prospectuses will be reviewed by the staff of the Commission. All applicable requirements of The Securities Act (Manitoba), the regulations thereunder and the prospectus review procedures of the Commission will apply, except to the extent that they are modified by any order of the Commission.