

APPENDIX 2C

POLICY STATEMENT CR13

SPONSORSHIP POLICY STATEMENTS

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Introduction

This Policy Statement CR13 is the companion Policy Statement to Rule B.2.00 and is comprised of a series of five Sponsorship Policy Statements which prescribe requirements for and provide guidance on the required contents of the Sponsor Report, the minimum Review Procedures required to be conducted by a Sponsor and the qualifications that must be met for a Member to constitute a Sponsor.

Unless otherwise defined, capitalized terms used in this Policy Statement CR13 have the meanings set out in Policy 1.1 of the Corporate Finance Manual.

In connection with any Initial Listing, references in this Policy Statement CR13, to “issuer” shall refer to the applicant. In connection with a Reverse Take-Over, Qualifying Transaction or Change of Business, references in this Policy Statement CR13 to the “issuer”, shall include the listed issuer and any Target Issuer. Where a Sponsor Report is required in connection with any other transaction, references to issuer shall refer to the listed issuer, unless the circumstances otherwise reasonably require.

Sponsorship Policy Statement 1

Requirement for a Sponsor Report

1. A full Sponsor Report will be required in connection with all applications for New Listings, whether by way of an initial listing (concurrent with an initial public offering, including by a Capital Pool Company) a Reverse Take-Over, a Qualifying Transaction or an application for listing by an issuer previously quoted or listed on another market.
2. A Sponsor Report will also generally be required in connection with a Change of Business by a Tier 2 listed issuer. Where there is no Change of Management or no Change of Control in connection with the Change of Business, the scope of the Sponsor Report may be limited to the Review Procedures relating to the proposed new business or assets of the listed issuer and a determination of whether such business or assets meet the applicable Tier Maintenance Requirements.
3. The Exchange may request a Sponsor Report in the case of a Change of Management or in respect of a Change of Control where the new directors, management or new control persons do not have a sufficient history of involvement and experience with the Exchange or another recognized Canadian exchange. In such case, the scope of the Sponsor Report may be limited to a review of such new persons.
4. Except where a preliminary prospectus has been filed, when a sponsorship agreement has been entered into, a Sponsorship Acknowledgement Form, (Appendix 2A to the Corporate Finance Manual) should be filed with the Exchange. Generally, submission of the Sponsorship Acknowledgement Form will be required prior to any halt in trading of the listed issuer's securities being lifted where such halt resulted from the announcement of a Qualifying Transaction, Reverse Take-Over or, in regard to a Tier 2 Issuer, a Change of Business.
5. The Sponsor is required to submit a preliminary Sponsor Report, together with written confirmation that the majority of the Review Procedures have been conducted before a Qualifying Transaction, Reverse Take-Over or, in regard to a Tier 2 Issuer, a Change of Business will be presented for consideration to the Listing Committee. A Sponsor should not submit a preliminary Sponsor Report until it is reasonably comfortable that no material adverse issues will arise from completion of the balance of the Due Diligence.

6. Subject to paragraphs 7 and 8, below, a final executed Sponsor Report will be required prior to an Exchange Bulletin being issued confirming final acceptance of the transaction in respect of which the Sponsor Report was required. The final executed Sponsor Report may be required at such earlier time as specified by the Exchange.
7. The final executed Sponsor Report required in connection with an initial listing pursuant to a prospectus will generally be required to be filed with the Exchange prior to filing of the final prospectus.
8. In the case of a Reverse Take-Over or Qualifying Transaction, the final executed Sponsor Report will generally be required to be filed with the Exchange prior to mailing of the information circular.
9. Due to the increased reliance upon the Sponsor in connection with a New Listing by a Foreign Issuer, the Exchange may require that the final executed Sponsor Report be submitted prior to a New Listing or a Change of Business by a Tier 2 Issuer being considered by the Listing Committee.
10. In exceptional circumstances, the Exchange, in its discretion, may agree to waive the requirement of a Sponsor Report.

Sponsorship Policy Statement 2

Qualifications Required to Act as Sponsor

1. A Sponsor must be a Member and unless specifically waived or agreed to by the Exchange must meet all of the minimum specifications set forth in this Policy Statement 2.
2. The Sponsor shall:
 - a. not have previously been advised that it may no longer act as a Sponsor or if so previously advised, the Exchange has subsequently agreed to accept the Member as a Sponsor;
 - b. be a registrant in good standing with each Securities Commission in which it is registered as an adviser, securities dealer, underwriter, portfolio manager or other or similar category of registrant pursuant to applicable securities law and has not had any securities law registration refused, cancelled, restricted or suspended; and
 - c. be a member in good standing with each exchange or other self-regulatory body of which it is a member;
 - d. have policies and procedures that encompass the following, to the extent applicable:
 - 1) conflicts of interest which may arise in connection with acting in multiple roles, including acting as an underwriter and/or Sponsor and trading or advising the public in regard to the securities of a listed issuer;
 - 2) separation of underwriting functions and/or Sponsorship functions from trading functions, including the establishment of safeguards for dealing with confidential information;
 - 3) the accumulation and maintenance of a complete list of connected parties and related parties (as defined in BCSC Rule 75(1)) or connected issuers and related issuers (as defined in ASC Policy 7.1 and Proposed Multi-Jurisdictional Instrument 33-105);
 - 4) restricting the Sponsor from preparing a Sponsor Report on behalf of any related party, connected party, related issuer or connected issuer;
 - 5) establishing proficiency requirements including standards for acceptable corporate finance staff education and experience, which are commensurate with the requirements and responsibilities of underwriting;

- 6) ensuring that proper Due Diligence, commensurate with that of an underwriter, is undertaken by or on behalf of the Sponsor prior to the execution by the Sponsor of a Sponsor Report; and
 - 7) procedures for periodic review of the Sponsor's policies and procedures.
3. Without limiting the generality of paragraph 2(d)(2) above, the Sponsor shall have established a corporate finance department to deal with underwriting functions and the preparation of Sponsor Reports which department is separate and apart from any of its trading and advising functions.
 4. The Sponsor shall have policies and procedures for the purpose of:
 - a. to the greatest extent possible, restricting access to Material Information (as defined in Corporate Finance Policy 1.1 *Interpretation*) from or relating to issuers in respect of which the Member has been engaged to act as an underwriter or Sponsor where the information obtained is not necessarily in the public domain ("Confidential Information") such that the Confidential Information shall only be made available to and access only provided to the corporate finance department personnel and the Sponsor's authorized directors and senior officers ("Corporate Finance Persons");
 - b. ensuring that where Confidential Information is required to be or is otherwise provided to non-Corporate Finance Persons, those persons are advised that they possess Confidential Information which cannot be communicated to any other person;
 - c. physically separating, to the greatest extent possible, the work space of members of the corporate finance department, from other areas of the Member's office and ensuring that access to the corporate finance department work space is restricted;
 - d. securing physical and electronic Confidential Information in locked cabinets, computers or offices, and restricting access only to Corporate Finance Persons;
 - e. securing at all times, Confidential Information which is not being immediately reviewed or utilized by the Corporate Finance Persons;
 - f. ensuring that Confidential Information is not discussed in areas outside of the corporate finance department or within the proximity of persons other than Corporate Finance Persons;

- g. to the greatest extent possible, providing the corporate finance department with separate and dedicated telephones, messaging services, facsimile machines, photocopiers and confidential mail and courier delivery service to ensure that persons engaged in trading or advising functions do not have access, inadvertently or otherwise, to Confidential Information; and
 - h. providing education to Member personnel with respect to their ethical responsibilities, including what constitutes Confidential Information, inside information, insider trading, tipping and the legal restrictions on transmission and use of Confidential Information or insider information and the legal consequences, criminal, quasi-criminal, civil and regulatory for breaches of such restrictions and in respect of insider trading and tipping.
5. When engaged as Sponsor in regard to an issuer, the Sponsor is required to assess and determine whether it is appropriate and advisable to monitor, restrict or discontinue certain activities of itself and of its employees in relation to the securities of such issuer, including, trading, advising and dissemination of research material.
 6. Without limiting any other obligation or restriction under applicable Securities Law or Exchange Requirements, the Sponsor shall have policies and procedures which provide that once the Sponsor has agreed to act as Sponsor of an issuer and until such time as the applicable information circular, prospectus, filing statement or other disclosure document is properly filed and disseminated:
 - a. the Corporate Finance Persons are prohibited from purchasing or selling any of the securities of such issuer;
 - b. all partners, directors, officers, approved persons and employees of the Sponsor, who by virtue of their position with the Sponsor or involvement with the issuer have or can reasonably be expected to gain access to Confidential Information in regard to the issuer are prohibited from:
 - 1) soliciting purchase orders of the issuer's securities; or
 - 2) purchasing or selling the issuer's securities for accounts beneficially owned or controlled by them.
 - c. the Sponsor is prohibited from: disseminating research reports relating to the issuer; buying, selling or otherwise trading the issuer's securities for its own account, except for permitted transactions and stabilizing bids contemplated by Rule F.2.09; and, further, in regard to Capital Pool Companies, the exercise of an agent's option and sale of securities issued to the Sponsor by the issuer pursuant to the exercise of a previously issued agent's option to the extent specifically permitted by section 6.2 of Policy 2.4; and

- d. trading in the securities of the issuer by all partners, directors, officers and employees and approved persons shall be monitored by a designated and duly qualified officer of the Sponsor to assess whether trading has or might reasonably appear to have occurred based on access to Confidential Information.
7. Without limiting the generality of paragraph 2(d)(5) (and without limiting any other educational requirements required under applicable Securities Law or Exchange Requirements), the Sponsor shall employ a corporate finance officer, compliance officer or branch manager who will oversee and be responsible for the preparation and execution of the Sponsor Report and who:
- a. has successfully completed the Canadian Securities Course,
 - b. has successfully completed the Partners, Directors and Senior Officers Qualifying Exam (CSI);
 - c. is not engaged in trading on behalf of or advising public clients; and either:
 - 1) has at least seven continuous years of relevant experience in the securities industry or securities regulatory industry, two years of which must have been with an underwriter that is a member of a Canadian stock exchange or other self-regulatory body in Canada,
 - 2) has at least five continuous years of relevant experience with an underwriter that is a member of a Canadian stock exchange or other self-regulatory body in Canada or five continuous years of relevant experience with a securities regulatory body or Canadian exchange,
 - 3) is licensed by the Association of Investment Management and Research to use the designation “Chartered Financial Analyst” or “CFA” or is licensed to use the designation Chartered Business Valuator or “CBV”, or
 - 4) has at least three years of relevant experience in the securities industry or securities regulatory industry and has other professional qualifications satisfactory to the Exchange.
8. The Sponsor shall employ or retain at least one individual with reasonably satisfactory education or experience in evaluating and assessing the technical aspects of businesses in the industry sector in respect of which the issuer in regard to whom the Sponsor Report is to be provided is, or is intended to be, engaged.
9. Subject to section 1(o) of Sponsorship Policy Statement 4, the Sponsor agrees to provide upon request by the Exchange, all and any part of the materials and information obtained or compiled in connection with the Review Procedures conducted.

10. The Exchange may refuse to accept a Sponsor Report from a Member where it is not satisfied that the Member qualifies as a Sponsor, and without limiting the generality of the foregoing, may refuse to accept a Sponsor Report where it reasonably appears that the Member has not implemented internal policies which are designed to ensure that Confidential Information obtained in the course of the preparation of the Sponsor Report is not communicated or made available to or used by any person involved in the trading of securities or providing investment advice to clients.

Sponsorship Policy Statement 3

Minimum Review Required for Preparation of Sponsor Report

General

1. The scope and extent of Due Diligence considered appropriate will vary in each circumstance. The Exchange will rely heavily upon the assumption that a Sponsor has the expertise and ability to determine what constitutes appropriate Due Diligence and to fulfill its responsibilities in that regard. The Due Diligence process should provide the Sponsor with a thorough understanding of the business of the listed issuer and the risks associated with the listed issuer's business. The understanding gained from this process puts the Sponsor in a better position to decide whether to sponsor the listed issuer and to sign the Sponsor Report.

Use of Experts

2. Where the Sponsor, in its professional judgment determines that particular experience or technical expertise is necessary to conduct the appropriate Due Diligence or the required Review Procedures, the Sponsor is required to ensure that such experience or technical expertise exists either among the Corporate Finance Persons or the Sponsor may rely upon an outside expert consultant, or specialist (an "Expert") to prepare an assessment report or technical report on which the Sponsor can rely. Where the Sponsor employs in-house, an individual with the requisite experience or technical expertise, the Sponsor may rely upon the services of such person. The Sponsor may also rely upon the professional services of any accounting firm, law firm, or search house (a "Professional") to assist it with the conduct of its Review Procedures. However, it is the responsibility of the Sponsor to take reasonable steps to confirm that any employee, Expert or Professional retained or relied upon, possesses the appropriate business or other experience and education necessary to assess the business, products, services or technology or to otherwise perform the services for which they were retained. The Sponsor is also responsible for confirming that any Expert or Professional retained by the Sponsor or upon whom the Sponsor may rely, is not a related party, connected party, related issuer or connected issuer of the listed issuer, or does not otherwise have a relationship with the listed issuer that may lead a reasonable person to conclude that the Expert's or Professional's independence or objectivity could be compromised. The Sponsor must confirm that any Expert does not have any direct, indirect or contingent interest in any of the securities or assets of the listed issuer, its Insiders, or any Associates or Affiliates of the listed issuer.

Review Procedures

3. As part of the Review Procedures, a Sponsor shall perform a review of the Insiders and Principals of the listed issuer, the listed issuer's business and the conformity of the listed issuer to the applicable Minimum Listing Requirements. In certain circumstances, the Sponsor, in its reasonable professional judgement, may determine that certain Review Procedures are not required as they have been otherwise satisfied. In such instances, the Sponsor must specifically state in the Sponsor Report any non-conformity with the requirements of this Sponsorship Policy Statement and the reasons for such non-conformity. The Exchange may nevertheless determine that the stated Review Procedures must be conducted. Unless specifically waived by the Exchange, a site visit must be conducted and title opinions must be prepared in respect of all Foreign Issuers. However, the Sponsor may determine, in its professional judgment, that the requirement for a site visit in respect of resource properties has been satisfied by the site visit conducted by the engineer or geologist providing the Geological Report.
4. Set forth below are the minimum Review Procedures which must be performed prior to execution of a Sponsor Report.

Insiders and Principals

5. The Sponsor must undertake a review of the past conduct of existing and proposed Insiders and Principals of the issuer for purposes of assessing their general experience and integrity. As part of the review, the Sponsor must determine whether the Insiders and Principals have demonstrated a history of regulatory compliance and corporate and financial success. Subject to section 3, in making these assessments the Sponsor's review shall include:
 - a. inquiries with various regulatory bodies having jurisdiction over the applicant listed issuer and its existing and proposed Insiders and Principals and any issuers or reporting issuers with which the applicant's existing and proposed Insiders and Principals have previously been associated;
 - b. inquiries through appropriate data base searches, which in the case of a non-Canadian resident, will require at least appropriate Lexis/Nexis searches;
 - c. inquiries and discussions with references, former and present business associates and with other offices of the Sponsor;
 - d. engagement of counsel or reputable search houses or services to perform checks in relevant areas of residence or other locations of business;
 - e. review of Personal Information Forms; and
 - f. searches for civil actions and judgements.

6. The Sponsor must also confirm to its satisfaction that the Insiders and Control Persons of the listed issuer understand their statutory trading and reporting obligations as prescribed by applicable Securities Law.

Management and Directors

7. In respect of the proposed key directors and management, a review of their general business acumen, their experience in the type of business carried on by the applicant listed issuer, their securities and industry related experience and responsible business conduct and practices which subject to section 3, shall include:
 - a. confirmation of educational and professional qualifications;
 - b. review of financial statements of other material public and private issuers in respect of which such persons are, or have been, involved either in the capacity of a Director or member of senior management, including an assessment as to the financial success of such issuers and whether the allocation between funds spent on general and administrative expenses relative to those spent on any work program and the compensation paid to management or parties associated or affiliated with management appears appropriate and in accordance with prudent business practices;
 - c. an assessment of management's goals and expenditure controls to determine whether it is reasonable to assume that management will use Available Funds (as defined in Exchange Form 3A) as publicly disclosed;
 - d. a review of directors' resolutions and banking documents to ensure that internal controls exist which require that the signatures of two authorized persons are required on all cheques and other instruments binding the listed issuer;
 - e. confirmation of the amount of time to be devoted to the business of the listed issuer by each of such persons and an assessment of whether each of such persons is committing sufficient time to properly manage the business and corporate affairs of the listed issuer;
 - f. based on the Sponsor's assessment of the past conduct and experience of the directors and senior officers, the Sponsor is reasonably satisfied that:
 - 1) such persons can reasonably be expected to prepare and publish all information required by applicable Securities Law and all Exchange Requirements, including without limitation, Corporate Finance Policies 3.1, Directors, Officers and Corporate Governance, 3.3, Timely Disclosure, and 3.2 Filing Requirements and Continuous Disclosure, in a timely and responsible manner; and

- 2) such persons appreciate the nature of their responsibilities as directors or officers of an Exchange listed issuer.

Business of the issuer

8. The Sponsor shall conduct a review of the business of the issuer which shall include:
 - a. an assessment of the issuer's business plan, including an assessment as to whether the budgets and projections are reasonable and whether the predictions and assumptions are consistent with the issuer's past performance having regard to payment terms under agreements or other arrangements with suppliers, costs of financing, royalty obligations, long term liabilities, working capital requirements and the availability of financing alternatives;
 - b. investigations in respect of the consultants (e.g. engineers, geologists, management consultants, authors of valuations, technical assessments or feasibility studies and authors of non-Canadian legal or title opinions), including the education and credentials of such parties and whether they have completed such reports for the Exchange in the past;
 - c. a physical inspection of the material assets, whether owned or leased, including property, plant, equipment and inventory used, or to be used, in connection with the issuer's stated business objectives, or full particulars as to why a physical inspection was not considered necessary;
 - d. if applicable, an analysis of the issuer's production methods;
 - e. if applicable, an analysis of the issuer's actual or proposed marketing plan, including distribution channels, pricing policies, after-sales service, maintenance and warranties;
 - f. if applicable, an investigation into a third party's ability to supply a product, service or technology where the third party supplies a unique product service or technology to the issuer that is not readily available, or not readily available at reasonably comparable prices from other sources;
 - g. a review of all material financial statements for at least the three preceding years of operations by the issuer or its relevant predecessors and, if applicable securities law or Exchange Requirements require financial statements for some additional prior period to be filed with a securities commission or the Exchange, a review of the financial statements for such additional reporting periods;

- h. a review of any title opinions on the assets, property or technology considered necessary or advisable (and for greater certainty, in respect of assets, property or technology not physically situated in Canada or the U.S.A. (such title opinions will always be presumed by the Exchange to be necessary or advisable));
- i. to the extent appropriate, inquiries and discussions with principal suppliers, customers, auditors, accountants, creditors, bankers, etc.;
- j. review and analysis of the business aspects of all material contracts of the issuer;
- k. a review of all material legal proceedings, and proceedings known to be contemplated, involving the issuer;
- l. an analysis of the business aspects of any legislation or publicly available proposed legislation, such as industry or environmental regulations or controls on ownership or profit repatriation that, in the Sponsor's professional judgement, may materially affect the issuer's operations;
- m. an analysis of the business aspects of any economic or political conditions that, in the Sponsor's professional judgement, may materially affect the issuer's operations;
- n. investigations of the industry and target markets in which the issuer's business will principally operate or its management anticipates that it will principally operate, including geographical area, competition within that segment (including existing and potential principal competitors and their relative size and aggregate market share) and market segment;
- o. if appropriate, investigation and confirmation of the existence of any proprietary interests, intellectual property rights and licensing arrangements material to the issuer's business;
- p. investigation of the technical feasibility of any new product or technology developed, under development or proposed to be developed pursuant to the issuer's business plan;
- q. assessment of the stage of the applicant's development and the commercial viability of its product or technology, including an assessment of obsolescence, market controls or regulation and seasonal variation; and

- r. a review, analysis or investigation of any other matters specifically requested by the Exchange to be reviewed, including without limitation, the appropriateness of any valuation submitted to the Exchange in support of the exchange of securities or such other comment on the fairness and reasonableness of the exchange of securities.

Integrity of Financial and Corporate Information

- 9. The Sponsor shall assess the integrity of the financial and corporate information produced by the issuer and in doing so shall:
 - a. consider the material financial statements of the issuer or its predecessor(s) prepared in regard to at least the preceding three years and, if applicable securities law or Exchange Requirements require financial statements for some additional prior period to be filed with a securities commission or the Exchange, a review of the financial statements for such additional reporting periods;
 - b. consider the reasonableness of the “Available Funds” (as defined in Exchange Form 3A) and the sufficiency of working capital; and
 - c. analyze the capital structure, including its impact on the ability of the listed issuer to conduct future financings and an assessment of whether it provides for a satisfactory public distribution.

Minimum Listing Requirements and Exchange Requirements

- 10. The Sponsor shall consider whether the issuer at the time of listing or completion of the applicable transaction will meet applicable Minimum Listing Requirements, Tier Maintenance Requirements and other Exchange Requirements and in doing so the Sponsor shall make a determination as to whether:
 - a. the listed issuer, upon completion of any New Listing will meet the applicable Minimum Listing Requirements of the Exchange as described in Exchange Policy 2.1 (except in regard to distribution requirements on Reverse Take-Overs and Qualifying Transactions of Capital Pool Companies, in regard to which the listed issuer need only comply with paragraph b., below);
 - b. the listed issuer will meet the applicable distribution requirements described in Exchange Policy 2.5, Tier Maintenance Requirements; and
 - c. the listed issuer and its directors and officers are in compliance with the applicable provisions of Exchange Policy. 3.1, Directors, Officers and Corporate Governance.

Sponsorship Policy Statement 4

Disclosure Required in Sponsorship Report

1. The Sponsor shall disclose in the Sponsor Report all material information which is reasonably necessary to determine whether the issuer is suitable for listing on the Exchange and the material Review Procedures conducted. Without limiting the generality of the foregoing, the Sponsor Report shall contain:
 - a. a brief summary of the procedures conducted by the Member in respect of the Review Procedures required by Sponsorship Policy Statement 3, including a list of all database searches conducted in regard to each Person;
 - b. identification of any Review Procedures not taken and an explanation as to how the Sponsor otherwise satisfied itself in respect of the Review Procedures;
 - c. identification of any information or facts which the Sponsor is aware or has become aware in the course of conducting its Due Diligence which might reasonably impact upon the Exchange's determination of the suitability for listing of the issuer;
 - d. confirmation that the Member has met the criteria required to qualify as a Sponsor;
 - e. the qualifications and experience of the person(s) primarily responsible for the investigation and preparation of the Sponsor Report, including knowledge of the proposed industry and/or business of the applicant, and without limitation such person's:
 - 1) name, address and occupation;
 - 2) relevant educational background, including areas of principal studies;
 - 3) relevant employment history, including a description as to how it relates to the material aspects of the principal business of the listed issuer;
 - 4) experience in the areas of corporate planning and financial analysis;
 - 5) membership in any professional organization; and
 - 6) the period during which the review procedures were carried out;
 - f. disclosure of any conflicts of interest, including:

- 1) a statement to the effect that the person referred to in section 1(e) has no material conflicts of interest as a result of his or her relationship with the issuer, and the issuer's Insiders, Associates and Affiliates;
 - 2) a statement that the person referred to in section 1(e) does not own any direct, indirect or contingent interest in any of the securities or assets of the issuer, or of any Associates or Affiliates of the issuer or disclosure of any such interest, which interest must not be material;
 - 3) full particulars of any material past dealings between the Sponsor and any current or proposed Related Party of the issuer; and
 - 4) full particulars of any direct, indirect or contingent interest in any of the securities or assets of the issuer or of any Associates or Affiliates of the issuer beneficially owned or controlled by the Sponsor;
- g. where the Sponsor, in preparing the Sponsor Report, has retained the services of, or otherwise relied upon the services of, a consultant or specialist, the Sponsor shall state, in respect of each consultant or specialist upon whom the Sponsor has relied, the information described in subparagraphs (1), (2), (3), (5) and (6) of paragraph (e);
 - h. where the Sponsor in preparing the Sponsor Report has retained the services of any Professional, the name, address, telephone number, professional designations and principal contact person of such Professional must also be disclosed;
 - i. a list of any significant documents examined by the Sponsor in the course of performing its review;
 - j. full particulars of material discussions between the Sponsor and the existing and proposed senior officers and Directors regarding their experience and expertise and prior involvement with other reporting issuers and public companies;
 - k. the conclusions reached by the Sponsor regarding management's ability to carry out their responsibilities as management and directors of a listed issuer and to implement the proposed business plan;
 - l. the conclusions reached by the Sponsor regarding the suitability of the applicant for listing on the Exchange including a statement as to the issuer's conformity to Exchange Policies 2.1, Minimum Listing Requirements and 3.1, Directors, Officers and Corporate Governance;
 - m. any other facts or information considered to be material by the Sponsor that could reasonably be expected to significantly affect the value of the securities

of the issuer to be listed; and

- n. an undertaking to maintain for a period of six years from the date of the Sponsor Report and, upon request, to provide information and materials pursuant to subparagraph (i) of Sponsorship Policy Statement 2.
2. In regard to the initial listing of Capital Pool Companies, (See Corporate Finance Policy 2.4), the Sponsor shall also be required to state that after inquiry of the directors and management of the proposed Capital Pool Company, it is not aware of any Agreement in Principle as defined in Corporate Finance Policy 2.4.
3. The Sponsor Report shall be signed by two duly authorized officer(s) and/or director(s) of the Sponsor, one of whom shall be the corporate finance officer, compliance officer or branch manager referred to in Sponsorship Policy Statement 2.

Sponsorship Policy Statement 5

Disclosure of Sponsor

The identity of a Sponsor may be publicly disclosed and the Exchange will generally require public disclosure to be made upon an agreement being reached whereby the Sponsor agrees to sponsor an issuer and provide a Sponsor Report.