

POLICY 5.8

NAME CHANGE, SHARE CONSOLIDATIONS AND SPLITS

Scope of Policy

This Policy provides guidelines for reserving a name for an Issuer which is or will be listed on the Exchange and obtaining a stock symbol to be used by the Issuer. It also sets out the Exchange's requirements for share consolidations (also known as reverse splits or rollbacks) and for share splits.

The main headings of this Policy are:

1. Name and Stock Symbol
2. Name Change
3. Consolidation or Split

1. Name and Stock Symbol

1.1 Name

- (a) Before a Company adopts a name, the name must be approved by the regulatory body responsible for registering the Company (the "Corporate Regulator") in its jurisdiction of incorporation (for example, the Director of Corporations under the *Canada Business Corporations Act* for federally incorporated corporations). The Corporate Regulator may object to a name for certain reasons, for example that the name is identical to that of another existing Company or so nearly resembles that name that it is likely to confuse or mislead the public.
- (b) However, even if a name is approved by the Corporate Regulator, the Exchange can object to the name at the time a listing application or name change application is submitted. To avoid this problem, a Company can obtain acceptance of a name before incorporation if the Company plans to apply for listing on the Exchange, or change its name once it is listed.
- (c) The following guidelines may assist Companies in selecting an acceptable name:
 - (i) The Exchange generally will not accept a name which is identical or substantially similar to the name of a Company already listed on a North American stock exchange or stock market such as Nasdaq. In addition, if a similar name was formerly used by a Company listed on any stock exchange or stock market, the Exchange can reject the name or require consent from that Company.

- (ii) The Exchange can reject a name which could be confused with registered trademarks, trade names or other proprietary rights of a Company, whether listed on any stock exchange or not.
- (iii) The Exchange can reject a name that does not represent the activities of the Company or which may cause offence.
- (iv) There may be legitimate reasons to accept a proposed name even if that name is substantially similar to an existing Issuer's name. In such cases, the Exchange will require that the trading symbol of the applicant be different by at least two letters, that the security certificates of the applicant have a different coloured backing and that the printed name for financial quotations be distinctive.

1.2 Name Check and Reservation Service

- (a) Before applying for a New Listing, an Initial Listing or a name change, an Issuer or applicant Issuer must contact the Exchange to determine whether a proposed name is acceptable. Up to three proposed names can be reserved by the Exchange for six months and the Exchange will grant an extension for another six months at the applicant's request. To extend a reservation beyond the first year, an applicant must pay additional fees. When a reservation expires, the name can be reallocated if the Exchange does not receive confirmation that the applicant is using or intends to use that name. However, the Exchange cannot guarantee the availability of any reserved name at the time of listing or name change because of listing activities on other Canadian stock exchanges.
- (b) An applicant must submit a name reservation request in writing to "Name Checks and Reservations", Corporate Finance Department, separately from any other correspondence or information not related to the name reservation. The following information must be provided:
 - (i) up to three proposed names (if the applicant requests more than three names, a processing fee will be charged for each additional name request);
 - (ii) the reason for the name reservation (e.g. new listing, name change);
 - (iii) the name, telephone number and fax number (if any) of the applicant; and
 - (iv) any applicable filing fee.
- (c) The reservation is effective from the time the Exchange receives the required correspondence. The Exchange will normally advise the applicant by telephone or fax if the name is acceptable within two business days.

1.3 Stock Symbols

- (a) The Exchange allocates a two or three letter alphabetic stock symbol to each Issuer and co-ordinates stock symbols with exchanges throughout Canada. Listing and name change applicants may request up to three different stock symbols, but the Exchange may not be able to satisfy requests.
- (b) Because 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 Issuer's name, particularly if a stock symbol begins with "C" or "T". Although the Exchange tries to devise a symbol to be as abbreviated and as mnemonic to the Issuer's name as possible, the stock symbol allocated may bear little or no resemblance to the Issuer's name.
- (c) 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.
- (d) As stock symbols are co-ordinated throughout Canada but not the United States, an Issuer may be unable to use the same symbol when listing on a U.S. exchange or Nasdaq.

1.4 CUSIP Application Procedures

- (a) All security certificates must have a CUSIP (Committee for Uniform Securities Identification Procedures) number, which is assigned by the CUSIP Service Bureau of the Standard & Poor's Corporation in New York. The bureau assigns CUSIP numbers for all securities listed throughout North America.
- (b) All applications for a CUSIP number by Canadian companies must be made through the Canadian Depository for Securities Limited ("CDS"). To apply for a CUSIP number, send a request in letter form to:

Attention: CUSIP Department
The Canadian Depository for Securities Limited
85 Richmond Street West
Toronto, ON
M5H 2C9
Telephone: (416) 365-3552
Fax: (416) 365-7691

The request should state:

- (i) the name of the Issuer;
- (ii) the head office and registered office address of the Issuer;
- (iii) the applicable law and date of incorporation or creation;

- (iv) the authorized and issued capital for all classes authorized;
- (v) a description of the security for which the number is being requested;
- (vi) if applicable, the nature and description of the offering to be made;
- (vii) the name of the stock exchange that the Issuer is listed and/or intended to be listed on; and
- (viii) in the case of name changes, the old name and CUSIP number and the new name,

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

- (ix) Prospectus;
 - (x) Rights Offering Circular;
 - (xi) Information Circular; and/or
 - (xii) Articles of Amendments in the case of reclassifications, Reorganizations, or name changes.
- (c) The CUSIP application should be accompanied by a cheque payable to the Canadian Depository for Securities Limited for the applicable fee. Call 1-800-663-8429 to determine the current fee.

2. Name Change

- 2.1 A name change is deemed by the Exchange to be a Material Change for any Issuer. Accordingly, an Issuer must disclose the proposed name change in accordance with Policy 3.3 - Timely Disclosure and obtain Exchange Acceptance.
- 2.2 An Issuer should request Exchange Acceptance for the change of name not later than the date on which the shareholders' meeting to approve the change is held. An Issuer should not file name change documents with its Corporate Regulator until the Exchange has accepted the name under its name check and reservation system.

See Form 5H - Name Change without Consolidation or Split Filing Form.

- 2.3 The effective date of the name change with the Exchange should be as close as possible to the date the Corporate Regulator issues the certificate of name change. The Issuer should avoid having its shares trade under a name which is not its legal corporate name for any significant period of time.

2.4 Filing Requirements

To request final Exchange Acceptance to a proposed name change, the Issuer must file the Name Change without Consolidation or Split Filing Form (Form 5H).

3. Consolidation or Split

3.1 A share consolidation or split is subject to various Exchange Requirements. In general, the Issuer should consider the following:

- (a) all share consolidations or splits are subject to both Exchange Acceptance and shareholder approval;
- (b) the Exchange will generally require the name of the Issuer to be changed as part of the process, in which case the new name must be acceptable to the Exchange, the Corporate Regulator and any other relevant regulatory authority;

See section 1 of this Policy for details on selecting a new name.

- (c) regardless of an Issuer's Tier classification, a consolidation or split is a Material Change, which must be disclosed in accordance with the Exchange's corporate disclosure policies;
- (d) the Issuer must obtain new share certificates, and may require a new CUSIP number, for the consolidated or split shares, even if no name change is required, except for a stock split effected by way of a "push out"; and

See section 1(4) for details on CUSIP numbers. CDS may advise the Issuer in response to its application that a new CUSIP is not required.

- (e) the Issuer must amend its incorporation documents in accordance with the applicable corporate law, and must provide full disclosure of the consequences in its Information Circular.

3.2 Disclosure

An Issuer proposing a share consolidation or split must issue a news release disclosing the proposed consolidation or split not later than the date the Issuer mails its Information Circular and proxy material to its shareholders. The news release and Information Circular should disclose:

- (a) the proposed consolidation or split ratio;
- (b) the number of shares currently outstanding and the number which would be outstanding after the proposed consolidation or split;
- (c) the reason(s) for the share consolidation or split;

- (d) the date of the shareholders' meeting;
- (e) the fact that the consolidation or split is subject to shareholder approval and to Exchange Acceptance;
- (f) whether the Issuer's name will be changed in conjunction with the consolidation or split and if so, the new name; and
- (g) any other actual or proposed Material Changes.

The effective date of the consolidation or 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. An Issuer should avoid having its shares trade under a name which is not its legal corporate name for any significant period of time.

3.3 Filing Requirements

- (a) To request Exchange Acceptance to a proposed consolidation or split, the Issuer must file the following:
 - (i) Name Change and Consolidation/Split Filing Form (Form 5I); and
 - (ii) the applicable filing fees as prescribed in Policy 1.3 - Schedule of Fees.

- (b) The Exchange will not accept the consolidation unless the Issuer will continue to meet the Tier Maintenance Requirements relating to shareholder distribution after the consolidation.

See Policy 2.5 - Tier Maintenance Requirements for shareholder distribution requirements.

- (c) For an Inactive Issuer, the Exchange will not accept the documentation disclosing the consolidation unless the Issuer is undergoing a Reactivation in accordance with the reactivation policies outlined in Policy 2.6 - Inactive Issuers and Reactivation.
- (d) The Exchange will not generally accept a share consolidation which has reduced the number of issued Listed Shares of the Issuer to less than 1,000,000, excluding any escrowed shares which are proposed to be issued and any other shares which are proposed to be issued as part of a subsequent Private Placement or public financing.
- (e) If the proposed consolidation results in a significant portion of the shareholders holding less than a Board Lot, the Exchange can require the Issuer to adopt a small shareholder selling arrangement.

See Policy 5.7 - Small Shareholder Selling and Purchase Arrangements.