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BY EMAIL

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Dear Sirs/Mesdames:

Re: Proposed Amendments to Part IV and Part VI of the Toronto Stock Exchange (“TSX”) Company Manual Regarding Website Disclosure for Listed Issuers and Disclosure Requirements for Security Based Compensation Arrangements (the “Proposed Amendments”)

The Canadian Advocacy Council¹ for Canadian CFA Institute² Societies (the CAC) appreciates the opportunity to provide the following general comments on the Proposed Amendments and respond to the specific questions referenced below.

In a letter dated June 27, 2016 responding to the initial draft of the Proposed Amendments (the “**Initial CAC Comment Letter**”) we expressed our support for the Proposed Amendments as they assist investors in better understanding important aspects of an

¹ The CAC represents more than 15,000 Canadian members of the CFA Institute and its 12 Member Societies across Canada. The CAC membership includes portfolio managers, analysts and other investment professionals in Canada who review regulatory, legislative, and standard setting developments affecting investors, investment professionals, and the capital markets in Canada. See the CAC's website at <http://www.cfasociety.org/cac>. Our Code of Ethics and Standards of Professional Conduct can be found at <http://www.cfainstitute.org/ethics/codes/ethics/Pages/index.aspx>.

² CFA Institute is the global association of investment professionals that sets the standard for professional excellence and credentials. The organization is a champion for ethical behavior in investment markets and a respected source of knowledge in the global financial community. The end goal: to create an environment where investors' interests come first, markets function at their best, and economies grow. CFA Institute has more than 135,000 members in 151 countries and territories, including 128,000 CFA charterholders, and 145 member societies. For more information, visit www.cfainstitute.org.

issuer's compensation arrangements. However, we indicated that the originally proposed simplified form, namely the Proposed Form 15 – *Disclosure of Security Based Compensation Arrangements*, may have led to inadequate disclosure as there was a risk that pertinent information could be missed. We are pleased that the Proposed Amendments address some of our prior concerns and that the proposals which would have required the simplified form have been eliminated. While we strongly support the additional investor protection that may result from more fulsome disclosure, if the information is overwhelming for end users it may outweigh another important goal, namely reducing the regulatory burden on issuers.

We also support the introduction of Section 473 in Part IV of the TSX Company Manual (the “**Manual**”), which will require a TSX listed issuer to post current copies of certain documents on its website. It will be important that such documents be posted in a timely manner. Aligning the dissemination of information on the website with other regulatory filings, as applicable, is important in the context of issuers engaging the public markets in real time.

Below, please find our responses to the specific questions in the Proposed Amendments.

Specific Questions re Part IV

1. *Should Section 473 require an issuer to disclose, if adopted, its (a) code of business conduct and ethics, (b) diversity policy, (c) anti-corruption policy, (d) human rights policy, (e) environment policy, or (f) health and safety policy?*

We are not opposed to Section 473 of the Manual requiring issuers to disclose the foregoing items (a) through (f) as each item aligns with the objectives of Section 473, that is, enhancing corporate governance disclosure and practices. The disclosure of these policies goes to the core of corporate governance practices, accords well with global trends towards enhanced disclosure, and may assist investors in making informed investment decisions. We do not think this requirement unduly creates a regulatory burden on issuers as many of these issuers may already publish such policies in their annual reports. This disclosure requirement, in our view, would give investors easier access to these documents. In addition, if the foregoing policies are part of a larger document or part of another existing policy of the issuer, Section 473 permits posting a current version of that document in satisfaction of the requirements.

2. *Should certain types of issuers (e.g., Eligible Interlisted Issuer or Eligible International Interlisted Issuers) be exempt from the requirements of Section 473? If so, please provide an explanation of why they should be exempt.*

We do not think that issuers listed on other exchanges where the primary market is an exchange other than the TSX (i.e. Interlisted Issuers) should be exempt from the requirements of Section 473, as disclosure of corporate governance practices often aligns with that of other peer exchanges. The website disclosure required under Section

473 would also have a global reach as it would benefit all current and potential investors, not just Ontario investors.

3. *Are there other modifications TSX should make to the list of documents proposed to be made available?*

The list of documents prescribed under the Proposed Amendments are sufficient in our view.

Specific Questions re Part VI

1. *Should the requirement to disclose static terms of a Plan (e.g., financial assistance, vesting, etc.) be limited to Approval Meetings?*

We do not see a compelling reason why the disclosure requirement of static terms of a security based compensation arrangement should be limited to Approval Meetings. As indicated in the Initial CAC Comment Letter, we believe static terms of arrangements should be disclosed for both Approval Meetings and Other Annual Meetings as they are informational items for investors providing transparency of the issuer's compensation practices.

2. *Is the burn rate and the formula for calculating it useful and appropriate disclosure?*

Both the burn rate and the formula for calculating it are useful and appropriate disclosure. We think that the formula for calculating the burn rate is an appropriate disclosure and gives investors an indication of the security based compensation arrangements awarded for a particular year in the context of the securities outstanding for the period. We are also in support of disclosing the details of the multiplier where the awards granted include a multiplier.

Concluding Remarks

We thank you for the opportunity to provide these comments. We would be happy to address any questions you may have and appreciate the time you are taking to consider our points of view. Please feel free to contact us at chair@cfaadvocacy.ca on this or any other issue in future.

(Signed) *Michael Thom*

Michael Thom, CFA
Chair, Canadian Advocacy Council