

## QUESTIONS TO ASK IF YOU MAY BE AN INSIDER OF A PUBLIC COMPANY

If you have certain relationships with a company listed on a Canadian stock exchange, you must publicly disclose what you hold, and buy and sell, in that company's securities.

That is because such a company is a "reporting issuer", and certain people and companies are its "reporting insiders", including if they own a significant percentage of its securities.

Reporting insiders are required by law to file reports on the System for Electronic Disclosure by Insiders (SEDI), a website where the investing public can see the securities holdings of, and transactions by, reporting insiders ([www.sedi.ca](http://www.sedi.ca)).

If you are in any of the above roles or situations, the checklist on the next page asks you to think about **some** of the issues that come up if you may be a reporting insider. It is **not** meant to cover every situation. It is **not** instructions. This checklist is **for information only**, so if you have any questions about what it or your answers mean, you should get professional legal advice.

## TYPES OF REPORTING INSIDERS

The *Securities Act* defines who is an "insider". A broader category of people, however, can be "reporting insiders". The definition of "reporting insider" is in [National Instrument 55-104 Insider Reporting Requirements and Exemptions](#) and it is further explained in [Companion Policy 55-104CP Insider Reporting Requirements and Exemptions](#).

| I am:   | For any:   |
|---|--|
| Director,<br>Chief Executive Officer (CEO),<br>Chief Financial Officer (CFO), or<br>Chief Operating Officer (COO)   | <ul style="list-style-type: none"> <li>• Reporting issuer</li> <li>• Major subsidiary of a reporting issuer</li> <li>• Significant shareholder of a reporting issuer</li> <li>• Management company for a reporting issuer</li> </ul> |
| A significant shareholder<br>(for example, I have beneficial ownership, direct or indirect, of 10% or more of the voting rights attached to the outstanding securities) | <ul style="list-style-type: none"> <li>• Reporting issuer</li> <li>• Management company for a reporting issuer</li> </ul>  |
| Responsible for a principal business unit, division, or function  | <ul style="list-style-type: none"> <li>• Reporting issuer</li> </ul>   |
| An individual performing similar functions to any of the reporting insiders listed above  | <ul style="list-style-type: none"> <li>• Reporting issuer</li> <li>• Major subsidiary of a reporting issuer</li> <li>• Significant shareholder of a reporting issuer</li> <li>• Management company for a reporting issuer</li> </ul> |
| An "Insider" with early access to certain information about the reporting issuer, and the ability to exercise certain significant power over the reporting issuer       | <ul style="list-style-type: none"> <li>• Reporting issuer</li> </ul>   |

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If I am a reporting insider:

- Have I carefully read [National Instrument 55-104 Insider Reporting Requirements and Exemptions](#) and [Companion Policy 55-104CP Insider Reporting Requirements and Exemptions](#)?
- Am I [filing a report on SEDI](#) for **every** change in my:
  - beneficial ownership of securities of the reporting issuer, **or**
  - control or direction over securities of the reporting issuer (whether direct or indirect)?
- Do I file my reports on SEDI **within five calendar days** of each change?



If I am a significant shareholder, such as by having beneficial ownership, direct or indirect, of **10 percent or more** of the reporting issuer's voting securities:

- Have I carefully read [National Instrument 62-104 Take-Over Bids and Issuer Bids](#) and [National Instrument 62-103 The Early Warning System and Related Take-Over Bid and Insider Reporting Issues](#)?
- Have I filed an early warning report and news release?
- Am I **promptly** filing an [early warning report](#) and a news release every time:
  - I **acquire an additional two percent**, or
  - I **dispose of two percent** (until my ownership decreases to less than 10 percent of the outstanding voting securities of the reporting issuer)?



If I am a control person, such as by having, alone or combination with others, hold **more than 20 percent of the voting rights** attached to all outstanding voting securities of a reporting issuer:

- Do I have a **prospectus or an exemption** to trade my securities?
  - For example, have I filed a [Form 45-102F1 Notice of Intention to Distribute Securities under Section 2.8 of NI 45-102 Resale of Securities](#), at least **seven days before** my trade?



If I have any relationship with a reporting issuer:

- Do I know how to avoid illegal insider trading, tipping, or recommending?
- Am I aware of when I am in a "special relationship" with a reporting issuer?
- Do I know material facts about the reporting issuer that have not been publicly disclosed?

TO LEARN MORE ABOUT THIS TOPIC, VISIT [REQUIREMENTS FOR REPORTING INSIDERS](#)



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Commission**  
Invest Right

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Telephone: 604-899-6854  
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