

**Appendix B**

**National Instrument 58-101**

***Disclosure of Corporate Governance Practices***

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**FORM 58-101F1 CORPORATE GOVERNANCE STATEMENT**

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### PART 1 DEFINITIONS AND APPLICATION

#### 1.1 Definitions

In this Instrument,

“AIF” has the same meaning as in Part 1 of NI 51-102;

“asset-backed security” has the same meaning as in Part 1 of NI 51-102;

“CEO” means each chief executive officer of an issuer, or in the case of an issuer that does not have a chief executive officer, each individual performing similar functions to those of a chief executive officer;

“credit support issuer” has the same meaning as in section 13.4 of NI 51-102;

“designated foreign issuer” has the same meaning as in Part 1 of NI 71-102;

“exchangeable security issuer” has the same meaning as in section 13.3 of NI 51-102;

“executive officer” has the same meaning as in Part 1 of NI 51-102;

“information circular” has the same meaning as in Part 1 of NI 51-102;

“investment fund” has the same meaning as in provincial and territorial securities legislation;

“marketplace” has the same meaning as in Part 1 of National Instrument 21-101 *Marketplace Operation*;

“MD&A” has the same meaning as in Part 1 of NI 51-102;

“NI 51-102” means National Instrument 51-102 *Continuous Disclosure Obligations*;

“NI 52-110” means National Instrument 52-110 *Audit Committees*;

“NI 71-102” means National Instrument 71-102 *Continuous Disclosure and Other Exemptions Relating to Foreign Issuers*;

“SEC foreign issuer” has the same meaning as in Part 1 of NI 71-102;

"subsidiary entity" has the same meaning as in Part 1 of NI 52-110.

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### **1.2 Meaning of independence**

For the purposes of this Instrument, a director is independent if he or she is independent under section 1.4 of NI 52-110.

### **1.3 Application**

This Instrument applies to a reporting issuer, other than

- (a) an investment fund;
- (b) an issuer of asset-backed securities;
- (c) a designated foreign issuer;
- (d) an SEC foreign issuer;
- (e) an exchangeable security issuer or credit support issuer that is exempt under section 13.3 or 13.4 of NI 51-102, as applicable; and
- (f) an issuer that is a subsidiary entity if
  - (i) the subsidiary entity does not have equity securities trading on a marketplace, other than non-convertible, non-participating preferred securities; and
  - (ii) the parent of the subsidiary entity is
    - (A) in compliance with the requirements of this Instrument; or
    - (B) an issuer that
      - (I) has equity securities listed or quoted on the New York Stock Exchange or Nasdaq Stock Market;
      - (II) is not on the list of issuers that are non-compliant with continued listing standards of that exchange; and
      - (III) has publicly disclosed its corporate governance practices in a document filed with or furnished to the SEC or that exchange.

## **PART 2 DISCLOSURE REQUIREMENTS**

### **2.1 Required disclosure**

- (1) If management of an issuer solicits a proxy from a security holder of the issuer for the purpose of electing directors to the issuer's board of directors, the issuer must include in its information circular the disclosure required by Form 58-101F1.

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- (2) An issuer that does not send an information circular to its security holders must include the disclosure required by Form 58-101F1 in its AIF.
- (3) An issuer that does not send an information circular to its security holders or file an AIF must include the disclosure required by Form 58-101F1 in its annual MD&A.

### **PART 3 EXEMPTION**

#### **3.1 Exemption**

- (1) The regulator or securities regulatory authority may grant an exemption from this Instrument, in whole or in part, subject to such conditions or restrictions as may be imposed in the exemption.
- (2) Despite subsection (1), in Ontario only the regulator may grant such an exemption.
- (3) Except in Ontario, an exemption referred to in subsection (1) is granted under the statute referred to in Appendix B of National Instrument 14-101 *Definitions* opposite the name of the local jurisdiction.

### **PART 4 EFFECTIVE DATE AND REPEAL**

#### **4.1 Effective date**

This Instrument comes into force on •

#### **4.2 Repeal**

National Instrument 58-101 *Disclosure of Corporate Governance Practices* which came into force on the date set out below, is repealed:

- (a) June 30, 2005, in all jurisdictions other than the Northwest Territories, Nunavut, Prince-Edward Island and Yukon;
- (b) September 19, 2005, in Nunavut;
- (c) March 17, 2008, in Prince-Edward Island and Yukon; and
- (d) October 26, 2008, in the Northwest Territories.