Toronto Stock Exchange ("TSX" or the "Exchange") follows established policies and procedures to identify and manage any potential conflicts of interest, real or perceived.

In accordance with section 31(a)(i)(C) of Schedule 5 of the OSC Recognition Order\(^1\), TSX must identify and manage any conflicts of interest or potential conflicts of interest, real or perceived, that arise between the regulation functions and the business activities of TSX, particularly with respect to the conflicts of interest or potential conflicts of interest that arise between the TSX issuer regulation functions and the business activities of TSX. National Instrument 21-101 also has requirements for a marketplace to establish and maintain policies and procedures to identify and manage conflicts of interest arising from the operation of the marketplace or the services it provides.

TSX is operated by TSX Inc. which is an indirect wholly-owned subsidiary of TMX Group Limited ("TMX Group"). TMX Group is a public company listed on TSX. There are provisions respecting conflicts of interest and competitors of TMX Group which deal with conflicts of interest that may arise concerning the listing of TMX Group or its affiliates, and concerning the listing of competitors on TSX. However, TSX recognizes that TMX Group and its affiliates may from time to time be involved in business dealings with other listed issuers and that there may be conflicts of interest and potential conflicts of interest, whether real or perceived, that may arise in such situations.

This document formalizes the procedures of TSX to mitigate conflicts of interest and potential conflicts of interest, whether real or perceived, that may arise in the exercise by TSX of its issuer regulation functions in accordance with the rules in the TSX Company Manual (the "Manual"). In particular, the policy is intended to address situations where TMX Group or its affiliates and a TSX listed issuer are party to a commercial agreement, where TSX will be required to exercise its issuer regulation function in relation to that agreement, such that there may be a conflict of interest or potential conflict of interest, whether real or perceived, in TSX’s dealing with the matter. These procedures are intended to transparently provide for how TSX will ensure it follows appropriate standards and procedures regarding listed issuers involved in business dealings with TMX Group or its affiliates where the Manual is engaged and applications or filings must be made by such listed issuer to TSX, and to ensure that such situations are, and are perceived to be, treated appropriately and not affected by the relationship between TSX and TMX Group.

Terms used and not otherwise defined in this policy have the meaning given in the OSC Recognition Order.

1. In accordance with the OSC Recognition Order, TSX has established a conflicts committee ("Conflicts Committee").

2. Where TMX Group or its affiliates and a TSX listed issuer are party to a commercial agreement where TSX will be required to exercise its issuer regulation function in relation to that agreement, such that there may be a conflict of interest or potential conflict of interest arising from the operation of the marketplace or the services it provides.

\(^1\) Recognition Order means the OSC recognition order recognizing each of Maple Group Acquisition Corporation (now TMX Group Limited), TMX Group Inc., TSX Inc., Alpha Trading Systems Limited Partnership and Alpha Exchange Inc. as an exchange dated July 4, 2012, as amended from time to time.
interest, whether real or perceived, in TSX’s dealing with the matter, the following matters ("Potential Conflict Matters") shall be referred to Conflicts Committee:

(a) applications or filings made by the listed issuer to TSX which must be approved by TSX under the Manual in connection with the subject of the commercial agreement; and/or

(b) a continued listing review that may be initiated as a direct result of the subject of the commercial agreement and lead to a delisting of the issuer.

3. For greater certainty, this policy shall not apply to (i) commercial dealings between TMX Group or its affiliates and a TSX listed issuer where the Manual is not engaged or which are otherwise outside of TSX’s jurisdiction (ii) filings and notices made by a listed issuer with TSX for informational, procedural or operational purposes where TSX is not required to exercise any discretion or its issuer regulation function, notwithstanding any commercial connection to TMX Group or an affiliate, and (iii) any matters related to the listing of TMX Group on TSX, which shall be dealt with under the TSX Inc. Listing-Related Conflicts Policy.

4. At any time that a TSX listed issuer believes that it is not being treated appropriately by the Exchange as a result of a Potential Conflict Matter, the Exchange shall refer the Potential Conflict Matter to the Commission’s Director, Market Regulation. The Exchange may also refer a Potential Conflict Matter to the Commission’s Director, Market Regulation, if it believes it is in a conflict of interest position, whether real or perceived.

5. When an application or filing is made by a TSX listed issuer that engages this policy, or a continued listing review to which this policy applies is under consideration, the matter shall be brought to the attention of the secretary of the Conflicts Committee who shall then convene a meeting of the Conflicts Committee to be held following receipt of a substantially complete application or filing from the listed issuer or as required in considering a continued listing review. The Conflicts Committee shall use best efforts to meet within any relevant time frame identified by the listed issuer or TSX.

6. Where a Conflicts Committee meeting is called in accordance with this policy, TSX shall notify the Commission’s Director, Market Regulation and shall provide (i) a written summary of the relevant facts; and (ii) an indication of the required timing for dealing with the matter.

7. The Conflicts Committee will consider the facts and form a determination regarding whether a conflict of interest exists or not, or is likely to arise or not, with respect to TSX’s proposed course for dealing with the Potential Conflict Matter. The Conflicts Committee will then proceed as follows depending on the circumstances:

(a) If the Conflicts Committee determines that a conflict of interest with respect to TSX’s proposed course for dealing with the Potential Conflict Matter does not exist and is unlikely to arise, it shall notify the Commission’s Director, Market Regulation of this determination. If the Commission’s Director, Market Regulation approves such determination, the Exchange shall deal with the matter in the ordinary course as proposed. When it has dealt with the matter, the Exchange shall make a brief
written record of such determination, including details of the analysis undertaken and the manner in which the matter was disposed of, and provide it to the Commission’s Director, Market Regulation.

(b) If the Conflicts Committee determines that a conflict of interest with respect to TSX’s proposed course for dealing with the Potential Conflict Matter does exist or is likely to arise or if the Commission’s Director, Market Regulation provides the Exchange with a non-approval notice pursuant to section 7(a), the Exchange shall:

(i) formulate a written recommendation of how to deal with the Potential Conflict Matter; and

(ii) provide its recommendation to the Commission’s Director, Market Regulation for his or her approval, together with a summary of the issues raised and details of any analysis undertaken.

If the Commission’s Director, Market Regulation approves the recommendation, the Exchange shall take steps to implement the terms of its recommendation.

8. Where the Commission’s Director, Market Regulation has considered the Potential Conflict Matter based on the information provided and has determined that it does not agree with the recommendation of the Exchange, the Commission’s Director, Market Regulation may:

(i) require the Exchange to reformulate its recommendation; or

(ii) direct the Exchange to take such other action he or she considers appropriate in the circumstances.

9. Where the Commission’s Director, Market Regulation is requested to review a Potential Conflict Matter under Section 4 or makes a determination under Section 8, it may request any relevant information from the Exchange to assist its review and determination regarding the matter, including any notes, reports or information in the possession of the Exchange regarding the issue, any materials filed by the issuer or issuers involved, any precedent materials of the Exchange, and any internal guidelines of the Exchange. The Exchange shall provide its services to assist the matter, if so requested by the Commission’s Director, Market Regulation.

10. In accordance with the OSC Recognition Order, this policy is subject to the oversight of the TMX Group Regulatory Oversight Committee.