

## TSX issues notice of temporary relief relating to NCIB purchases and issues reminder of other TSX rules

On November 3, 2008, the TSX issued Staff Notice 2008-0005 relating to the following provisions of the TSX Company Manual: Section 628, relating to normal course issuer bids (NCIBs), Section 707, relating to the Remedial Review Process, Part 1, relating to the definition of “market price” and Section 604, respecting securityholder approval requirements for issuers experiencing a financial hardship.

With respect to NCIBs, the Staff Notice grants temporary relief from the daily purchase restrictions to increase the amount that an issuer can purchase under an NCIB from 25% of the average daily trading volume to 50% of the average daily trading volume. Similar relief has also been granted to participating organizations from corresponding provisions of the TSX Trading Rules. The Staff Notice also provides temporary relief to issuers subject to a remedial review by extending the time period that an issuer has to remedy deficiencies that triggered a delisting review from 120 to 210 days. The temporary relief relating to NCIBs and remedial reviews will be effective from November 3, 2008 through to March 31, 2009.

The Staff Notice also clarifies that while the TSX Manual defines “market price” as the 5 day volume weighted average trading price of listed securities, it also provides that this 5 day period may be adjusted based on relevant factors if such price does not accurately reflect the current market price of securities. Given current market conditions, the Staff Notice clarifies that the TSX may be willing to use a shorter time period for making this calculation on a case-by-case basis for the purposes of pricing securities for private placements, including warrants.

Finally, the Staff Notice also reminds issuers that Section 604(e) of the TSX Manual provides an exemption from securityholder approval requirements for issuers experiencing serious financial hardship, which exemption may be more relevant to issuers under current market conditions.

For further information, please contact your Stikeman Elliott representative or any member of our Corporate Finance and Securities Group listed at [www.stikeman.com](http://www.stikeman.com)



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This newsletter was prepared by members of the Securities Group at Stikeman Elliott.