

Chapter 5

Rules and Policies

5.1.1 Amendments to OSC Rule 13-502 Fees

AMENDMENTS TO OSC RULE 13-502 FEES

1. National Instrument 13-502 Fees is amended by this Instrument.

2. Section 1.1 is amended by

(a) replacing the definition of “NI 31-103” with the following:

“NI 31-103” means National Instrument 31-103 *Registration Requirements, Exemptions and Ongoing Registrant Obligations*;

(b) adding the following definition:

“reference fiscal year” of a participant in respect of a participation fee means,

(a) the participant’s last fiscal year ending before May 1, 2012, if

(i) the participant was a reporting issuer, registrant firm or unregistered capital markets participant at the end of the fiscal year, and

(ii) if the participant became a reporting issuer in that fiscal year under clause (b) of the definition of “reporting issuer” in subsection 1(1) of the Act, all or substantially all of its securities were listed or quoted on a marketplace at the end of that fiscal year, and

(b) in any other case, the previous fiscal year in respect of the participation fee;; **and**

(c) replacing the definition of “unregistered fund manager” with the following:

“unregistered investment fund manager” means a person or company that acts as an investment fund manager for one or more investment funds and is not registered as an investment fund manager in accordance with Ontario securities law, but does not include a person or company that does not have a place of business in Ontario if one or more of the following apply:

(a) none of those investment funds have security holders resident in Ontario;

(b) the person or company and those investment funds have not, at any time after September 27, 2012, actively solicited residents in Ontario to purchase securities of any of those investment funds.

3. Part 1 is further amended by adding the following:

1.3 **Liability for multiple participation fees** – For greater certainty, except as expressly provided in Part 3.1, the liability of a person or company for a payment under any of Parts 2 to 3.1 of this Rule does not affect the liability of that person or company under any other of those Parts.

4. Subsection 2.2(1) is replaced by the following:

(1) A reporting issuer must, after each of its fiscal years, pay the participation fee shown in Appendix A opposite the capitalization of the reporting issuer for its reference fiscal year, as its capitalization is determined under section 2.7, 2.8 or 2.10.

5. Subsection 2.2(2) is amended by replacing “\$960” with “\$1,070”.

6. **Subsection 2.2(2), as amended by section 5, is amended by replacing “\$1,070” with “\$1,195”.**

7. **Subsection 2.2(3) is replaced by the following:**

- (3) Despite subsection (1), a Class 3B reporting issuer must pay the participation fee shown in Appendix A.1 opposite the capitalization of the reporting issuer for its reference fiscal year, as its capitalization is determined under section 2.9.
- (3.1) Despite subsections (1) and (3), the participation fee of a reporting issuer must, if its capitalization for its reference fiscal period is affected by the application of subsection 2.7(2) or 2.9(2) and its reference fiscal period coincides with its previous fiscal year in respect of the participation fee, be calculated by multiplying
 - (a) the amount of that participation fee determined without reference to this subsection, by
 - (b) the number of entire months in the previous fiscal year remaining after it became a reporting issuer divided by the lesser of
 - (i) 12, and
 - (ii) the number of entire months in the previous fiscal year.

8. **(1) The portion of section 2.6 before paragraph 2.6(1)(a) is replaced by the following:**

2.6 Participation Fee Exemptions for Subsidiary Entities

- (1) Section 2.2 does not apply to a reporting issuer that is a subsidiary entity in respect of a participation fee determined with reference to the subsidiary entity’s capitalization for the subsidiary entity’s reference fiscal year if

(2) Paragraphs 2.6(1)(a) to (e) and subsection 2.6(2) are amended by replacing “previous fiscal year”, wherever it occurs, with “reference fiscal year”.

9. **Subsection 2.6.1(1) is amended by replacing “section 2.3,” with “section 2.3 and the issuer’s reference fiscal year coincides with its previous fiscal year”.**

10. **Section 2.7 is replaced by the following:**

2.7 Class 1 reporting issuers

- (1) The capitalization of a Class 1 reporting issuer for its reference fiscal year is the total of
 - (a) the average market value over the reference fiscal year of each class or series of the reporting issuer’s securities listed or quoted on a marketplace, calculated by multiplying
 - (i) the total number of securities of the class or series outstanding at the end of the reference fiscal year, by
 - (ii) except as provided by subsection (2), the simple average of the closing prices of the class or series on the last trading day of each month of the reference fiscal year in which the class or series were listed or quoted on the marketplace
 - (A) on which the highest volume in Canada of the class or series was traded in the reference fiscal year, or
 - (B) if the class or series was not traded in the reference fiscal year on a marketplace in Canada, on which the highest volume in the United States of America of the class or series was traded in the reference fiscal year, and
 - (b) the market value at the end of the reference fiscal year, as determined by the reporting issuer in good faith, of each class or series of securities of the reporting issuer not valued on the last trading day of any month under paragraph (a), if any securities of the class or series

- (i) were initially issued to a person or company resident in Canada, and
 - (ii) trade over the counter or, after their initial issuance, are otherwise generally available for purchase or sale by way of transactions carried out through, or with, dealers.
- (2) If a person or company becomes a reporting issuer under clause (b) of the definition of “reporting issuer” in subsection 1(1) of the Act in its reference fiscal year, the reference in subparagraph (1)(a)(ii) to “each month” does not include each month ending before securities of the person or company were listed or quoted on a marketplace.

11. Subsections 2.8(1) and (3) are amended by replacing “previous fiscal year”, wherever it occurs, with “reference fiscal year”.

12. Section 2.9 is replaced by the following:

2.9 Class 3B reporting issuers

- (1) The capitalization of a Class 3B reporting issuer for its reference fiscal year is the total of each value of each class or series of securities of the reporting issuer listed or quoted on a marketplace, calculated by multiplying
- (a) the number of securities of the class or series outstanding at the end of the reference fiscal year, by
 - (b) except as provided by subsection (2), the simple average of the closing prices of the class or series on the last trading day of each month of the reference fiscal year in which the class or series were quoted on the marketplace on which the highest volume of the class or series was traded in the reference fiscal year.
- (2) If a person or company becomes a reporting issuer under clause (b) of the definition of “reporting issuer” in subsection 1(1) of the Act in its reference fiscal year, the reference in paragraph (1)(b) to “each month” does not include each month ending before securities of the person or company were listed or quoted on a marketplace.

13. Subsections 3.1(1) and (2) are replaced by the following:

3.1 Participation Fee

- (1) On December 31 of each calendar year, registrant firms and unregistered exempt international firms must pay the participation fee shown in Appendix B opposite the firm’s specified Ontario revenues for its reference fiscal year, as those revenues are calculated under section 3.3, 3.4 or 3.5.
- (2) Not later than 90 days after the end of each of its fiscal years, if at any time in the fiscal year a person or company was an unregistered investment fund manager, the fund manager must pay the participation fee shown in Appendix B opposite the fund manager’s specified Ontario revenues for its reference fiscal year, as those revenues are calculated under section 3.4.

14. Sections 3.3 and 3.4 are amended by replacing “previous fiscal year”, wherever it occurs, with “reference fiscal year”.

15. The portion of subsection 3.5(1) before paragraph 3.5(1)(b) is replaced by the following:

3.5 Estimating Specified Ontario Revenues for Late Fiscal Year End

- (1) If the reference fiscal year of a registrant firm or unregistered exempt international firm in respect of a participation fee under subsection 3.1(1) coincides with the previous fiscal year in respect of the participation fee and the annual financial statements of the registrant firm or unregistered exempt international firm for the previous fiscal year have not been completed by December 1 in the calendar year in which the previous fiscal year ends, the firm must,
- (a) on or before December 1 in that calendar year, file a completed Form 13-502F4 showing a good faith estimate of the information required to calculate its specified Ontario revenues as at the end of the fiscal year, and

16. *The following Parts are added:*

PART 3.1 – PARTICIPATION FEES FOR SPECIFIED REGULATED ENTITIES

3.1.1 Payment of Participation Fee

- (1) Each specified market operator must pay annually the participation fee specified in Column C of Appendix B.1 for each specified period except that, if there is a group of specified market operators each of which is related to each other, the obligation under this Part and Appendix B.1 must be determined as if the group were a single entity in which case each specified market operator in the group is jointly and severally liable in respect of the obligation.
- (2) For the purposes of subsection (1) and Appendix B.1,
 - (a) “Canadian trading share” for a specified period is the average of:
 - (i) the share in the specified period of the total dollar values of trades of exchange-traded securities;
 - (ii) the share in the specified period of the total trading volume of exchange-traded securities; and
 - (iii) the share in the specified period of the total number of trades of exchange-traded securities;
 - (b) a “specified market operator” is a person or company that, on April 15 of the calendar year in which the payment under subsection (1) is required,
 - (i) is recognized under the Act as an exchange,
 - (ii) operates a market or facility recognized under the Act as an exchange or, pursuant to a recognition order under the Act, a market or facility similar to a market, or
 - (iii) has one or more subsidiaries that are recognized exchanges under the Act; and
 - (c) a “specified period” in respect of a payment required to be made under this section by April 30 of a calendar year, is the period beginning on April 1 of the previous calendar year and ending on March 31 of the calendar year.
- (3) Each person or company described in section B, C, E or F in Column B, of Appendix B.1 must pay annually the participation fee specified for the person or company in Column C of Appendix B.1.
- (4) Each clearing agency recognized under section 21.2 of the Act must pay annually the total fee determined by aggregating the fees in Column C for the services in rows D3 to D8 that are provided by it.
- (5) Each payment described in subsection (1), (3) or (4) must be made no later than April 30 of each calendar year and be accompanied by a completed Form 13-502F7.
- (6) With regard to persons or companies described in any of rows B1, C1, C2, C3, D1, E1 or F1 of Appendix B.1, subsections (3) and (4) do not apply for a calendar year unless the person or company is so described on April 15 of that calendar year and carries on business in Ontario at that time.
- (7) Subsection (8), (9) or (10) applies to a person or company for a calendar year only if all or substantially all of the gross revenues of the person or company in the calendar year attributable to capital markets activities derive from the operation of an alternative trading system.
- (8) Despite subsection (3) and Appendix B.1, if a person or company is described in row C1 of Appendix B.1 and the sum of \$17,000 and the amount paid by the person or company under Part 3 on December 31 of the preceding calendar year exceeds the amount that would be payable under subsection (1) on April 30 of the calendar year if the person or company were a specified market operator,

- (a) the excess shall first be applied to reduce the \$17,000 amount otherwise payable under this Part by the person or company for the calendar year, and
 - (b) any unapplied part of the excess shall be refunded to the person or company not later than June 1 of the calendar year.
- (9) Despite subsection (3) and Appendix B.1, if a person or company is described in row C2 of Appendix B.1 and the sum of \$8,750 and the amount paid by a person or company under Part 3 on December 31 of the preceding calendar year exceeds \$30,000
 - (a) the excess shall first be applied to reduce the \$8,750 amount otherwise payable under this Part by the person or company for the calendar year, and
 - (b) any unapplied part of the excess shall be refunded to the person or company not later than June 1 of the calendar year.
- (10) Despite subsection (3) and Appendix B.1, if a person or company is described in row C3 of Appendix B.1
 - (a) if the person or company operates an alternative trading system for exchange-traded securities, subsection (8) applies; and
 - (b) in any other case, subsection (9) applies as if the reference in that subsection to "\$8,750" were read as "\$17,000".

3.1.2 Late fee

- (1) A person or company that is late paying a participation fee under this Part must pay an additional fee of one-tenth of one percent of the unpaid portion of the participation fee for each business day on which any portion of the participation fee remains due and unpaid.
- (2) The amount determined under subsection (1) in respect of the late payment of a participation fee by a person or company is deemed to be nil if the amount otherwise determined under subsection (1) in respect of the late payment of the participation fee is less than \$10.

PART 3.2 – PARTICIPATION FEES FOR DESIGNATED RATING ORGANIZATIONS

3.2.1 Payment of Participation Fee

- (1) Each designated rating organization must pay a participation fee of \$15,000 after the completion of each financial year.
- (2) The payment must be made no later than the earlier of:
 - (a) the time at which the designated rating organization files a completed Form 25-101FI *Designated Rating Organization Application and Annual Filing* in respect of the financial year, and
 - (b) the time at which the designated rating organization is required by National Instrument 25-101 *Designated Rating Organizations* to file a completed Form 25-101F1 *Designated Rating Organization Application and Annual Filing* in respect of the financial year.
- (3) The payment must be accompanied by a completed Form 13-502F8.

3.2.2 Late fee

- (1) A designated rating organization that is late paying a participation fee under this Part must pay an additional fee of one-tenth of one percent of the unpaid portion of the participation fee for each business day on which any portion of the participation fee remains due and unpaid.
- (2) The amount determined under subsection (1) in respect of the late payment of a participation fee by a designated rating organization is deemed to be nil if the amount otherwise determined under subsection (1) in respect of the late payment of the participation fee is less than \$10.

17. *The portion of Part 4 before section 4.2 is replaced by the following:*

PART 4 – ACTIVITY FEES

4.1 Activity Fees – General – A person or company that files a document or takes an action listed in Appendix C must, concurrently with filing the document or taking the action, pay the activity fee shown in Appendix C opposite the description of the document or action.

4.1.1 Information Request – Section 4.1 does not apply with regard to requests to the Commission under section K of Appendix C but the Commission must only fulfill a request under that section upon full payment of the applicable fee.

18. *Subsection 4.3(1) is amended by replacing “item A” with “item A or A.1”.*

19. *Appendix A is replaced by the following:*

**APPENDIX A –
CORPORATE FINANCE PARTICIPATION FEES
(OTHER THAN CLASS 3A AND CLASS 3B ISSUERS)**

Capitalization for the Reference Fiscal Year	Participation Fee
under \$10 million	\$800
\$10 million to under \$25 million	\$960
\$25 million to under \$50 million	\$2,320
\$50 million to under \$100 million	\$5,725
\$100 million to under \$250 million	\$11,950
\$250 million to under \$500 million	\$26,300
\$500 million to under \$1 billion	\$36,675
\$1 billion to under \$5 billion	\$53,145
\$5 billion to under \$10 billion	\$68,450
\$10 billion to under \$25 billion	\$79,950
\$25 billion and over	\$89,990

20. *Appendix A, as enacted by section 19, is replaced by the following:*

**APPENDIX A –
CORPORATE FINANCE PARTICIPATION FEES
(OTHER THAN CLASS 3A AND CLASS 3B ISSUERS)**

Capitalization for the Reference Fiscal Year	Participation Fee
under \$10 million	\$890
\$10 million to under \$25 million	\$1,070
\$25 million to under \$50 million	\$2,590
\$50 million to under \$100 million	\$6,390
\$100 million to under \$250 million	\$13,340
\$250 million to under \$500 million	\$29,365
\$500 million to under \$1 billion	\$40,950
\$1 billion to under \$5 billion	\$59,350
\$5 billion to under \$10 billion	\$76,425
\$10 billion to under \$25 billion	\$89,270
\$25 billion and over	\$100,500

21. *Appendix A, as enacted by section 20, is replaced by the following:*

**APPENDIX A
CORPORATE FINANCE PARTICIPATION FEES
(OTHER THAN CLASS 3A AND CLASS 3B ISSUERS)**

Capitalization for the Reference Fiscal Year	Participation Fee
under \$10 million	\$995
\$10 million to under \$25 million	\$1,195
\$25 million to under \$50 million	\$2,890
\$50 million to under \$100 million	\$7,135
\$100 million to under \$250 million	\$14,900
\$250 million to under \$500 million	\$32,800
\$500 million to under \$1 billion	\$45,725
\$1 billion to under \$5 billion	\$66,275
\$5 billion to under \$10 billion	\$85,325
\$10 billion to under \$25 billion	\$99,675
\$25 billion and over	\$112,200

22. *The following appendix is added:*

**APPENDIX A.1
CORPORATE FINANCE PARTICIPATION FEES FOR CLASS 3B ISSUERS**

Capitalization for the Reference Fiscal Year	Participation Fee
under \$10 million	\$800
\$10 million to under \$25 million	\$960
\$25 million to under \$50 million	\$1,070
\$50 million to under \$100 million	\$1,910
\$100 million to under \$250 million	\$3,980
\$250 million to under \$500 million	\$8,760
\$500 million to under \$1 billion	\$12,225
\$1 billion to under \$5 billion	\$17,720
\$5 billion to under \$10 billion	\$22,800
\$10 billion to under \$25 billion	\$26,650
\$25 billion and over	\$30,000

23. *Appendix A.1, as enacted by section 22, is replaced by the following:*

**APPENDIX A.1
CORPORATE FINANCE PARTICIPATION FEES FOR CLASS 3B ISSUERS**

Capitalization for the Reference Fiscal Year	Participation Fee
under \$10 million	\$890
\$10 million to under \$25 million	\$1,070
\$25 million to under \$50 million	\$1,195
\$50 million to under \$100 million	\$2,135
\$100 million to under \$250 million	\$4,450
\$250 million to under \$500 million	\$9,780
\$500 million to under \$1 billion	\$13,650
\$1 billion to under \$5 billion	\$19,785
\$5 billion to under \$10 billion	\$25,460
\$10 billion to under \$25 billion	\$29,755
\$25 billion and over	\$33,495

24. *Appendix A.1, as enacted by 23, is replaced by the following:*

**APPENDIX A.1
CORPORATE FINANCE PARTICIPATION FEES FOR CLASS 3B ISSUERS**

Capitalization for the Reference Fiscal Year	Participation Fee
under \$10 million	\$995
\$10 million to under \$25 million	\$1,195
\$25 million to under \$50 million	\$1,335
\$50 million to under \$100 million	\$2,385
\$100 million to under \$250 million	\$4,970
\$250 million to under \$500 million	\$10,925
\$500 million to under \$1 billion	\$15,240
\$1 billion to under \$5 billion	\$22,090
\$5 billion to under \$10 billion	\$28,440
\$10 billion to under \$25 billion	\$33,225
\$25 billion and over	\$37,400

25. *Appendix B is replaced by the following;*

APPENDIX B – CAPITAL MARKETS PARTICIPATION FEES

Specified Ontario Revenues for the Reference Fiscal Year	Participation Fee
under \$250,000	\$800
\$250,000 to under \$500,000	\$1,035
\$500,000 to under \$1 million	\$3,390
\$1 million to under \$3 million	\$ 7,590
\$3 million to under \$5 million	\$ 17,100
\$5 million to under \$10 million	\$ 34,550
\$10 million to under \$25 million	\$ 70,570
\$25 million to under \$50 million	\$105,750
\$50 million to under \$100 million	\$ 211,500
\$100 million to under \$200 million	\$ 351,200
\$200 million to under \$500 million	\$ 711,850
\$500 million to under \$1 billion	\$ 919,300
\$1 billion to under \$2 billion	\$1,159,300
\$2 billion and over	\$1,945,500

26. *Appendix B, as enacted by section 25, is replaced by the following:*

APPENDIX B – CAPITAL MARKETS PARTICIPATION FEES

Specified Ontario Revenues for the Reference Fiscal Year	Participation Fee
under \$250,000	\$835
\$250,000 to under \$500,000	\$1,085
\$500,000 to under \$1 million	\$3,550
\$1 million to under \$3 million	\$7,950
\$3 million to under \$5 million	\$17,900
\$5 million to under \$10 million	\$36,175
\$10 million to under \$25 million	\$74,000
\$25 million to under \$50 million	\$110,750
\$50 million to under \$100 million	\$221,500
\$100 million to under \$200 million	\$367,700
\$200 million to under \$500 million	\$745,300
\$500 million to under \$1 billion	\$962,500
\$1 billion to under \$2 billion	\$1,213,800
\$2 billion and over	\$2,037,000

27. *Appendix B, as enacted by section 26, is replaced by the following:*

APPENDIX B – CAPITAL MARKETS PARTICIPATION FEES

Specified Ontario Revenues for the Reference Fiscal Year	Participation Fee
under \$250,000	\$875
\$250,000 to under \$500,000	\$1,135
\$500,000 to under \$1 million	\$3,715
\$1 million to under \$3 million	\$8,325
\$3 million to under \$5 million	\$18,745
\$5 million to under \$10 million	\$37,875
\$10 million to under \$25 million	\$77,475
\$25 million to under \$50 million	\$115,955
\$50 million to under \$100 million	\$232,000
\$100 million to under \$200 million	\$385,000
\$200 million to under \$500 million	\$780,000
\$500 million to under \$1 billion	\$1,008,000
\$1 billion to under \$2 billion	\$1,271,000
\$2 billion and over	\$2,133,000

28. The following appendix is added:

APPENDIX B.1
PARTICIPATION FEES FOR SPECIFIED REGULATED ENTITIES
Part 3.1 of the Rule

Row (Column A)	Specified Person or Company (Column B)	Participation Fee (Column C)
A. Specified Market Operators		
A1	Each specified market operator with a Canadian trading share for the specified period of up to 5%.	\$30,000
A2	Each specified market operator with a Canadian trading share for the specified period of 5% to up to 15%.	\$50,000
A3	Each specified market operator with a Canadian trading share for the specified period of 15% to up to 25%.	\$135,000
A4	Each specified market operator with a Canadian trading share for the specified period of 25% to up to 50%.	\$275,000
A5	Each specified market operator with a Canadian trading share for the specified period of 50% to up to 75%.	\$400,000
A6	Each specified market operator with a Canadian trading share for the specified period of 75% or more.	\$500,000
B. Exchanges Exempt from Recognition under the Act		
B1	Each exchange that is exempted by the Commission from the application of subsection 21(1) of the Act.	\$10,000
C. Alternative Trading Systems		
C1	Each alternative trading system only for exchange-traded securities.	\$17,000
C2	Each alternative trading system only for unlisted debt or securities lending.	\$8,750
C3	Each alternative trading system not described in Row C1 or C2.	\$17,000
D. Clearing Agencies Recognized under the Act		
D1	Each clearing agency recognized under section 21.2 of the Act --	
D2	Total determined by aggregating fees in respect of each of the following services, to the extent applicable, provided by a recognized clearing agency to Ontario participants in the market:	
D3	Matching services, being the provision of facilities for comparing data respecting the terms of settlement of a trade or transaction.	\$10,000
D4	Netting services, being the provision of facilities for the calculation of the mutual obligations of participants for the exchange of securities and/or money.	\$20,000
D5	Settlement services, being services that ensure that securities are transferred finally and irrevocably from one participant to another in exchange for a corresponding transfer of money and/or <i>vice versa</i> .	\$20,000
D6	Acting as a central clearing counterparty by providing novation services, if the Commission does not place reliance on another regulator for direct oversight.	\$150,000
D7	Acting as a central clearing counterparty by providing novation services, if the Commission places reliance on another regulator for direct oversight.	\$70,000
D8	Depository services, being the provision of centralized facilities as a depository for securities.	\$20,000

Row (Column A)	Specified Person or Company (Column B)	Participation Fee (Column C)
E1	E. Clearing Agencies Exempt from Recognition under the Act Each clearing agency that is exempted by the Commission from the application of subsection 21.2(1) of the Act.	\$10,000
F1	F. Trade Repositories Each trade repository designated under subsection 21.2.2(1) of the Act.	\$30,000

29. Appendix C is amended

(a) in items A(1), (3), (4) and (5) by replacing “\$3,250” with “\$3,750”, wherever it occurs;

(b) in item A(2) by

(i) replacing “engineering” with “technical”, and

(ii) replacing “\$2,000” with “\$2,500”;

(c) by deleting the following text in item 5:

for which the amount payable is determined with reference to the price, value or level of an underlying interest that is unrelated to the operations or securities of the issuer

(d) by adding the following item A(6):

6.	Filing of prospectus supplement in relation to a specified derivative (as defined in National Instrument 44-102 <i>Shelf Distributions</i>) for which the amount payable is determined with reference to the price, value or level of an underlying interest that is unrelated to the operations of securities of the issuer	\$500
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(e) by replacing item B(2) with the following:

2.	Filing of a Form 45-501F1 or Form 45-106F1 for a distribution of securities of an issuer	\$500
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(f) in item B(3) by replacing the first reference to “\$2,000” with “\$3,750”;

(g) by replacing item E(1) with the following:

1.	<p>Any application for relief, approval or recognition to which section H does not apply that is under an eligible securities section, being for the purpose of this item any provision of the Act, the Regulation or any Rule of the Commission not listed in item E(2), E(2.1), E(3), E(4) or E(4.1) below nor section E.1 or E.2</p> <p><i>Note: The following are included in the applications that are subject to a fee under this item:</i></p> <p>(i) recognition of a self-regulatory organization under section 21.1 of the Act or a quotation and trade reporting system under section 21.2.1 of the Act;</p> <p>(ii) approval of a compensation fund or contingency trust fund under section 110 of the Regulation;</p>	<p>\$4,500 for an application made under one eligible securities section and \$7,000 for an application made under two or more eligible securities sections (plus \$2,000 if none of the following is subject to, or is reasonably expected to become subject to, a participation fee under this Rule or OSC Rule 13-503 (<i>Commodity Futures Act</i>))</p> <p><i>Fees:</i></p> <p>(i) the applicant;</p> <p>(ii) an issuer of which the applicant is a wholly owned subsidiary;</p>
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<p>(iii) approval of the establishment of a council, committee or ancillary body under section 21.3 of the Act;</p> <p>(iv) deeming an issuer to be a reporting issuer under subsection 1(11) of the Act;</p> <p>(v) except as listed in item E(4.1) (b), applications by a person or company under subsection 144(1) of the Act; and</p> <p>(vi) except as provide in section E.1, exemption applications under section 147 of the Act.</p>	<p>(iii) the investment fund manager of the applicant),</p> <p>(plus an additional fee of \$100,000 in connection with each particular application by a person or company under subsection 144(1) of the Act in respect of an application described in section E.1 if the particular application</p> <p>(a) reflects a merger of an exchange or clearing agency,</p> <p>(b) reflects an acquisition of a major part of the assets of an exchange or clearing agency,</p> <p>(c) involves the introduction of a new business that would significantly change the risk profile of an exchange or clearing agency, or</p> <p>(d) reflects a major reorganization or restructuring of an exchange or clearing agency).</p>
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(h) by replacing item E(2) with the following:

<p>2. An application for relief from this Rule.</p>	<p>\$1,750</p>
<p>2.1 An application for relief from any of the following:</p> <p>(a) NI 31-102 <i>National Registration Database</i>;</p> <p>(b) NI 33-109 <i>Registration Information</i>;</p> <p>(c) section 3.11 [<i>Portfolio manager – advising representative</i>] of NI 31-103;</p> <p>(d) section 3.12 [<i>Portfolio manager – associate advising representative</i>] of NI 31-103;</p> <p>(e) section 3.13 [<i>Portfolio manager – chief compliance officer</i>] of NI 31-103;</p> <p>(f) section 3.14 [<i>Investment fund manager – chief compliance officer</i>] of NI 31-103;</p> <p>(g) section 9.1 [<i>IIROC membership for investment dealers</i>] of NI 31-103;</p> <p>(h) section 9.2 [<i>MFDA membership for mutual fund dealers</i>] of NI 31-103.</p>	<p>\$1,500</p>

(i) **by replacing item E(4) with the following:**

4.	Application under subclause 1(10)(a)(ii) of the Act	\$1,000
4.1	Application	Nil
	(a) under section 30 or subsection 38(3) of the Act or subsection 1(6) of the <i>Business Corporations Act</i> ;	
	(b) under section 144 of the Act for an order to partially revoke a cease-trade order to permit trades solely for the purpose of establishing a tax loss, as contemplated under section 3.2 of National Policy 12-202 <i>Revocation of a Compliance-related Cease Trade Order</i> ; and	
	(c) other than a pre-filing, where the discretionary relief or regulatory approval is evidenced by the issuance of a receipt for the applicants' final prospectus (such as certain applications under NI 41-101 or NI 81-101).	

(j) **by adding the following:**

E.1	Market Regulation Recognitions and Exemptions	
	(a) Application for recognition of an exchange under section 21 of the Act;	\$100,000
	(b) Application for exemption from the recognition of an exchange under section 21 of the Act;	\$75,000
	(c) Application by clearing agencies for recognition under section 21.2 of the Act;	\$100,000
	(d) Application for exemption from the recognition of a clearing agency under section 21.2 of the Act;	\$75,000
		<p>(plus an additional fee of \$100,000 in connection with each such application that</p> <p>(a) reflects a merger of an exchange or clearing agency,</p> <p>(b) reflects an acquisition of a major part of the assets of an exchange or clearing agency,</p> <p>(c) involves the introduction of a new business that would significantly change the risk profile of an exchange or clearing agency, or</p> <p>(d) reflects a major reorganization or restructuring of an exchange or clearing agency).</p>
E.2	Alternative Trading Systems	
	Review of the initial Form 21-101F2 of a new alternative trading system	\$50,000

- (k) in item G(1), by replacing "\$4,000" with "\$4,500";
- (l) in item H(1), by replacing "\$600" with "\$1,200";
- (m) in item H(2), by replacing "\$600" with "\$700";
- (n) in item H(5), by replacing "\$2,000" with "\$1,000";
- (o) in section I, by replacing "\$3,000" with "\$3,500";
- (p) by replacing section K with the following:

K.	Requests to the Commission	
1.	Request for a copy (in any format) of Commission public records	\$0.50 per image
2.	Request for a search of Commission public records	\$7.50 for each 15 minutes search time spent by any person
3.	Request for one's own individual registration form.	\$30

30. **Appendix D is amended by**

- (a) **deleting** "(c) Form 45-501F1 or Form 45-106F1 filed by a reporting issuer;";
- (b) **adding the following after paragraph (i) of section A:**
 - (j) Form 13-502F7;
 - (k) Form 13-502F8.; **and**
- (c) **adding the following:**

A.1	Fee for late filing Forms 45-501F1 and 45-106F1	\$100 per business day (subject to a maximum aggregate fee of \$5,000 per fiscal year, for an issuer, for all Forms 45-501F1 and 45-106F1, required to be filed within a fiscal year of the issuer).
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31. **Form 13-502F1 is replaced by the following:**

**FORM 13-502F1
CLASS 1 REPORTING ISSUERS – PARTICIPATION FEE**

Reporting Issuer Name: _____

End date of last completed fiscal year: _____

End date of reference fiscal year: _____

(A reporting issuer's reference fiscal year is the reporting issuer's last fiscal year ending before May 1, 2012, provided that it was a reporting issuer at the end of that fiscal year and, if it became a reporting issuer in that year as a consequence of a prospectus receipt, all or substantially all of its securities were listed or quoted on a marketplace at the end of that fiscal year. In any other case, it is the reporting issuer's last completed fiscal year.)

Market value of listed or quoted securities:

Total number of securities of a class or series outstanding as at the end of the issuer's reference fiscal year (i)

Simple average of the closing price of that class or series as of the last trading day of each month in the reference fiscal year, computed with reference to clauses 2.7(1)(a)(ii)(A) and (B) and subsection 2.7(2) of the Rule (ii)

Market value of class or series (i) X (ii) = _____ (A)

(Repeat the above calculation for each other class or series of securities of the reporting issuer that was listed or quoted on a marketplace in Canada or the United States of America at the end of the reference fiscal year) _____ (B)

Market value of other securities not valued at the end of any trading day in a month:(See paragraph 2.7(1)(b) of the Rule)

(Provide details of how value was determined) _____ (C)

(Repeat for each other class or series of securities to which paragraph 2.7(1)(b) of the Rule applies) _____ (D)

Capitalization for the reference fiscal year

(Add market value of all classes and series of securities)
(A) + (B) + (C) + (D) =

Participation Fee (determined without reference to subsections 2.2(3.1) of the Rule)

(From Appendix A of the Rule, select the participation fee beside the capitalization calculated above) _____ (iii)

Did the issuer become a reporting issuer in the previous fiscal year as a result of a prospectus receipt? If **no**, participation fee equals (iii) amount above. _____ (iii)

If yes, prorate (iii) amount as calculated in subsection 2.2(3.1) of the Rule to determine participation fee. _____ (iv)

Late Fee, if applicable

(As determined under section 2.5 of the Rule)

32. **Form 13-502F2 is replaced by the following:**

**FORM 13-502F2
CLASS 2 REPORTING ISSUERS – PARTICIPATION FEE**

Reporting Issuer Name: _____

End date of last completed fiscal year: _____

End date of reference fiscal year: _____

(A reporting issuer's reference fiscal year is the reporting issuer's last fiscal year ending before May 1, 2012, provided that it was a reporting issuer at the end of that fiscal year and, if it became a reporting issuer in that year as a consequence of a prospectus receipt, all or substantially all of its securities were listed or quoted on a marketplace at the end of that fiscal year. In any other case, it is the reporting issuer's last completed fiscal year.)

Financial Statement Values:

(Use stated values from the audited financial statements of the reporting issuer as of the end of its reference fiscal year)

- | | |
|---|-----|
| Retained earnings or deficit | (A) |
| Contributed surplus | (B) |
| Share capital or owners' equity, options, warrants and preferred shares (whether such shares are classified as debt or equity for financial reporting purposes) | (C) |
| Non-current borrowings (including the current portion) | (D) |
| Finance leases (including the current portion) | (E) |
| Non-controlling interest | (F) |
| Items classified on the statement of financial position as non-current liabilities (and not otherwise listed above) | (G) |
| Any other item forming part of equity and not set out specifically above | (H) |

Capitalization for the reference fiscal year

(Add items (A) through (H))

Participation Fee

(From Appendix A of the Rule, select the participation fee beside the capitalization calculated above) _____

Late Fee, if applicable

(As determined under section 2.5 of the Rule) _____

33. **Form 13-502F3A is amended by replacing "\$960" with "\$1,070".**

34. **Form 13-502F3A, as amended by section 26, is amended by replacing "\$1,070" with "\$1,195".**

35. *Form 13-502F3B is replaced by the following:*

**FORM 13-502F3B
CLASS 3B REPORTING ISSUERS – PARTICIPATION FEE**

Reporting Issuer Name: _____

End date of last completed fiscal year: _____

End date of reference fiscal year: _____

(A reporting issuer's reference fiscal year is the reporting issuer's last fiscal year ending before May 1, 2012, provided that it was a reporting issuer at the end of that fiscal year and, if it became a reporting issuer in that year as a consequence of a prospectus receipt, all or substantially all of its securities were listed or quoted on a marketplace at the end of that fiscal year. In any other case, it is the reporting issuer's last completed fiscal year.)

Market value of securities:

Total number of securities of a class or series outstanding as at the end of the issuer's reference fiscal year _____ (i)

Simple average of the closing price of that class or series as of the last trading day of each month of the reference fiscal year, computed with reference to paragraph 2.9(1)(b) and subsection 2.9(2) of the Rule _____ (ii)

Market value of class or series (i) x (ii) = _____ (A)

(Repeat the above calculation for each other listed or quoted class or series of securities of the reporting issuer) _____ (B)

Capitalization for the reference fiscal year

(Add market value of all classes and series of securities) (A) + (B) = _____

Participation Fee Otherwise Determined

(From Appendix A.1 of the Rule, select the participation fee beside the capitalization calculated above) _____ (C)

Participation Fee Payable

Did the issuer become a reporting issuer in the previous fiscal year as a result of a prospectus receipt?

If **no**, participation fee equals (C) amount above. _____ (C)

If **yes**, prorate (C) amount as calculated in subsection 2.2(3.1) of the Rule. _____ (D)

Late Fee, if applicable

(As determined under section 2.5 of the Rule) _____

36. Form 13-502F3C is replaced by the following:

**FORM 13-502F3C
CLASS 3C REPORTING ISSUERS – PARTICIPATION FEE**

Reporting Issuer Name: _____

End date of last completed fiscal year: _____

End date of reference fiscal year: _____

(A reporting issuer's reference fiscal year is the reporting issuer's last fiscal year ending before May 1, 2012, provided that it was a reporting issuer at the end of that fiscal year and, if it became a reporting issuer in that year as a consequence of a prospectus receipt, all or substantially all of its securities were listed or quoted on a marketplace at the end of that fiscal year. In any other case, it is the reporting issuer's last completed fiscal year.)

Section 2.10 of the Rule requires Class 3C reporting issuers to calculate their market capitalization in accordance with section 2.7 of the Rule.

Market value of listed or quoted securities:

Total number of securities of a class or series outstanding as at the end of the issuer's reference fiscal year _____(i)

Simple average of the closing price of that class or series as of the last trading day of each month of the reference fiscal year, computed with reference to clauses 2.7(1)(a)(ii)(A) and (B) and subsection 2.7(2) of the Rule _____(ii)

Market value of the class or series (i) x (ii) = _____ (A)

(Repeat the above calculation for each other class or series of securities of the reporting issuer that was listed or quoted on a marketplace in Canada or the United States of America at the end of the reference fiscal year) _____(B)

Market value of other securities not valued at the end of any trading day in a month: _____(C)

(See paragraph 2.7(1)(b) of the Rule)

(Provide details of how value was determined)

(Repeat for each other class or series of securities to which paragraph 2.7(1)(b) of the Rule applies) _____(D)

Capitalization for the reference fiscal year

(Add market value of all classes and series of securities) (A) + (B) + (C) + (D) = _____(E)

Participation Fee (determined without reference to subsections 2.2(3.1) of the Rule)

(From Appendix A of the Rule, select the participation fee beside the capitalization calculated above) _____

Did the issuer become a reporting issuer in the previous fiscal year as a result of a prospectus receipt? If **no**, participation fee equals (E) amount above. _____(E)

If yes, prorate (E) amount as calculated in subsection 2.2(3.1) of the Rule to determine participation fee. _____(F)

Late Fee, if applicable

(As determined under section 2.5 of the Rule)

37. Form 13-502F4 is amended

(a) by replacing General Instructions 1 and 2 with the following:

1. This form must be completed and returned to the Ontario Securities Commission by December 1 each year, as per section 3.2 of OSC Rule 13-502 Fees (the Rule), except in the case where firms register after December 1 in a calendar year or provide notification after December 1 in a calendar year of their status as exempt international firms. In these exceptional cases, this form must be filed as soon as practicable after December 1.
2. This form is to be completed by firms registered under the *Securities Act* or by firms that are registered under both the *Securities Act* and the *Commodity Futures Act*. This form is also completed by exempt international firms relying on section 8.18 [international dealer] and 8.26 [international adviser] of NI 31-103, as well as by firms that are unregistered investment fund managers (as defined in the Rule).

(b) in General Instruction 4, by replacing “Form” with “form”;

(c) by replacing General Instruction 8 with the following:

8. Participation fee revenue will be based on the portion of total revenue that can be attributed to Ontario for the firm’s reference fiscal year. A firm’s reference fiscal year is generally its last fiscal year ending before May 1, 2012. For further detail, see the definition of “reference fiscal year” in section 1.1 of the Rule.

(d) by deleting General Instruction 12;

(e) by replacing “3. Membership Status” with “3. Membership Status (one selection)”;

(f) in section 4 entitled “4. Financial Information” by

- (i) adding “(one selection)” at the end of the second line following that title,**
- (ii) replacing “last completed” with “reference”, and**
- (iii) deleting “Note: The fiscal year identified above is referred to below as the relevant fiscal year.”;**

(g) in section 5, replacing “Relevant fiscal year” with “Reference fiscal year”;; and

(h) after section 4, replacing “relevant fiscal year” with “reference fiscal year”, wherever it occurs.

38. Form 13-506F5 is amended by replacing “that this Form” with “that this form”.

39. Form 13-502F6 is replaced by the following:

**FORM 13-502F6
SUBSIDIARY ENTITY EXEMPTION NOTICE**

Name of Subsidiary Entity: _____

Name of Parent: _____

End Date of Subsidiary Entity’s Reference Fiscal Year: _____

End Date of Subsidiary Entity’s Reference Fiscal Year: _____

(A subsidiary entity’s reference fiscal year is generally its last fiscal year ending before May 1, 2012, provided that it was a reporting issuer at the end of that fiscal year. In any other case, it is the subsidiary entity’s last completed fiscal year.)

Indicate below which exemption the subsidiary entity intends to rely on by checking the appropriate box:

1. Subsection 2.6(1)

The reporting issuer (subsidiary entity) meets the following criteria set out under subsection 2.6(1) of the Rule:

Rules and Policies

- a) at the end of the subsidiary entity's reference fiscal year, the parent of the subsidiary entity was a reporting issuer;
- b) the accounting standards pursuant to which the parent's financial statements are prepared under Ontario securities law require the consolidation of the parent and the subsidiary entity;
- c) the parent has paid a participation fee required with reference to the parent's market capitalization for the parent's reference fiscal year;
- d) the market capitalization of the subsidiary entity for the reference fiscal year was included in the market capitalization of the parent for the reference fiscal year; and
- e) the net assets and total revenues of the subsidiary entity for its reference fiscal year represented more than 90 percent of the consolidated net assets and total revenues of the parent for the parent's reference fiscal year.

	Net Assets for reference fiscal year	Total Revenues for reference fiscal year	
Reporting Issuer (Subsidiary Entity)	_____	_____	(A)
Reporting Issuer (Parent)	_____	_____	(B)
Percentage (A/B)	_____ %	_____ %	

2. Subsection 2.6(2)

The reporting issuer (subsidiary entity) meets the following criteria set out under subsection 2.6(2) of the Rule:

- a) at the end of the subsidiary entity's reference fiscal year, the parent of the subsidiary entity was a reporting issuer;
- b) the accounting standards pursuant to which the parent's financial statements are prepared under Ontario securities law require the consolidation of the parent and the subsidiary entity;
- c) the parent has paid a participation fee required with reference to the parent's market capitalization for the parent's reference fiscal year;
- d) the market capitalization of the subsidiary entity for the reference fiscal year was included in the market capitalization of the parent for the reference fiscal year; and
- e) throughout the previous fiscal year of the subsidiary entity, the subsidiary entity was entitled to rely on an exemption, waiver or approval from the requirements in subsections 4.1(1), 4.3(1) and 5.1(1) and sections 5.2 and 6.1 of NI 51-102 *Continuous Disclosure Obligations*.

40. The following forms are added:

**FORM 13-502F7
SPECIFIED REGULATED ENTITIES – PARTICIPATION FEE**

Name of Specified Regulated Entity: _____

Applicable calendar year: _____ (2013 or later)

**Type of Specified Regulated Entity:
(check one)**

- (1) Specified market operator, including recognized exchange
- (2) Alternative trading system
- (3) Recognized clearing agency

(4) Exempt exchange, Exempt clearing agency or Trade Repository

(1) Participation Fee for applicable calendar year -- Specified market operator, including recognized exchange

Filer should enter their Canadian trading share for the period beginning on April 1 of the previous calendar year and ending on March 31 of the calendar year below:

Canadian Trading Share Description	% (To be Entered by Filer)
Line 1: the share in the specified period of the total dollar values of trades of exchange-traded securities;	
Line 2: the share in the specified period of the total trading volume of exchange-traded securities;	
Line 3: the share in the specified period of the total number of trades of exchange-traded securities;	
Line 4: Average of Lines 1,2 & 3 above	

Line 5: Filer is required to Pay the Amount from the corresponding column in the table below based on the average calculated on Line 4 above:	\$
--	----

Canadian trading share for the specified period of up to 5%	\$30,000
Canadian trading share for the specified period of 5% to up to 15%	\$50,000
Canadian trading share for the specified period of 15% to up to 25%	\$135,000
Canadian trading share for the specified period of 25% to up to 50%	\$275,000
Canadian trading share for the specified period of 50% to up to 75%.	\$400,000
Canadian trading share for the specified period of 75% or more	\$500,000

(2) Participation Fee for applicable calendar year -- Alternative trading system

Note: If all or substantially all of your gross revenues attributable to capital markets activities derive from the operation of an alternative trading system, enter the amounts described in Lines 6, 8, 9, 10 and 11, respectively. Otherwise, enter "\$0" on each of the applicable lines.

Line 6: Amount Paid Based on Form 13-502F4 on December 31 of the preceding calendar year:	\$
Line 7: If operating an alternative trading system only for unlisted debt or securities lending enter \$8,750 on this line, otherwise enter \$17,000.	\$
Line 8: Sum Line 6 and Line 7	\$

Rules and Policies

Line 9: If operating an alternative trading system for exchange-traded securities, calculate Participation Fee based on Section (1) Specified Market Operator of this form. Enter amount from Line 5 on this line.	\$
Line 10: If operating an alternative trading system for other than for exchange-traded securities enter \$30,000 on this line.	\$
Line 11: Subtract Line 9 or Line 10 from Line 8.	\$
Line 12: Subtract Line 11 from the Amount Entered on Line 7. If positive, this is your Part 3.1 fee payable for the year . If zero or negative, there is no Part 3.1 fee payable and there is a refund due to you of the amount determined.	\$

(3) Participation Fee for applicable calendar year -- Recognized clearing agency

For services offered in Ontario Market the filer should enter the corresponding amount in the Fees Payable Column:

Services:	Fee Payable
Line 13: Matching services, being the provision of facilities for comparing data respecting the terms of settlement of a trade or transaction. Enter \$10,000	\$
Line 14: Netting services, being the provision of facilities for the calculation of the mutual obligations of participants for the exchange of securities and/or money. Enter \$20,000	\$
Line 15: Settlement services, being services that ensure that securities are transferred finally and irrevocably from one participant to another in exchange for a corresponding transfer of money and/or <i>vice versa</i> . Enter \$20,000.	\$
Line 16: Acting as a central clearing counterparty by providing novation services, if the Commission does not place reliance on another regulator for direct oversight. Enter \$150,000	\$
Line 17: Acting as a central clearing counterparty by providing novation services, if the Commission places reliance on another regulator for direct oversight. Enter \$70,000.	\$
Line 18: Depository services, being the provision of centralized facilities as a depository for securities. Enter \$20,000.	\$
Line 19: Total Fee Payable (Sum of Lines 13-18):	\$

(4) Participation Fee for applicable calendar year for other types of specified regulated entities:

Line 20: Filer is required to Pay the Amount from the corresponding column in the table below.	\$
Exempt Exchange	\$10,000
Exempt clearing agency	\$10,000
Trade Repository	\$30,000

Late Fee

Line 21: Unpaid portion of Participation Fee from Sections (1),(2),(3),(4)	
Line 22: Number of Business Days Late	
Line 23: Fee Payable is as follows: Amount from Line 21*[Amount from Line 22*0.1%]	

**FORM 13-502F8
DESIGNATED RATING ORGANIZATIONS – PARTICIPATION FEE**

Name of Designated Rating Organization: _____

Fiscal year end date: _____

Participation Fee in respect of the fiscal year \$15,000

(From subsection 3.2.1(1) of the Rule)

Late Fee, if applicable

(From section 3.2.2 of the Rule)

- 41. (1) *Except as provided by subsections (2) and (3), this Instrument comes into force on April 1, 2013.*
- (2) *Sections 5, 20, 23, 26 and 33 come into force on April 7, 2014.*
- (3) *Sections 6, 21, 24, 27 and 34 come into force on April 6, 2015.*