



## COMPLIANCE INFORMATION NEWSLETTER Issue 10 April 2005

This edition of the Compliance Information Newsletter reviews:

- NI 51-102 Continuous Disclosure Obligations – Auditor review disclosure and Filing of Material Documents
- 52-110 Audit Committee – Whistleblowing requirements and Audit Committee Charter
- Financial Statements Deadlines and Filing Fees for 2005

### NI 51-102 Continuous Disclosure Obligations

#### *Auditor Review of Interim Financial Statements.*

NI 51-102 4.3(3) states that a reporting issuer is to disclose if an auditor has not performed a review of the interim financial statements. The following is an excerpt from the 51-102 FAQ's, "NI 51-102 does not specify the form of notice that should accompany the financial statements. The notice accompanies, but does not form part of, the financial statements."

The notice is to be provided on a separate page appearing immediately before the financial statements, in a manner similar to an audit report that accompanies annual financial statements."

#### *Filing material documents and documents affecting the rights of shareholders*

Any constating documents, including articles of incorporation, voting trust agreements, shareholder rights protection plans, that are dated before March 30, 2004 have to be filed on SEDAR under the new filing requirements, as long as they are still effective. The documents must be filed no later than when you first file an AIF under NI 51-102, if you are not a venture issuer. **If you are a venture issuer, you must file the document within 120 days of the end of your first financial year beginning on or after January 1, 2004.** However, if the making of the document constitutes a material change for the issuer, the document must be filed no later than the time of filing a material change report.

Only the current versions of documents have to be filed - that is, the documents, as amended, not the original forms that are no longer applicable. Material contracts are considered to be public documents.

### MI 52-110 Audit Committees

#### *Whistleblowing*

Part 2 – Audit Committee Responsibilities; section 2.3 (7) of this instrument requires issuers to have a procedure in place which allows their employees to confidentially and anonymously report any questionable accounting or audit procedures. The requirement is effective immediately for any issuers who held their annual shareholder meeting after July 1, 2004.



*Audit Committee Charter*

Venture Issuers are required to include the information found in Form 52-110F2 – Disclosure by Venture Issuers in their management proxy information circular. Item1 of this form states that issuers must disclose the audit committee’s charter. TSX Issuers are also required to disclose this information as noted in Form 52-110F1- Audit Committee Information Required in an AIF. There are varying forms of such charters. Sample charters can be found through many sources and should cover the basic topics (with expansion on each) such as the purpose, organization, meetings, responsibilities and duties and resources of the audit committee.

**FILING DEADLINES**

Please find attached a new style of chart for your filing deadlines, courtesy of the BC Securities Commission. We believe this layout is much easier to ready.

**AUDITED FINANCIAL STATEMENT FILING FEES**

There are 3 sets of fees payable with the filing of your audited, annual financial statements

- Securities Commission fee
- SEDAR continuous disclosure fee
- SEDI annual fee

**Please note that if Global is your SEDAR filing agent, your cheque for the above fees must reach our office on or before the date you submit your annual financial statements.**

The Securities Commission fees for filing audited financial statements for 2005 are

Province or Territory	Fee**	Province or Territory	Fee**
Alberta	250	Ontario	***
British Columbia	600	PEI	nil
Manitoba	100	Quebec	850
New Brunswick	250	Saskatchewan	100
Newfoundland	250	NWT / Nunavut	Nil
Nova Scotia	250	Yukon	Nil

\*\* fees may be different if you are a POP issuer

\*\*\*fees to be calculated according to OSC Rule 13-502

**SEDAR/SEDI CONTINUOUS DISCLOSURE FEE IS:**

	SEDAR Fee	SEDI Fee	GST	Total
Multi-Jurisdictional non-POP	495.00	1,100	111.65	1,706.65
Single-Jurisdictional non-POP	205.00	500.00	49.35	754.35

Note: For POP Issuers the fee will be \$3576.15 inc. GST plus fee payment will be split with AIF filing