

**APPENDIX A
TO NOTICE AND REQUEST FOR COMMENTS**

**SUMMARY OF PROPOSED CHANGES TO THE PREVIOUSLY PROPOSED
MODIFICATION OF THE INSTRUMENT AND PREVIOUSLY PROPOSED
MODIFICATION OF FORMS**

<p>This summary sets out the changes made in the Proposed Instrument and Proposed Forms when compared to the Previously Proposed Modification of Instrument and Previously Proposed Modification of Forms. We have identified and discussed below only those sections to which we have made significant changes.</p>
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Proposed Instrument and Proposed Forms

Part 1 – Definitions and application

- We are proposing to include a new definition of “reportable deficiency”. As a result we have removed the terms “material weakness” and “significant deficiency”.

Part 2 – DC&P and ICFR

- We are proposing to include an ICFR design accommodation available to venture issuers who cannot reasonably remediate a reporting deficiency in their design of ICFR. If a venture issuer determines that it needs to rely on the ICFR design accommodation it must include certain disclosure in its MD&A. A summary of the required disclosure is included below in the summary of changes to the annual certificates. We did not contemplate a similar accommodation in the Previously Proposed Modification of the Instrument.
- We are proposing to allow issuers to limit the scope of their design of DC&P and ICFR to exclude controls, policies or procedures carried out by (i) a proportionately consolidated entity in which the issuer has an interest; (ii) a variable interest entity in which the issuer has an interest; or (iii) a business that the issuer acquired not more than 90 days before the end of the period to which the certificate relates. If the scope of the issuer’s design is limited for any of these circumstances the issuer must disclose in its MD&A the scope limitation and summary financial information of the proportionately consolidated entity, variable interest entity, or acquired business that has been proportionately consolidated or consolidated in the issuer’s financial statements. We did not contemplate a similar scope limitation in the Previously Proposed Modification of the Instrument.

Part 3 – Certification of annual filings

- We are proposing that all reporting issuers file the same form of full annual certificate (Form 52-109F1). As a result, venture issuers will need to certify to the evaluation of the effectiveness of ICFR, a requirement from which they were exempt under the Previously Proposed Modification of the Instrument.
- We are no longer proposing a transition period for the requirement to evaluate ICFR based on aggregate market value of an issuer’s listed equity securities. Instead, all issuers will be

required to comply with the full certificate requirements for the first financial year end following the effective date.

- We are proposing that certifying officers be permitted to file an annual certificate in Form 52-109F1 – IPO/RTO if the issuer’s annual period (i) following its IPO ends on or before the 90th day after it becomes a reporting issuer, or (ii) in certain circumstances, ends on or before the 90th day after completion of a reverse takeover involving the issuer. We did not contemplate a similar certificate in the Previously Proposed Modification of the Instrument.

Part 4 – Certification of Interim Filings

- We are proposing that certifying officers be permitted to file an interim certificate in Form 52-109F2 – IPO/RTO if the issuer’s interim period (i) following its IPO ends on or before the 90th day after it becomes a reporting issuer, or (ii) in certain circumstances, ends on or before the 90th day after completion of a reverse takeover involving the issuer. We did not contemplate a similar certificate in the Previously Proposed Modification of the Instrument.

Annual Certificates

- We are proposing to expand Form 52-109F1 to include the following additional certifications:
 - The certifying officers have evaluated, or caused to be evaluated under their supervision, the effectiveness of the issuer’s ICFR as of the financial year end and the issuer has disclosed in its annual MD&A:
 - the certifying officers conclusions about the effectiveness of ICFR at the financial year end based on such evaluation;
 - a description of the process they used to evaluate the effectiveness of ICFR;
 - a description of any reportable deficiency relating to operation of ICFR existing at the financial year end; and
 - the issuer’s plans, if any, to remediate any such reportable deficiency relating to operation of ICFR.
 - The issuer has disclosed in its annual MD&A a statement identifying the control framework the certifying officers used to design the issuer’s ICFR or a statement that they did not use a framework, as applicable.
 - If applicable, the issuer has disclosed the following in its annual MD&A, for any reportable deficiency relating to design of ICFR that existed at the financial year end:
 - a description of the reportable deficiency;
 - a description of the remediation plan to address the reportable deficiency; and
 - the completion date or expected completion date of the remediation plan.

- If applicable, the issuer has disclosed in its annual MD&A the following relating to the ICFR design accommodation:
 - the reportable deficiency;
 - why the issuer cannot reasonably remediate the reporting deficiency;
 - the risks the issuer faces relating to the reportable deficiency; and
 - whether the issuer has mitigated those risks and if so, how.
- If applicable, the issuer has disclosed in its annual MD&A any limitation in the scope of the certifying officer's design of DC&P and ICFR for a proportionately consolidated investment, variable interest entity or acquired business, which is described above under Part 2. The issuer would also disclose summary financial information of the proportionately consolidated entity, variable interest entity or acquired business that has been proportionately consolidated or consolidated in the issuer's financial statements.
- We are removing the previously proposed requirement that the certifying officers certify that they have disclosed to the issuer's auditors, board of directors and audit committee of the board of directors all significant deficiencies and material weaknesses in the design or operation of ICFR which are reasonably likely to adversely affect the issuer's ability to record, process, summarize and report financial information.
- Form 52-109FVT1 *Certification of annual filings for issuers not required to comply with Multilateral Instrument 52-111* is no longer required as all issuers will be required to file the same form of annual certificate.

Interim Certificates

- We have expanded the full interim certificate to include representations relating to the design of DC&P and ICFR that are also included in the full annual certificate, as described above.