



**AUTORITÉ
DES MARCHÉS
FINANCIERS**

*Énergie et Ressources
naturelles*

Québec 

GUIDELINES FOR THE APPLICATION OF THE ACT RESPECTING TRANSPARENCY MEASURES IN THE MINING, OIL AND GAS INDUSTRIES

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Introduction

The *Act respecting transparency measures in the mining, oil and gas industries* (CQLR, c. M- 11.5) (hereinafter referred to as the “Act”) requires mining, oil and gas industry companies to declare the monetary payments and payments in kind made by them to different levels of government in connection with their mineral substance or hydrocarbon exploration and development activities. These transparency measures seek to discourage and detect corruption and to foster the social acceptability of such projects.

The entities subject to the Act must provide the *Autorité des marchés financiers* (hereinafter referred to as the “AMF”) with an annual statement in which they disclose the different categories of payments made to the same payee during the fiscal year, if the total of the payments is \$100,000 or more per category.

The *Regulation respecting the Application of the Act respecting transparency measures in the mining, oil and gas industries* (CQLR, c. M 11.5, r. 1) (hereinafter referred to as the “Regulation”) provides the form that the annual statement must take, along with instructions for filing. It also provides the method of converting payments made in another currency, the list of jurisdictions whose requirements are recognized as acceptable substitutions, and the conditions in which a substitution may be made.

These Guidelines are intended to help companies with their annual statements. They have been drawn up by the *Ministère de l’Énergie et des Ressources naturelles* (hereinafter referred to as the “MERN”), which is responsible for the application of the Act, and by the AMF, which oversees its administration.

It should be noted that these Guidelines do not constitute a statutory instrument. They are a support tool setting out the government’s expectations of the entities subject to the Act. They should be read in conjunction with the Act and the Regulation.

The Act also provides for monetary administrative penalties and contains some penal provisions. For further information on these elements, please refer to the general framework for monetary administrative penalties and penal proceedings, which will be available on the AMF’s website at www.lautorite.qc.ca.

These Guidelines cover:

1. the entities subject to the Act;
2. the payments that must be declared;
3. the obligations concerning the statement.

1. The entities subject to the Act

The Act applies to every legal person, corporation, trust or other organization that meets one of the following three criteria:

- it engages in exploration for or development of mineral substances or hydrocarbons;
- it holds a permit, right, licence, lease or other authorization for either of those activities;
- it controls a legal person, corporation, trust or organization that meets either of the aforementioned two criteria.

It must also meet one of the following requirements:

- it is listed on a stock exchange in Canada and its head office is located in Québec;
- it has an establishment in Québec, exercises activities there or has assets in Québec and, based on its consolidated financial statements, meets at least two of the following conditions for at least one of its two most recent fiscal years:
 - it has at least \$20 million in assets;
 - it generates at least \$40 million in revenue;
 - it employs, on average, at least 250 workers.

The enterprise forms mentioned in the Act should be interpreted in their broader sense, to encompass similar organizations constituted both in Québec and abroad. For example, general partnerships, business corporations, jointly-owned companies, limited partnerships and income trusts operating commercial enterprises are all subject to the Act.

Enterprises controlled by the State and organizations belonging to or controlled by foreign governments are also subject to the Act. However, natural persons and sole proprietorships are not.

1.1 Criteria for application of the Act

1.1.1 Exploration for or development of mineral substances or hydrocarbons

The activities covered by the Act include prospecting, exploration or extraction of metals and non-metallic ore, hydrocarbons (oil and gas), brine, and surface mineral substances such as peat, sand, gravel, limestone, calcite, dolomite, clay and all types of rocks used as dimension stone, crushed stone or silica ore, or in the making of cement, in Québec or abroad.

They do not include processing operations such as oil refining, metal smelting and alloy production, transportation and export. Ore processing activities are covered when they take place at the mine.

A company that operates in several different sectors including mineral substances or hydrocarbon exploration or development is covered by the Act. This category may also include forestry companies, construction companies and municipalities that carry out incidental extraction activities for their own needs or with a view to selling the substances they extract.

1.1.2 Holding of an authorization for either of these activities

Companies that hold a permit, right, licence, lease or other authorization for mineral substances or hydrocarbon exploration or development, in Québec or abroad, are covered by the Act.

1.1.3 Control of an enterprise

A company that controls an enterprise which meets any of the abovementioned criteria is itself covered by the Act. This is the case, for example, of companies that do not, themselves, engage in mineral substances or hydrocarbon exploration or development, but have a subsidiary active in these sectors.

Pursuant to the Act, an enterprise is controlled by another enterprise if it is directly or indirectly controlled by in any way whatsoever. An enterprise that controls another enterprise is deemed to control any other organization that is controlled or deemed to be controlled by this other enterprise.

Generally speaking, control over an enterprise is acquired by holding titles that allow the holder, in any event, to elect the majority of the enterprise's directors. However, control is a question of fact. For example, the fact that an enterprise controls another enterprise according to the accounting standards applicable to its financial statements will usually constitute control within the meaning of the Act.

1.2 Clarification with regard to the requirements set out in the Act

1.2.1 Listing on a Canadian stock exchange

The Canadian stock exchanges on which companies may be listed include all stock exchanges that are recognized by the securities legislation of Canada's provinces and territories, and that are governed by Regulation 21-101 respecting Marketplace Operation (CQLR, c. V-1.1, r. 5) or Regulation 23-101 respecting Trading Rules (CQLR, c. V-1.1, r. 6). The Toronto Stock Exchange and the TSX Venture Exchange are two such stock exchanges.

1.2.2 Assets and revenues

The following principles must be applied when calculating the value of assets and revenues for the purposes of the Act:

1. The assets and revenues are those shown in the consolidated financial statements of the entities subject to the Act.
2. The assets used for the purposes of this requirement are the total assets shown in the company's statement of financial position (or balance sheet), and not the net accounting value, i.e. total assets minus total liabilities.
3. The company's worldwide assets and revenues must be considered for the purposes of this requirement. Moreover, all the company's activities must be included, not just the assets and revenues arising from its mineral substances or hydrocarbon exploration or development activities.
4. If the consolidated financial statements are not prepared in Canadian dollars, the assets and revenues must be converted into Canadian dollars, based on the method

used by the company to declare foreign currency transactions in its financial statements.

1.2.3 Number of employees

The 250 employee average criterion must be calculated from the average number of all the company's employees during each of its last two fiscal years. The calculation must include people residing and working in Québec and elsewhere. Full-time, part-time and temporary employees must all be taken into consideration, but not people who are self-employed.

2. Payments to be declared

The Act provides that the entities subject to the Act must declare all monetary payments and payments in kind that meet the following criteria:

- the payments relate to exploration for or development of mineral substances or hydrocarbons;
- the payments were made in one of the seven payment categories provided in the Act;
- the payments were made to a payee mentioned in the Act;
- the total of the payments made to a given payee, per category, is equal to or greater than \$100,000.

Only payments made during a fiscal year beginning on or after October 22, 2015 must be declared, except in the case of payments made to Native nations, communities or groups, which need only be declared if they were made on or after June 1, 2017.

2.1 Activities to which the payments refer

The payments that must be declared are those relating to exploration for or development of mineral substances or hydrocarbons.

For example, a construction company must declare a royalty payment of \$120 000 made to the Québec government for surface mineral substances extracted in connection with its road construction activities. However, it does not need to declare a payment of real estate taxes of \$150 000 made to a municipality for its property at which its engineering activities take place.

If an entity subject to the Act carries out integrated activities, and some are covered by the Act while others are not, the entity may declare its payments without separating them artificially.

2.2 Categories of payments

The payments must be declared in any of the seven payment categories mentioned in the Act.

2.2.1 Taxes and income tax

This category includes income taxes and taxes charged on revenues, production or profits, but excludes consumer taxes such as value-added tax and sales tax.

For a company with an establishment in Québec, the taxes and income tax that must be declared includes income tax, real estate tax, mining tax and tax payable under the flow-through share plan. If a company does business in other provinces or countries, all similar taxes and income taxes must be included in the statement.

Payroll taxes such as contributions to Québec's Health Service Fund, contributions to the *Commission des normes, de l'équité, de la santé et de la sécurité au travail* (CNESST), and the employer's portion of all other payroll taxes including employment insurance, the Québec Parental Insurance Plan, the Québec pension plan and the Canada Pension Plan, need not be declared. The same applies to consumer taxes such as the goods and services tax (GST) and the Québec sales tax (QST).

2.2.2 Royalties

In the mining, oil and gas industries, royalties are generally paid to the owner of the mineral substances or land on which the extraction activity takes place. The owner is often the State. Royalties are calculated on production volume or value.

For example, the royalties paid under the *Mining Act* (CQLR, chapter M-13.1) for the mining of surface mineral substances such as stone, sand, gravel and peat, fall into this category.

In some cases the payment of a royalty may not be required by a law or regulation. For example, a royalty paid as a "venture loan", i.e. a loan granted in consideration for a percentage of the future revenues generated by a mining project, falls into this category if the loan is granted by a payee.

Royalties paid in kind must also be declared.

2.2.3 Fees

The fees to be declared include all types of fees and charges incurred in connection with mineral substances or hydrocarbon exploration or development activities, including fees or rents paid to obtain or renew a mining title such as claims, leases, and so on, to obtain a hydrocarbon exploration or production licence, to obtain an environmental permit, as rent for public land or as a fee to access a particular territory.

Payments made in the normal course of a commercial transaction, in exchange for the goods services of a State-owned enterprise need not be declared. For example, fees paid to Hydro-Québec for electricity supplied to a mining project and payments made to Air Inuit for employee transportation need not be declared.

2.2.4 Production entitlements

Production entitlements include monetary payments or payments in kind arising from a production sharing agreement. The value of the ore transferred under a streaming agreement, by which a mining company obtains a deposit in exchange for a contract to supply ore at a reduced cost, must be declared in this category, in cases where the deposit is granted by a payee.

2.2.5 Dividends

The dividends that must be declared include those paid to a payee on shares received as part of a payment in another category provided for by the Act, for example as a substitute for production entitlements, royalties or bonuses.

The dividends paid to a payee on shares acquired on the same conditions as other shareholders need not be declared.

2.2.6 Bonuses

The bonuses that must be declared include signature, discovery and production bonuses. All other bonuses paid to a payee in connection with mineral substances or hydrocarbon exploration or development activities must also be declared, including bonuses paid in kind.

Shares issued for the benefit of a payee are considered to be a bonus if they are acquired at a price lower than the market price. The amount of the bonus to be declared is the difference between the market price and the price paid.

2.2.7 Contributions for infrastructure construction or improvement

The contributions for infrastructure construction or improvement that must be declared include monetary contributions or contributions in kind relating to the construction or improvement of infrastructures to fulfil a requirement of a contract or other agreement, when the infrastructures in question are publicly accessible or when fees have been paid, for example, with a view to sharing the profits from a project with a municipality or community. In these circumstances, construction of a community centre or sports centre would fall into this category.

Costs incurred for infrastructures used exclusively by the entity subject to the Act for its activities need not be declared. However, payments made in connection with the construction of a road used by the entity subject to the Act and by local residents must be declared.

Similarly, if an infrastructure is used exclusively by the company but is handed over to the community at the end of the project, the payment must be declared at the time of handing over, in the same way as other payments in kind.

2.3 Payees

The payees belong to any of the five categories provided by the Act.

2.3.1 A government

A “government” means any national, provincial, territorial, regional or local authority, including administrations, agencies and enterprises controlled by them, in Québec and abroad. Accordingly, this could be the Québec government, the federal government, the government of another province or a foreign government where the entity subject to the Act does business. The term “government” includes government departments and bodies, government corporations and enterprises controlled by them.

2.3.2 *A body established by two or more governments*

A “body established by two or more governments” could be, for example, an international organization, a organization created to establish relations between different governments, or an organization set up to facilitate the management of issues common to at least two governments.

2.3.3 *A municipality or the Kativik Regional Government*

The term “municipality” includes, in particular, cities, local municipalities, regional county municipalities, municipal bodies and enterprises controlled by them in Québec and abroad. Each municipality is a different payee.

2.3.4 *A Native nation, the Makivik Corporation, the Cree Nation Government, a Native community or a group of communities*

A “Native nation” in Québec means the Amerindian nations and the Inuit Nation. There are 10 Amerindian nations in 41 communities, each one headed by a band council comprising a chief or grand chief and councillors. The Inuit Nation is distributed in 14 Northern villages, each one headed by a mayor and council that assume responsibilities similar to those of elected representatives in other Québec municipalities. The Amerindian nations are assembled in groups. The Inuit Nation also includes its own groups. All Native groups in Canada and abroad are payees covered by the Act.

Postponement of the requirement to declare payments to the Kativik Regional Government, a Native nation, the Makivik Corporation, the Cree Nation Government, a Native community or a Native group

An entity subject to the Act is not obliged to declare a payment made to a Native payee before June 1, 2017. Accordingly, an enterprise whose fiscal year begins on January 1, 2017 does not have to declare such payments if they were made prior to June 1, 2017. On the other hand, payments made on or after June 1, 2017 must be declared for the 2017 fiscal year, even if the agreement under which a payment is made was signed prior to June 1, 2017.

2.3.5 *Any body that performs public functions on behalf of such payees*

This category includes any body that is established or mandated by a payee in one of the preceding categories in order to:

- exercise a power or perform a function attribution by a statute;
- represent the interests of a community or a nation; or
- exercise any activity other than a purely commercial one that a payee could have exercised.

This is true, for example, of universities, school boards, non-profit organizations funded more than 50% by a payee and certain companies controlled directly or indirectly by a payee.

2.3.6 Clarifications concerning intermediaries receiving payments

Section 7 of the Act establishes an absolute presumption concerning situations in which the payee does not directly receive a payment. Indeed, in certain situations, the payments can be received by intermediaries acting on behalf of the payees. Accordingly:

- A payment that is made to an employee or public office holder of a payee, for example, an elected official, is deemed to have been made to the payee;
- A payment that is due to a payee and is received on the payee's behalf by a body that is not itself a payee is deemed to have been made to the payee, for example, a payment made to a law office on behalf of a municipality.

2.4 The \$100,000 threshold

Payments equal to or greater than \$100,000 must be declared, according to the criteria indicated below.

2.4.1 Accounting method

Payments must be declared using the cash method of accounting and not an accrual method. They must be entered on the payment date. For example, a company whose fiscal year starts on January 1, 2017 and ends on December 31, 2017, pays tax instalments to Revenu Québec throughout the year. The sum of these payments must appear in the statement required by the Act for 2017. The balance owing is paid to Revenu Québec on February 28, 2018, and must therefore appear in the statement filed pursuant to the Act for the 2018 fiscal year, even though it refers to the 2017 taxation year.

It should be noted that the Act does not cover tax credits and other deductions granted to businesses, although a payment may take into account a deduction or credit granted. The net amount of the payment must be declared.

2.4.2 Groups of payments

The \$100,000 threshold applies to payments made to the **same payee** during the **same fiscal year**, in the **same category** of payments. In other words, an entity subject to the Act would not declare payments of less than \$100,000 made in different categories to the same payee, even if the total amount of the payments is more than \$100,000.

Payments made to more than one department or agency of the same government must be grouped for reporting purposes. For example, fees of \$50 000 paid to each of two government departments, e.g. the MERN and the *Ministère du Développement durable, de l'Environnement et de la Lutte contre les changements climatiques*, although individually below the \$100,000 threshold, are treated as a single payment of \$100,000 to the Québec government if they are made during the same fiscal year.

When several payments are made for the same purpose in the same fiscal year, they must be grouped together. For example, four quarterly instalment payments of mining tax or corporation tax, of \$25,000 each, must be declared because their total attains the \$100,000 threshold.

Payments made to municipal organizations must be grouped together with those made to the municipalities to which they belong.

Every Native nation, group or community is a separate payee for the purposes of the Act. For example, a payment made to a Cree community and a payment made directly to the Cree Nation Government must not be grouped together, but must be shown separately in the statement.

2.4.3 Payments in kind

The value of a payment in kind is equal to the amortized costs of the goods or services provided or, if it is impossible to establish these costs, to their fair market value at the time of the payment. The “fair market value” is usually defined as the highest sale price that can be obtained on a free market, expressed in monetary terms, where both seller and purchaser consent to the transaction, are well-informed and operate at arms-length.

2.4.4 Rounding off and conversion of payments to establish the threshold

A company must not round off the total value of its payments when establishing the \$100,000 threshold. However, the payments declared in the statement must be rounded off to the nearest ten thousand dollars (see section 3.3).

An entity subject to the Act that makes payments in a currency other than the Canadian dollar must use one of the following conversion methods to determine whether the total value of the payments is \$100,000 or more:

1. the exchange rate on the date on which the payment is made;
2. the average exchange rate for the period covered by the statement, which must not be more than 12 months;
3. the exchange rate in force at the closing of its fiscal year;
4. the method stipulated in its financial statements.

3. Obligations concerning the statement

The Act provides a number of obligations concerning the statement that must be filed with the AMF.

3.1 The companies that must file a statement

Every entity subject to the Act that has made a payment to be declared shall provide a statement to the AMF.

3.1.1 Clarifications concerning parent companies and subsidiaries

An entity subject to the Act that is a full subsidiary of an entity also subject to the Act is deemed to have produced the required statement if its parent company has filed a statement with the AMF which includes all payments made by the subsidiary during its fiscal year. A subsidiary in this situation must notify the AMF, in writing, that its parent company has filed the statement. The notice must be sent no later than the 150th day following the end of its fiscal year. The notice must be filed using the System for Electronic Document Analysis and Retrieval (SEDAR), in the parent company’s SEDAR profile.

Moreover, a payment made by a subsidiary not subject to the Act but controlled by an entity subject to the Act must be declared by the entity subject to the Act. For example, an entity subject to the Act that owns 51% of a subsidiary operating a mine outside Québec must declare

payments made by that subsidiary.

3.1.2 Statements by consortiums

When a consortium forms a limited partnership, it is the limited partnership that must produce the statement. Furthermore, if two companies form a consortium to carry out a project but do not form a company, the company that is legally bound to make payments under the applicable laws must declare those payments under the Act. If one company that is part of the consortium makes payments on behalf of another, it is treated as an intermediary (see section 3.1.4 for additional details).

3.1.3 Statement in the case of an option, a farm-in agreement or a risk-sharing agreement

When a company has an option over a property or when two companies have concluded a farm-in agreement or a risk-sharing agreement, the same rules as those mentioned in section 3.1.2 should apply, with the necessary adaptations.

In all cases, the company that declares the payment can enter, in the statement, any clarifications required to avoid dual statements.

3.1.4 Clarifications concerning intermediaries making payments

Section 7 of the Act establishes an absolute presumption concerning situations in which an entity subject to the Act does not make a payment directly to a payee. In some situations, payments may be made by intermediaries acting on behalf of entities subject to the Act. In these cases, the payment owing to a payee and made by an intermediary on behalf of an entity subject to the Act is deemed to have been made by the entity subject to the Act (e.g. a contractor of an entity that pays royalties). The entity subject to the Act must therefore include the payment in its statement.

3.2 Form of the statement

The statement must be in the form provided in Schedule 1 to the Regulation. A model statement is available on the AMF's website.

The statement must be accompanied by one of the following documents:

- a certificate signed by an officer or director of the entity subject to the Act to the effect that the information contained in the statement is true, accurate and complete in all material respects for the purposes of the Act;
- a report from an independent auditor, prepared in accordance with Canadian generally accepted auditing standards, expressing an unmodified opinion to the effect that the entity subject to the Act complies with all the significant aspects of the Act's provisions.

3.3 Rounding off and conversion of payments shown in the statement

The payments shown in the statement must be rounded off to the nearest ten thousand dollars.

Payments made in a currency other than the Canadian currency may be converted into Canadian currency using one of the methods listed in point 2.4.4, and a note must be

included in the statement to indicate the method and exchange rate used to convert the currency.

3.4 Breakdown of payments by payee and project

The payments must be broken down by payee and, where a payment may be assigned to a specific project, by project.

The term “project” covers mineral substances or hydrocarbon exploration or development activities that are connected by the same mining title or adjacent mining titles, or the same permit, licence, lease, concession, contract or other similar legal arrangement. When certain permits or leases are not adjacent but are close together and their nature and context are linked, they must be treated as a single project.

In practice, payments relating to different mining leases attached to the same mine, and payments relating to different mining leases attached to different mining projects located in proximity to and connected with one another may be treated as payments made for the same project.

3.5 Filing the statement

The statement and, as the case may be, the accompanying certificate or independent auditor’s report must be filed with the AMF in electronic form (PDF) using SEDAR. A statement produced via SEDAR is public and may therefore be consulted by the general public at all times, free of charge.

Technical information on the use of SEDAR can be found in the Appendix to this document.

3.6 Substitution of the statement

A statement filed in compliance with the requirements of a competent authority whose rules have been designated in the Regulation as acceptable may be substituted for the statement required by the Act.

The Québec Government considers the requirements of the following legislation to be acceptable substitutes: the Extractive Sector Transparency Measures Act (S.C. 2014, c. 39, s. 376) adopted by the Canadian Parliament and Chapter 10 of Directive 2013/34/EU of the European Parliament and of the Council of June 26, 2013 (see Schedule 2 of the Regulation for a full list of the jurisdictions whose requirements are considered to be acceptable substitutes).

The substitution may be made on the condition that the statement and the certificate or independent auditor’s report, as the case may be, are filed with the AMF via SEDAR.

An entity subject to the Act may file a statement submitted by its parent company to a competent authority recognized as an acceptable substitute, even if the parent company is not subject to the Act.

An entity subject to the Act may choose to file its statement with either the certificate provided in Schedule 1 to the Regulation or the independent auditor’s report. If the enterprise provides the certificate, it must be signed by one of the company’s executives or directors or by an

executive or a director of the parent company. An independent auditor's report filed as part of a substitution must be prepared either in compliance with Canadian generally accepted auditing standards and must express an unmodified opinion to the effect that the entity subject to the Act complies with all the significant aspects of the Act's provisions, or in compliance with the requirements of the competent authority for which the statement was originally produced.

When the requirements of a competent authority allow for a statement to be filed more than 150 days after the end of the fiscal year, an entity subject to the Act that wishes to make use of this substitution must inform the AMF no later than 150 days after the end of its fiscal year that it intends to file its statement in compliance with this permitted period. Accordingly, companies that wish to use a report prepared under the European Directive may file it six months after the end of their fiscal year, provided they notify the AMF of their intention to do this. The notice must be filed with the AMF via SEDAR.

3.7 Deadline for filing the declaration

An entity subject to the Act must file its statement with the AMF no later than the 150th day following the end of its fiscal year.

Transitional measure

An entity subject to the Act whose fiscal year began between October 22, 2015 and July 31, 2016, has until December 31, 2017 to file its first statement under section 6 of the Act or as part of the substitution provided for in section 9 of the Act.

3.8 Conservation of documents

Entities subject to the Act must keep the documents relating to all payments made during a fiscal year for a period of seven years after the date on which their statement is filed.


If you have questions, please see the AMF's website (www.lautorite.qc.ca) or contact the AMF's Information Centre:

Québec City: 418-525-0337

Montréal: 514-395-0337

Other regions: 1-877-525-0337

Fax: 418-647-9963

Requests for information 

APPENDIX: Technical information on the use of SEDAR

Filing a statement

The statement must be filed with the AMF in electronic format, using SEDAR, in accordance with the provisions of *Regulation 13-101 respecting the System for Electronic Document Analysis and Retrieval* (SEDAR) (CQLR, chapter V-1.1, r. 2) (hereinafter “Regulation 13-101”).

Registering with SEDAR

To file a document using SEDAR, an entity subject to the Act may either subscribe to SEDAR and file the document itself, or use the services of a filing agent.

a) To subscribe to SEDAR:

- i. download and review the information contained in the SEDAR Information Package (http://www.sedar.com/pdf_files/IPF.pdf), which contains the necessary forms and information;
- ii. complete and sign SEDAR FORM 1 – Application for SEDAR Filing Services;
- iii. complete and sign SEDAR FORM 2 – Filing Service Subscriber’s Agreement;
- iv. return these forms to the SEDAR service provider as directed in the SEDAR Information Package;
- v. download and install the free SEDAR filer software.

To download the SEDAR filer software, the entity subject to the Act must have Internet access and the minimum hardware and software configurations shown in the SEDAR Installation Guide (<http://www.sedar.com/sedarguides/InstallationGuideR8F.pdf>).

Training sessions on how to file documents via SEDAR are offered periodically. For further information, or to register, visit http://www.sedar.com/sedar/sedar_fr.htm or send an email to csacrm@cgi.com.

b) Use the services of a filing agent

Filing agents include law firms, financial printers, trust companies acting as transfer agents and registrars, and other service providers. For a list of filing agents, please send an email to sedar@csa-acvm.ca or contact the CSA Service Desk at 1-800-219-5381.

Is there a fee for subscribing to SEDAR or using the services of a filing agent?

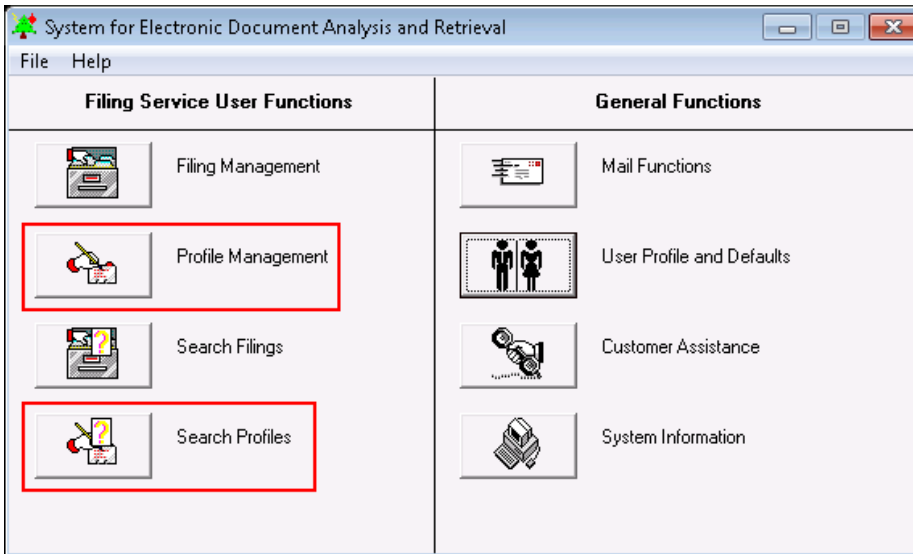
SEDAR subscriptions are free of charge.

A filing agent hired to file electronic documents for an entity subject to the Act will invoice its services.

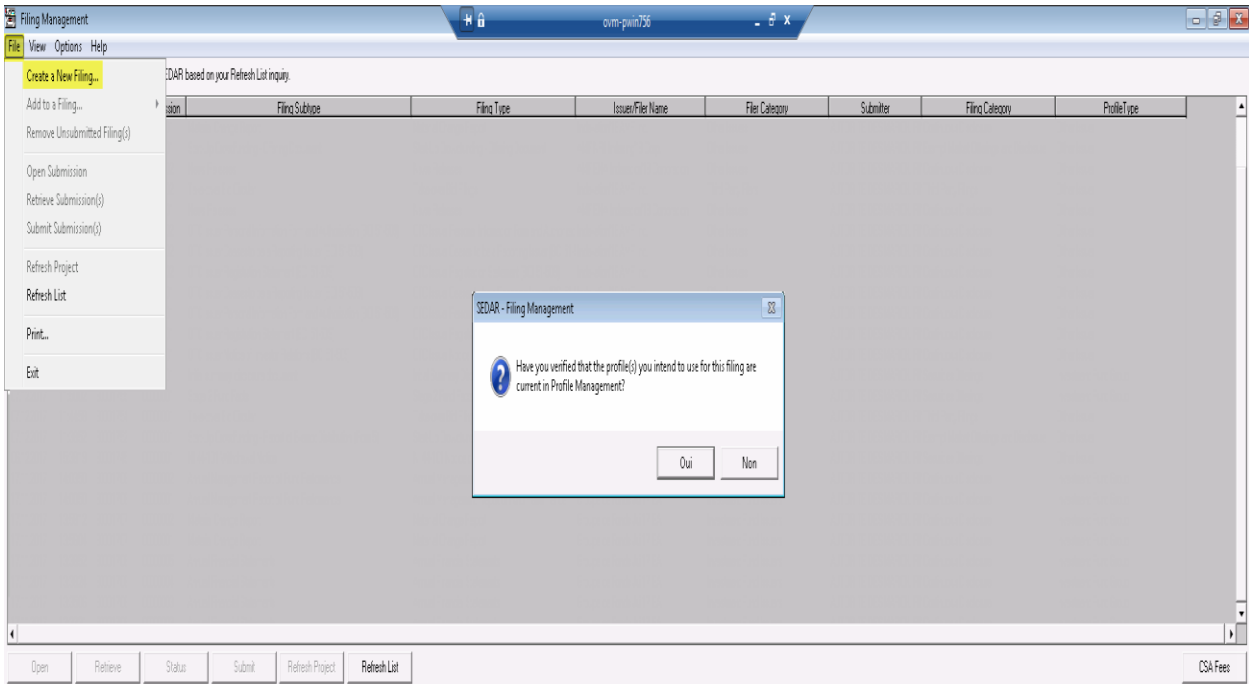
What type of SEDAR profile is required to file the statement in accordance with the Act?

An entity subject to the Act must, if it has not already done so, create an “Other Issuer” profile. If the entity subject to the Act is not a reporting issuer within the meaning of the *Securities Act* (CQLR, c. V 1.1), it must indicate that it is a “non-reporting issuer” in two of the profile’s tabs (“Reporting and Markets” and “Principal Regulator”).

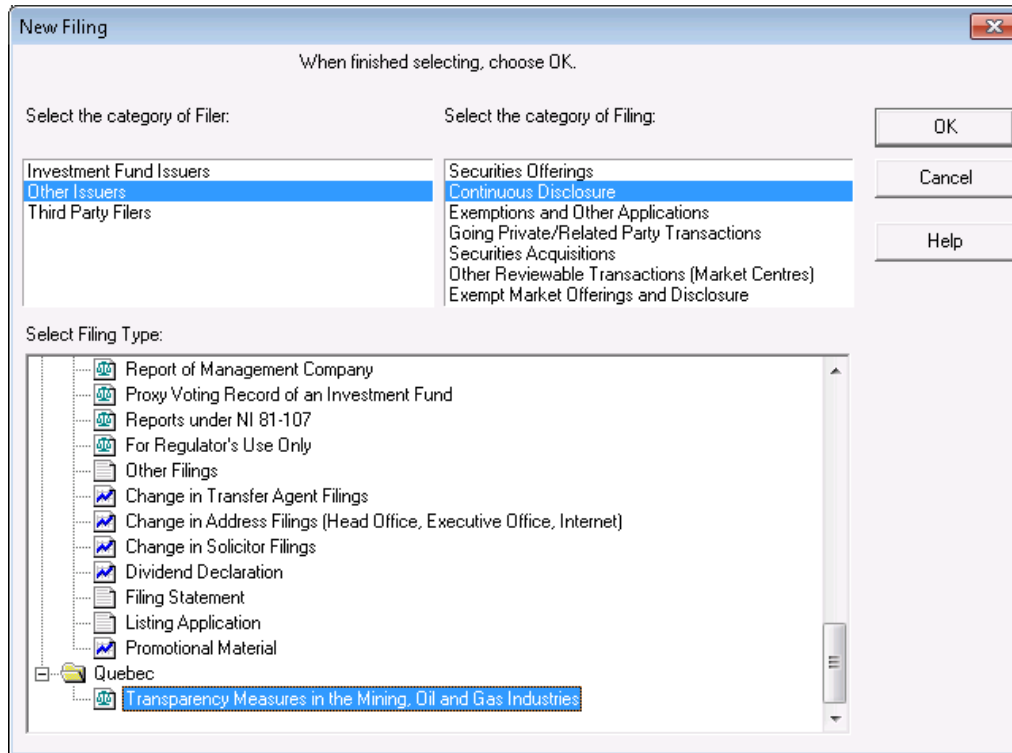
To avoid duplicating profiles, it is recommended that research be conducted using the “User Profiles” menu. When the profile of an entity subject to the Act exists, it must be transferred to “Profile Management” then to the submission of the statement. On the other hand, if the profile of an entity subject to the Act does not exist, the profile must be created in the “Profile Management” menu.



An entity subject to the Act that already has an “Other Issuer” profile must file its statement using the existing profile. It is important to note that an entity subject to the Act cannot create an “Other Filer” profile to file its statement under the terms of the Act.



Statements and, where applicable, the accompanying attestations or audit reports and any other document required for the purposes of the statement, depending on the entity subject to the Act, must be filed under the type of document “Annual statement of payments” (which you will find in the “Other Issuers” category) category of the “Continuous Information” file in the “Québec Files” folder (to select “Transparency measures in the mining, petroleum and gas industries” file type).



To obtain additional information, please consult the SEDAR Filer Manual, a link to which may be found in Regulation 13-101 and the quick reference guide available at http://www.sedar.com/sedarguides/Creating_a_Profile_FR.pdf.