

(a) the chief executive officer and the chief financial officer or, if no such officers have been appointed, a person acting on behalf of the related credit supporter in a capacity similar to a chief executive officer and a person acting on behalf of the related credit supporter in a capacity similar to that of a chief financial officer; and

(b) on behalf of the board of directors of the related credit supporter, any two directors of the related credit supporter duly authorized to sign, other than the persons referred to in paragraph (a).

INSTRUCTION

For the purposes of section 21.3, “related credit supporter” means a credit supporter of the issuer that is an affiliate of the issuer.

21.4 Amendments

(1) Include in an amendment to a short form prospectus that does not restate the short form prospectus the certificates required under sections 21.1, 21.2 and, if applicable, section 21.3 with the reference in each certificate to “this short form prospectus” omitted and replaced by “the short form prospectus dated [insert date] as amended by this amendment”.

(2) Include in an amended and restated short form prospectus the certificates required under sections 21.1, 21.2 and, if applicable, section 21.3 with the reference in each certificate to “this short form prospectus” omitted and replaced by “this amended and restated short form prospectus”.

21.5 Date of Certificates

The date of certificates in a preliminary short form prospectus, a short form prospectus or an amendment to a preliminary short form prospectus or short form prospectus shall be within three business days before the date of filing the preliminary short form prospectus, short form prospectus or amendment, as applicable.

7312

M.O., 2005-25

Order number V-1.1-2005-25 of the Minister of Finance dated 30 November 2005

Securities Act
(R.S.Q., c. V-1.1)

CONCERNING amendments to concordant regulations to Regulation 43-101 respecting standards of disclosure for mineral projects and Regulation 44-101 respecting short form prospectus distribution

WHEREAS paragraphs 1 to 3, 6, 8, 9, 11, 13, 14, 19, 20, 25, 26, 33 and 34 of section 331.1 of the Securities Act (R.S.Q., c. V-1.1) stipulate that the Autorité des marchés financiers may make regulations concerning the matters referred to in those paragraphs and that a regulation made under this Act may confer a discretionary power on the Authority;

WHEREAS the third and fourth paragraphs of section 331.2 of the said Act stipulate that a draft regulation shall be published in the Bulletin of the Authority, accompanied with the notice required under section 10 of the Regulations Act (R.S.Q., c. R-18.1) and may not be submitted for approval or be made before 30 days have elapsed since its publication;

WHEREAS the first and fifth paragraphs of the said section stipulate that every regulation made under section 331.1 must be approved, with or without amendment, by the Minister of Finance and comes into force on the date of its publication in the *Gazette officielle du Québec* or any later date specified in the regulation;

WHEREAS the following regulations have been made by a decision of the Autorité des marchés financiers or approved by a ministerial order of the Minister of Finance:

— Regulation 11-101 respecting principal regulator system approved by Ministerial Order No. 2005-18 dated August 10, 2005;

— Regulation 44-102 respecting shelf distributions adopted on May 22, 2001 by the decision No. 2001-C-0201;

— Regulation 44-103 respecting post-receipt pricing adopted on May 22, 2001 by the decision No. 2001-C-0203;

— Regulation 51-101 respecting standards of disclosure for oil and gas activities approved by Ministerial Order No. 2005-15 dated August 2, 2005;

— Regulation 51-102 respecting continuous disclosure obligations approved by Ministerial Order No. 2005-03 dated May 19, 2005;

WHEREAS the following draft regulations were published in accordance with section 331.2 of Securities Act and made by the Autorité des marchés financiers:

— Regulation to amend Regulation 11-101 respecting principal regulator system published in the Supplement to the Bulletin concerning securities of the Autorité des marchés financiers, volume 2, No. 40 of October 7, 2005 and made on November 15, 2005, by the decision No. 2005-PDG-0361;

— Regulation to amend Regulation 44-102 respecting shelf distributions published in the Supplement to the Bulletin concerning securities of the Autorité des marchés financiers, volume 2, No. 1 of January 7, 2005 and made on November 15, 2005, by the decision No. 2005-PDG-0357;

— Regulation to amend Regulation 44-103 respecting post-receipt pricing published in the Supplement to the Bulletin concerning securities of the Autorité des marchés financiers, volume 2, No. 1 of January 7, 2005 and made on November 15, 2005, by the decision No. 2005-PDG-0358;

— Regulation to amend Regulation 51-101 respecting standards of disclosure for oil and gas activities published in the Supplement to the Bulletin concerning securities of the Autorité des marchés financiers, volume 2, No. 1 of January 7, 2005 and made on November 15, 2005, by the decision No. 2005-PDG-0359;

— Regulation to amend Regulation 51-102 respecting continuous disclosure obligations published in the Supplement to the Bulletin concerning securities of the Autorité des marchés financiers, volume 2, No. 40 of October 7, 2005 and made on August 15, 2005, by the decision No. 2005-PDG-0360;

WHEREAS there is cause to approve those regulations without amendment;

CONSEQUENTLY, the Minister of Finance approves without amendment the following regulations appended hereto:

— Regulation to amend Regulation 11-101 respecting principal regulator system;

— Regulation to amend Regulation 44-102 respecting shelf distributions;

— Regulation to amend Regulation 44-103 respecting post-receipt pricing;

— Regulation to amend Regulation 51-101 respecting standards of disclosure for oil and gas activities;

— Regulation to amend Regulation 51-102 respecting continuous disclosure obligations.

November 30, 2005

MICHEL AUDET,
Minister of Finance

Regulation to amend Regulation 11-101 respecting principal regulator system*

Securities Act
(R.S.Q., c. V-1.1, s. 331.1, par. (1) to (3), (6), (8), (9), (11), (13), (14), (19), (20), (25), (26), (33) and (34))

1. Section 1.1 of the Regulation is amended by replacing “44-101F3” in paragraph (d) of the definition of “national prospectus rules” with “44-101F1” and by replacing paragraph (f) of the definition with the following:

“(f) Regulation 44-103 respecting Post-Receipt Pricing, other than, in Québec, the following subparagraphs:

- i. subparagraphs 7(c) and 8 of section 3.2(1);
- ii. subparagraphs 3(c) and 4 of section 4.5(2);”.

2. The Regulation is amended by replacing sections 1.2 and 1.3, in the French text, with the following:

« 1.2. Langue des documents - Québec

Au Québec, le présent règlement ne saurait être interprété de façon à relever quiconque des obligations relatives à la langue des documents.

1.3. Références au Québec

Au Québec, toute référence aux lois, règlements, normes, instructions et autres textes de même nature cités dans le présent règlement ainsi que leur titre complet sont indiqués à l’annexe E. ».

* Regulation 11-101 respecting Principal Regulator System, approved by Ministerial Order No. 2005-18 dated August 10, 2005 (2005, G.O. 2, 3531), has not been amended since its approval.

3. Section 5.5 of the Regulation is amended by replacing paragraph (d) with the following:

“(d) the dealer has in aggregate \$5,000,000 or less in assets under management for clients referred to in paragraph (c), and”.

4. Section 5.6 of the Regulation is amended by replacing paragraph (d) with the following:

“(d) the unrestricted adviser has in aggregate \$5,000,000 or less in assets under management for clients referred to in paragraph (c), and”.

5. Appendix B of the Regulation is amended by replacing “The Securities Act, 1988: section 59(1), 61(1)b, 61(2) and 69(1)”, in the English text under “Saskatchewan”, with “The Securities Act, 1988: sections 59(1), 61(1)(b), 61(2), 69(1)”.

6. Appendix C of the Regulation is amended by replacing “Form 41-502F2” in paragraph (a) and (b) of the definition of “Director” with “Form 41-501F2”.

7. Appendix D of the Regulation is amended by replacing the heading, in the English text, with the following:

“APPENDIX D

NATIONAL PROSPECTUS RULES (under section 4.2)”.

8. This Regulation comes into force on December 30, 2005.

Regulation to amend Regulation 44-102 respecting shelf distributions*

Securities Act
(R.S.Q., c. V-1.1, s. 331.1, par. (1), (6) and (34))

1. Section 1.1 of Regulation 44-102 respecting Shelf Distributions is amended:

(1) in paragraph (1):

(a) by deleting the definition of “special warrant”;

(b) by adding the following in the French text and after the definition of “chambre de compensation”:

““dérivé visé”: un instrument, un contrat ou un titre dont le cours, la valeur ou les obligations de paiement sont fonction d’un élément sous-jacent, à l’exclusion de ce qui suit:

a) un titre convertible ordinaire;

b) un titre adossé à des créances visé;

c) une part indicielle;

d) une obligation coupons détachés émise par l’État ou une société;

e) une action donnant droit aux plus-values ou une action donnant droit aux intérêts et aux dividendes provenant du démembrement d’actions ou de titres à revenu fixe;

f) un bon ou un droit de souscription ordinaire;

g) un bon de souscription spécial;”;

(c) by deleting the word “membre” in the French text of the definition of “dispositions relatives à la stabilisation”;

(d) by deleting the definition of “instrument dérivé visé” in the French text;

(e) by adding “;” after the word “means” in the English text of the definition of “novel”;

(f) by replacing, in the French text of the definition of “programme BMT”, the words “d’emprunt” with the words “de créance”;

(g) by replacing “National Instrument 44-101 Short Form Prospectus Distributions” in the definition of “base shelf prospectus” with “Regulation 44-101 respecting Short Form Prospectus Distributions approved by Ministerial Order No. 2005-24 dated November 30, 2005”;

(h) by replacing, in the French text and wherever they appear, the words “instrument dérivé”, “instruments dérivés” and “à l’instrument dérivé” with the words “dérivé”, “dérivés” and “au dérivé” respectively;

(2) by replacing “National Instrument 44-101” in paragraph 2 with “Regulation 44-101 respecting Short Form Prospectus Distributions”.

* Regulation 44-102 respecting Shelf Distributions, adopted on May 22, 2001 pursuant to decision No. 2001-C-0201 and published in the Supplement to the Bulletin of the Commission des valeurs mobilières du Québec, volume 32, No. 22 dated June 1, 2001, was amended solely by the Regulation approved by Ministerial Order No. 2005-19 dated August 10, 2005 (2005, G.O. 2, 3516).

- 2.** Section 1.3 of the Regulation is repealed.
- 3.** The heading of Part 2 and sections 2.1 to 2.10 of the Regulation are replaced by the following :

PART 2
SHELF QUALIFICATION AND PERIOD
OF RECEIPT EFFECTIVENESS

2.1 General

An issuer shall not file a short form prospectus that is a base shelf prospectus, unless the issuer is qualified to do so under this Instrument.

2.2 Shelf Qualification for Distributions Qualified under Section 2.2 of Regulation 44-101 respecting Short Form Prospectus Distributions

(1) An issuer is qualified to file a preliminary short form prospectus that is a preliminary base shelf prospectus if, at the time of filing, the issuer is qualified under section 2.2 of Regulation 44-101 respecting Short Form Prospectus Distributions to file a prospectus in the form of a short form prospectus.

(2) An issuer that has filed a preliminary base shelf prospectus in reliance on the qualification criteria in subsection (1) is qualified to file a short form prospectus that is the corresponding base shelf prospectus.

(3) A receipt issued for a base shelf prospectus of an issuer qualified under subsection (2) is effective until the earliest of

- (a) the date 25 months from the date of its issue ;
- (b) the time immediately before the entering into of an agreement of purchase and sale for a security to be sold under the base shelf prospectus, if at that time
 - i. the issuer does not have current annual financial statements and does not satisfy the requirements of the exemption in either of subsection 2.7(1) or (2) of Regulation 44-101 respecting Short Form Prospectus Distributions,
 - ii. the issuer does not have a current AIF and does not satisfy the requirements of the exemption in either of subsection 2.7(1) or (2) of Regulation 44-101 respecting Short Form Prospectus Distributions,
 - iii. the issuer's equity securities are not listed or posted for trading on a short form eligible exchange,
 - iv. the issuer is an issuer

- (A) whose operations have ceased, or
- (B) whose principal asset is cash, cash equivalents, or its exchange listing, or
- v. the issuer has withdrawn its notice declaring the issuer's intention to be qualified to file a short form prospectus under Regulation 44-101 respecting Short Form Prospectus Distributions : and
- (c) the lapse date, if any, prescribed by securities legislation.

2.3 Shelf Qualification for Distributions Qualified under Section 2.3 of Regulation 44-101 respecting Short Form Prospectus Distributions

(1) An issuer is qualified to file a preliminary short form prospectus that is a preliminary base shelf prospectus for approved rating non-convertible securities if, at the time of filing, the issuer

(a) is qualified under section 2.3 of Regulation 44-101 respecting Short Form Prospectus Distributions to file a prospectus in the form of a short form prospectus ; and

(b) has reasonable grounds for believing that, if it were to distribute securities under the base shelf prospectus, the securities distributed would receive an approved rating and would not receive a rating lower than an approved rating from any approved rating organization.

(2) An issuer that has filed a preliminary base shelf prospectus in reliance on the qualification criteria in subsection (1) is qualified to file a short form prospectus that is the corresponding base shelf prospectus if, at the time of the filing of the base shelf prospectus, the issuer has reasonable grounds for believing that, if it were to distribute non-convertible securities under the base shelf prospectus, the securities distributed would receive an approved rating and would not receive a rating lower than an approved rating from any approved rating organization.

(3) A receipt issued for a base shelf prospectus of an issuer filed under subsection (2) is effective until the earliest of

- (a) the date 25 months from the date of its issue ;
- (b) the time immediately before the entering into of an agreement of purchase and sale for a security to be sold under the base shelf prospectus, if at that time

i. the issuer does not have current annual financial statements and does not satisfy the requirements of the exemption in either of subsection 2.7(1) or (2) of Regulation 44-101 respecting Short Form Prospectus Distributions,

ii. the issuer does not have a current AIF and does not satisfy the requirements of the exemption in either of subsection 2.7(1) or (2) of Regulation 44-101 respecting Short Form Prospectus Distributions,

iii. the issuer has withdrawn its notice declaring the issuer's intention to be qualified to file a short form prospectus under Regulation 44-101 respecting Short Form Prospectus Distributions, or

iv. the securities to which the agreement relates

(A) have not received a final approved rating,

(B) are the subject of an announcement by an approved rating organization, of which the issuer is or ought reasonably to be aware, that the approved rating given by the organization may be down-graded to a rating category that would not be an approved rating, or

(C) have received a provisional or final rating lower than an approved rating from any approved rating organization; and

(c) the lapse date, if any, prescribed by securities legislation.

2.4 Shelf Qualification for Distributions under Section 2.4 of Regulation 44-101 respecting Short Form Prospectus Distributions

(1) An issuer is qualified to file a short form prospectus that is a preliminary base shelf prospectus for non-convertible debt securities, non-convertible preferred shares or non-convertible cash settled derivatives if, at the time of filing, the issuer is qualified under section 2.4 of Regulation 44-101 respecting Short Form Prospectus Distributions to file a prospectus in the form of a short form prospectus.

(2) An issuer that has filed a preliminary base shelf prospectus in reliance on subsection (1) is qualified to file a short form prospectus that is the corresponding base shelf prospectus.

(3) A receipt issued for a base shelf prospectus of an issuer qualified under subsection (2) is effective until the earliest of

(a) the date 25 months from the date of its issue;

(b) the time immediately before the entering into of an agreement of purchase and sale for a security to be sold under the base shelf prospectus, if at that time

i. a credit supporter has not provided full and unconditional credit support for the securities to which the shelf prospectus supplement relates,

ii. unless the requirements of subparagraph 2.4(1)(b)(ii) of Regulation 44-101 respecting Short Form Prospectus Distributions, but not the requirements of subparagraph 2.4(1)(b)(i) of Regulation 44-101 respecting Short Form Prospectus Distributions, were satisfied at the time the issuer filed its base shelf prospectus, the credit supporter does not have current annual financial statements and does not satisfy the requirements of the exemption in either of subsection 2.7(1) or (2) of Regulation 44-101 respecting Short Form Prospectus Distributions,

iii. unless the requirements of subparagraph 2.4(1)(b)(ii) of Regulation 44-101 respecting Short Form Prospectus Distributions, but not the requirements of subparagraph 2.4(1)(b)(i) of Regulation 44-101 respecting Short Form Prospectus Distributions, were satisfied at the time the issuer filed its base shelf prospectus, the credit supporter does not have a current AIF and does not satisfy the requirements of the exemption in either of subsection 2.7(1) or (2) of Regulation 44-101 respecting Short Form Prospectus Distributions,

iv. the issuer has withdrawn its notice declaring the issuer's intention to be qualified to file a short form prospectus under Regulation 44-101 respecting Short Form Prospectus Distributions, or

v. either of the following is true

(A) the credit supporter's equity securities are not listed or posted for trading on a short form eligible exchange, or

(B) the credit supporter is a credit supporter

I. whose operations have ceased, or

II. whose principal asset is cash, cash equivalents, or its exchange listing, and

either of the following is true:

(C) the credit supporter does not have issued and outstanding non-convertible securities that

I. have received an approved rating,

II. have not been the subject of an announcement by an approved rating organization, of which the issuer is or ought reasonably to be aware, that the approved rating given by the organization may be down-graded to a rating category that would not be an approved rating, and

III. have not received a rating lower than an approved rating from any approved rating organization, or

(D) the securities to which the agreement relates

I. have not received a final approved rating,

II. have been the subject of an announcement by an approved rating organization, of which the issuer is or ought reasonably to be aware, that the approved rating given by the organization may be down-graded to a rating category that would not be an approved rating, and

III. have received a provisional or final rating lower than an approved rating from any approved rating organization; and

(c) the lapse date, if any, prescribed by securities legislation.

2.5 Shelf Qualification for Distributions under Section 2.5 of Regulation 44-101 respecting Short Form Prospectus Distributions

(1) An issuer is qualified to file a short form prospectus that is a preliminary base shelf prospectus for convertible debt securities and convertible preferred shares if, at the time of filing, the issuer is qualified under section 2.5 of Regulation 44-101 respecting Short Form Prospectus Distributions to file a prospectus in the form of a short form prospectus.

(2) An issuer that has filed a preliminary base shelf prospectus in reliance on subsection (1) is qualified to file a short form prospectus that is the corresponding base shelf prospectus.

(3) A receipt issued for a base shelf prospectus qualified under subsection (2) is effective until the earliest of

(a) the date 25 months from the date of its issue;

(b) the time immediately before the entering into of an agreement of purchase and sale for a security to be sold under the base shelf prospectus, if at that time

i. the securities to which the agreement relates are not convertible into securities of a credit supporter that has provided full and unconditional credit support for the securities being distributed,

ii. the credit supporter does not have current annual financial statements and does not satisfy the requirements of the exemption in either of subsection 2.7(1) or (2) of Regulation 44-101 respecting Short Form Prospectus Distributions,

iii. the credit supporter does not have a current AIF and does not satisfy the requirements of the exemption in either of subsection 2.7(1) or (2) of Regulation 44-101 respecting Short Form Prospectus Distributions,

iv. the credit supporter's equity securities are not listed or posted for trading on a short form eligible exchange,

v. the credit supporter is a credit supporter

(A) whose operations have ceased, or

(B) whose principal asset is cash, cash equivalents, or its exchange listing, or

vi. the issuer has withdrawn its notice declaring the issuer's intention to be qualified to file a short form prospectus under Regulation 44-101 respecting Short Form Prospectus Distributions; and

(c) the lapse date, if any, prescribed by securities legislation.

2.6 Shelf Qualification for Distributions under Section 2.6 of Regulation 44-101 respecting Short Form Prospectus Distributions

(1) An issuer that is qualified under section 2.6 of Regulation 44-101 respecting Short Form Prospectus Distributions to file a prospectus in the form of a short form prospectus may file a preliminary base shelf prospectus for asset-backed securities if, at the time of filing, the issuer has reasonable grounds for believing that

(a) all asset-backed securities that it may distribute under the base shelf prospectus will receive an approved rating; and

(b) no asset-backed securities that it may distribute under the base shelf prospectus will receive a rating lower than an approved rating from any approved rating organization.

(2) An issuer that has filed a preliminary base shelf prospectus in reliance on the qualification criteria in section 2.6 of Regulation 44-101 respecting Short Form Prospectus Distributions may file the corresponding base shelf prospectus if, at the time of the filing of the base shelf prospectus, the issuer has reasonable grounds for believing that

(a) all asset-backed securities that it may distribute under the base shelf prospectus will receive an approved rating; and

(b) no asset-backed securities that it may distribute under the base shelf prospectus will receive a rating lower than an approved rating from any approved rating organization.

(3) A receipt issued for a base shelf prospectus qualified under subsection (2) is effective for a distribution of asset-backed securities until the earliest of

(a) the date 25 months from the date of its issue;

(b) the time immediately before the entering into of an agreement of purchase and sale for an asset-backed security to be sold under the base shelf prospectus, if at that time

i. the issuer does not have current annual financial statements and does not satisfy the requirements of the exemption in either of subsection 2.7(1) or (2) of Regulation 44-101 respecting Short Form Prospectus Distributions,

ii. the issuer does not have a current AIF and does not satisfy the requirements of the exemption in either of subsection 2.7(1) or (2) of Regulation 44-101 respecting Short Form Prospectus Distributions, or

iii. the asset-backed securities to which the agreement relates

(A) have not received a final approved rating,

(B) have been the subject of an announcement by an approved rating organization, of which the issuer is or ought reasonably to be aware, that the approved rating given by the organization may be down-graded to a rating category that would not be an approved rating, or

(C) have received a provisional or final rating lower than an approved rating from any approved rating organization; and

(c) the lapse date, if any, prescribed by securities legislation.

2.7 Lapse Date – Ontario

In Ontario, the lapse date prescribed by securities legislation for a receipt issued for a base shelf prospectus is extended to the date 25 months from the date of issuance of the receipt.

2.8 Lapse Date – Alberta

In Alberta, the lapse date prescribed by securities legislation for a receipt issued for a base shelf prospectus is the date 25 months from the date of the issuance of the receipt.

2.9 Limitation on Offerings

Despite any provision in this Regulation, the shelf procedures shall not be used for a distribution of rights under a rights offering.”

4. Section 3.2 of the Regulation is amended by replacing the word “placements” in the French text with the word “placement”.

5. The heading of Part 4 of the Regulation is amended by replacing, in the French text, the words “placements” and “instruments dérivés” with the words “placement” and “dérivés” respectively.

6. Section 4.1 of the Regulation is amended:

(1) by replacing, in the French text and wherever they appear, the words “instruments dérivés” and “d’instruments dérivés” with the words “dérivés” and “de dérivés” respectively;

(2) by replacing, in the French text of the heading, the word “placements” with the word “placement”;

(3) in paragraph (1):

(a) by adding the words “in the local jurisdiction” after “distribute”;

(b) by deleting the words “in the local jurisdiction” after the words “as the case may be,”;

(c) by replacing, in the French text, the words “nouveaux instruments” with the words “nouveaux dérivés”;

(4) in paragraph (2):

(a) by adding the words “in the local jurisdiction” in the English text after the word “distribute”;

(b) by deleting the words “in the local jurisdiction” in the English text after the words “asset-backed securities”.

7. Section 5.1 of the Regulation is amended:

(1) in the preamble by adding “for the distribution” after the words “a short form prospectus”;

(2) by replacing “National Instrument 44-101” in subparagraph (i) of paragraph (a) with “Regulation 44-101 respecting Short Form Prospectus Distributions”.

8. Section 5.3 of the Regulation is amended by replacing “National Instrument 44-101” and “44-101F3” with “Regulation 44-101 respecting Short Form Prospectus Distributions” and “44-101F1” respectively.

9. Section 5.4 of the Regulation is replaced by the following:

“5.4 Dollar Value of Securities

A base shelf prospectus shall pertain to no more than the dollar value of securities that the issuer or selling securityholder proposing to distribute securities under the base shelf prospectus reasonably expects, at the time the base shelf prospectus is filed, to distribute within 25 months after the date of the receipt for the base shelf prospectus.”.

10. Section 5.5 of the Regulation is amended:

(1) by replacing, in the French text of paragraph 7, the words “d’instruments dérivés” and “instruments” with “de dérivés” and “dérivés” respectively;

(2) by adding the following at the end:

“9. List all exemptions from the provisions of this Regulation granted to the issuer applicable to the base shelf prospectus, including all exemptions to be evidenced by the issuance of a receipt for the base shelf prospectus pursuant to section 11.2.”.

11. Section 5.6 of the Regulation is amended:

(1) by replacing “44-101F3” in paragraphs 5 and 6 with “44-101F1”;

(2) by replacing “National Instrument 44-101” in paragraph 8 with “Regulation 44-101 respecting Short Form Prospectus Distributions”.

12. Section 6.1 of the Regulation is amended by adding, at the end, the words “and, in Québec, to contain no misrepresentation that is likely to affect the value or the market price of the securities to be distributed” after “distributed under the prospectus”.

13. Section 6.2 of the Regulation is amended:

(1) by adding “,” after the words “base shelf prospectus” wherever it appears in the English text of paragraph 1;

(2) by adding the following at the end:

“(3) Any unaudited financial statements of an issuer or an acquired business incorporated by reference into the base shelf prospectus but filed after the date of filing the base shelf prospectus must have been reviewed in accordance with the relevant standards set out in the Handbook for a review of financial statements by an entity’s auditor or a public accountant’s review of financial statements.

(4) Despite paragraph (3)

(a) if the financial statements of the issuer or acquired business have been audited in accordance with U.S. GAAS, the unaudited financial statements may be reviewed in accordance with U.S. review standards;

(b) if the financial statements of the issuer or acquired business have been audited in accordance with International Standards on Auditing, the unaudited financial statements may be reviewed in accordance with international review standards; or

(c) if the financial statements of the issuer or acquired business have been audited in accordance with auditing standards that meet the foreign disclosure requirements of the designated foreign jurisdiction to which the issuer is subject, the unaudited financial statements may be reviewed in accordance with review standards that meet the foreign disclosure requirements of the designated foreign jurisdiction to which the issuer is subject.

(5) The review specified in paragraph (3) must have been completed

(a) if the base shelf prospectus established an MTN program or other continuous offering, no later than filing of the unaudited financial statements; or

(b) in all other circumstances, no later than the next filing of a shelf supplement.”.

14. Section 6.5 of the Regulation is amended by replacing the words “securities legislation that regulate conflicts of interest in connection with a distribution of securities of a registrant, a connected issuer of a registrant or a related issuer of a registrant” with “Regulation 33-105 respecting Underwriting Conflicts approved by Ministerial Order No. 2005-14 dated August 2, 2005”.

15. Section 6.7 of the Regulation is amended by adding “and, in Québec, contain no misrepresentation that is likely to affect the value or the market price of the securities to be distributed,” after the word “distributed”.

16. Section 7.1 of the Regulation is amended by replacing “National Instrument 44-101” and “do not apply” with “Regulation 44-101 respecting Short Form Prospectus Distributions” and “apply” respectively.

17. Section 7.2 of the Regulation is amended by replacing, in the English text of paragraph 1, the words “that use of the” with the words “the use of that”.

18. Section 7.3 of the Regulation is repealed.

19. Section 8.2 of the Regulation is amended by replacing “5.5” with “5.6” in paragraph 1.

20. Paragraph 1 of section 9.1 of the Regulation is amended:

(1) by replacing “11.1” with “6.1”;

(2) by replacing “2.9 of National Instrument 44-101” with “9.2”.

21. The Regulation is amended by adding the following after section 9.1:

“9.2 Market Value Calculation

(1) For the purposes of this Part,

(a) the aggregate market value of the equity securities of an issuer on a date is the aggregate of the market value of each class of its equity securities on the date, calculated by multiplying

i. the total number of equity securities of the class outstanding on the date, by

ii. the closing price on the date of the equity securities of the class on the exchange in Canada on which that class of equity securities is principally traded; and

(b) instalment receipts may, at the option of the issuer, be deemed to be equity securities if

i. the instalment receipts are listed and posted for trading on an exchange in Canada, and

ii. the outstanding equity securities, the beneficial ownership of which is evidenced by the instalment receipts, are not listed and posted for trading on an exchange in Canada.

(2) For the purposes of subsection (1), in calculating the total number of equity securities of a class outstanding, an issuer shall exclude those equity securities of the class that are beneficially owned, or over which control or direction is exercised, by persons or companies that, alone or together with their respective affiliates and associated parties, beneficially own or exercise control or direction over more than 10 per cent of the outstanding equity securities of the issuer.

(3) Despite subsection (2), if a portfolio manager of a pension fund or investment fund, alone or together with its affiliates and associated parties, exercises control or direction in the aggregate over more than 10 per cent of the outstanding equity securities of an issuer, and the fund beneficially owns or exercises control or direction over 10 per cent or less of the issued and outstanding equity securities of the issuer, the securities that the fund beneficially owns or exercises control or direction over are not excluded unless the portfolio manager is an affiliate of the issuer.”.

22. The heading of Part 10 and section 10.1 of the Regulation are repealed.

23. Section 11.1 of the Regulation is amended by deleting “and Alberta” in paragraph 2.

24. Appendix A of the Regulation is amended:

(1) by replacing the certificate in paragraph (c) of Item 1.1 with the following:

““This short form prospectus, together with the documents incorporated in this prospectus by reference, will, as of the date of the last supplement to this prospectus relating to the securities offered by this prospectus and the supplement(s), constitute full, true and plain disclosure of all material facts relating to the securities offered by this prospectus and the supplement(s) as required by the securities legislation of [insert name of each jurisdiction in which qualified] [insert if distribution made in Quebec—“For the purpose of the Province of Québec,

this simplified prospectus, together with documents incorporated herein by reference and as supplemented by the permanent information record, will contain no misrepresentation that is likely to affect the value or the market price of the securities to be distributed.”.”.”;

(2) by replacing the certificate in paragraph (b) of Item 1.2 with the following:

““To the best of our knowledge, information and belief, this short form prospectus, together with the documents incorporated in this prospectus by reference will, as of the date of the last supplement to this prospectus relating to the securities offered by this prospectus and the supplement(s), constitute full, true and plain disclosure of all material facts relating to the securities offered by this prospectus and the supplement(s) as required by the securities legislation of [insert name of each jurisdiction in which qualified] [insert if distribution made in Quebec —“For the purpose of the Province of Québec, this simplified prospectus, together with documents incorporated herein by reference and as supplemented by the permanent information record, will contain no misrepresentation that is likely to affect the value or the market price of the securities to be distributed.”.”.”;

(3) by replacing “National Instrument 44-101” in paragraph (a) of Item 1.3 with “Regulation 44-101 respecting Short Form Prospectus Distributions”;

(4) by replacing the certificate in paragraph (c) of Item 2.1 with the following:

““The short form prospectus, together with the documents incorporated in the prospectus by reference, as supplemented by the foregoing, will, as of the date of the last supplement to the prospectus relating to the securities offered by the prospectus and the supplement(s), constitute full, true and plain disclosure of all material facts relating to the securities offered by the prospectus and the supplement(s) as required by the securities legislation of [insert name of each jurisdiction in which qualified] [insert if distribution made in Quebec —“For the purpose of the Province of Québec, this simplified prospectus, together with documents incorporated herein by reference and as supplemented by the permanent information record, will contain no misrepresentation that is likely to affect the value or the market price of the securities to be distributed.”.”.”;

(5) by replacing the certificate in paragraph (b) of Item 2.2 with the following:

““To the best of our knowledge, information and belief, the short form prospectus, together with the documents incorporated in the prospectus by reference, as supple-

mented by the foregoing, will, as of the date of the last supplement to the prospectus relating to the securities offered by the prospectus and the supplement(s), constitute full, true and plain disclosure of all material facts relating to the securities offered by the prospectus and the supplement as required by the securities legislation of [insert name of jurisdiction in which qualified] [insert if distribution made in Quebec—“For the purpose of the Province of Québec, this simplified prospectus, together with documents incorporated herein by reference and as supplemented by the permanent information record, will contain no misrepresentation that is likely to affect the value or the market price of the securities to be distributed.”.”.”;

(6) by replacing “National Instrument 44-101” in paragraph (a) of Item 2.3 with “Regulation 44-101 respecting Short Form Prospectus Distributions”.

25. Appendix B of the Regulation is amended:

(1) by replacing the certificate in paragraph (c) of Item 1.1 with the following:

““This short form prospectus, together with the documents incorporated in this prospectus by reference, constitutes full, true and plain disclosure of all material facts relating to the securities offered by this prospectus as required by the securities legislation of [insert name of each jurisdiction in which qualified] [insert if distribution made in Quebec—“For the purpose of the Province of Québec, this simplified prospectus, together with documents incorporated herein by reference and as supplemented by the permanent information record, contains no misrepresentation that is likely to affect the value or the market price of the securities to be distributed.”.”.”;

(2) by replacing the certificate in paragraph (b) of Item 1.2 with the following:

““To the best of our knowledge, information and belief, the short form prospectus, together with the documents incorporated in the prospectus by reference, constitutes full, true and plain disclosure of all material facts relating to the securities offered by this prospectus as required by the securities legislation of [insert name of each jurisdiction in which qualified] [insert if distribution made in Quebec—“For the purpose of the Province of Québec, this simplified prospectus, together with documents incorporated herein by reference and as supplemented by the permanent information record, contains no misrepresentation that is likely to affect the value or the market price of the securities to be distributed.”.”.”;

(3) by replacing “National Instrument 44-101” in paragraph (a) of Item 1.3 with “Regulation 44-101 respecting Short Form Prospectus Distributions”;

(4) by replacing the certificate in paragraph (c) of Item 2.1 with the following:

““The short form prospectus, together with the documents incorporated in the prospectus by reference, as supplemented by the foregoing, constitutes full, true and plain disclosure of all material facts relating to the securities offered by the prospectus and this supplement as required by the securities legislation of [insert name of each jurisdiction in which qualified] [insert if distribution made in Quebec—“For the purpose of the Province of Québec, this simplified prospectus, together with documents incorporated herein by reference and as supplemented by the permanent information record, contains no misrepresentation that is likely to affect the value or the market price of the securities to be distributed.”].””;

(5) by replacing the certificate in paragraph (b) of Item 2.2 with the following:

““To the best of our knowledge, information and belief, the short form prospectus, together with the documents incorporated in the prospectus by reference, as supplemented by the foregoing, constitutes full, true and plain disclosure of all material facts relating to the securities offered by the prospectus and this supplement as required by the securities legislation of [insert name of each jurisdiction in which qualified] [insert if distribution made in Quebec—“For the purpose of the Province of Québec, this simplified prospectus, together with documents incorporated herein by reference and as supplemented by the permanent information record, contains no misrepresentation that is likely to affect the value or the market price of the securities to be distributed.”].””;

(6) by replacing “National Instrument 44-101” in paragraph (a) of Item 2.3 with “Regulation 44-101 respecting Short Form Prospectus Distributions”.

26. The Regulation is amended by replacing the words “National Instrument 44-101”, wherever they appear, with “Regulation 44-101 respecting Short Form Prospectus Distributions”, and making the necessary changes.

27. This Regulation comes into force on December 30, 2005.

Regulation to amend Regulation 44-103 respecting post-receipt pricing*

Securities Act
(R.S.Q., c. V-1.1, s. 331.1, par. (1) and (6))

1. Section 1.1 of Regulation 44-103 respecting Post-Receipt Pricing is amended by replacing paragraph 2 with the following:

“(2) All terms defined in Regulation 44-101 respecting Short Form Prospectus Distributions approved by Ministerial Order No. 2005-24 dated November 30, 2005 and used, but not defined, in this Regulation have the respective meanings ascribed to them in Regulation 44-101 respecting Short Form Prospectus Distributions.”.

2. Section 2.2 of the Regulation is amended by replacing, in the French text, the words “ne soit” and “porteur qui vend les titres” with “n’est” and “porteur vendeur” respectively.

3. Paragraph 1 of section 3.2 of the Regulation is amended:

(1) in subparagraph 5:

(a) by replacing the word “and” in subparagraph (ii) of subparagraph (a) with the word “or”;

(b) by deleting the word “otherwise” in subparagraph (b);

(2) in subparagraph 7:

(a) by replacing, in the French text of subparagraph (a), the words “chef des services financiers” with the words “chef des finances”;

(b) by adding “together with the documents and information incorporated herein by reference and” after the words “simplified prospectus” in subparagraph (c);

(3) in subparagraph 8:

(a) by replacing, in the French text, the words “porteur qui vend les titres” with the words “porteur vendeur”;

* Regulation 44-103 respecting Post-Receipt Pricing, adopted on May 22, 2001 pursuant to decision No. 2001-C-0203 and published in the Supplement to the Bulletin of the Commission des valeurs mobilières du Québec, volume 32, No. 22 dated June 1, 2001, was amended solely by the Regulation approved by Ministerial Order No. 2005-19 dated August 10, 2005 (2005, G.O. 2, 3516).

(b) by adding “together with the documents and information incorporated herein by reference and” after the words “simplified prospectus”;

(4) by replacing, in the French text of subparagraph (a) of subparagraph 9, the words “chef des services financiers” with the words “chef des finances”;

(5) by adding the following subparagraph at the end:

“10. List all exemptions from the provisions of this Regulation granted to the issuer applicable to the base PREP prospectus, including all exemptions to be evidenced by the issuance of a receipt for the base PREP prospectus pursuant to section 6.2.”.

4. Section 3.3 of the Regulation is amended by replacing “44-101F3 Short Form Prospectus” with “44-101F1 of Regulation 44-101 respecting Short Form Prospectus Distributions” in paragraph 8.

5. Section 3.5 of the Regulation, in the French text, is amended:

(1) by replacing, in the French text, the words “l’émission” with the words “l’octroi” in paragraph 1;

(2) by replacing, in the French text, the words “de la première convention d’achat-vente” with the words “de la première entente de souscription” in paragraph 2.

6. Section 3.6 of the Regulation is amended, in the English text of paragraph 2, by replacing the words “reference in each certificate to the document” with the words “reference to the document in each certificate”.

7. Section 4.1 of the Regulation is replaced by the following:

“4.1. Requirement to Use a Supplemented PREP Prospectus

Amendment to a Base PREP Prospectus - An issuer or selling security holder that distributes securities under a base PREP prospectus shall supplement the disclosure in the base PREP prospectus with a supplemented PREP prospectus in order for the prospectus to contain full, true and plain disclosure of all material facts relating to the securities distributed under the prospectus and, in Québec, to contain no misrepresentation that is likely to affect the value or the market price of the securities to be distributed.”.

8. Subparagraph (b) of section 4.5 of the Regulation is amended:

(1) in subparagraph 3:

(a) by replacing, in the French text of subparagraph (a), the words “chef des services financiers” with the words “chef des finances”;

(b) by replacing subparagraph (c) with the following:

“(c) any person or company who is a promoter of the issuer:

“This [insert, if applicable, “short form”] prospectus, [insert in the case of a short form prospectus distribution - “together with the documents incorporated herein by reference,”] constitutes full, true and plain disclosure of all material facts relating to the securities offered by this prospectus as required under securities legislation of [insert name of each jurisdiction in which qualified]. [Insert if distribution made in Québec - “For the purpose of the Province of Québec, this [insert, if applicable, “simplified”] prospectus, [insert in the case of a short form prospectus distribution - “together with documents incorporated herein by reference and as supplemented by the permanent information record,”] contains no misrepresentation likely to affect the value or the market price of the securities to be distributed.”].”;

(2) by replacing subparagraph 4 with the following:

“4. Instead of the prospectus certificate required under paragraph 8 of subsection 3.2(1), a certificate in the following form signed by each underwriter, if any, who for the securities to be distributed under the prospectus, is in a contractual relationship with the issuer or selling security holder:

To the best of our knowledge, information and belief, this [insert, if applicable, “short form”] prospectus [insert in the case of a short form prospectus distribution - “, together with the documents incorporated herein by reference,”] constitutes full, true and plain disclosure of all material facts relating to the securities offered by this prospectus as required under the securities legislation of [insert name of each jurisdiction in which qualified]. [Insert if distribution made in Québec - “For the purpose of the Province of Québec, this [insert, if applicable, “simplified”] prospectus, [insert in the case of a short form prospectus distribution - “together with documents incorporated herein by reference and as supplemented by the permanent information record,”] contains no misrepresentation likely to affect the value or the market price of the securities to be distributed.”].”;

(3) by deleting, in the French text of subparagraph 5, the words “de prospectus”.

9. The title of Part 5 and section 5.1 of the Regulation are repealed.

10. Section 6.1 of the Regulation is amended by deleting the words “and Alberta” in paragraph 2.

11. The Regulation is amended by replacing, in the French text and wherever they appear, the words “porteur qui vend les titres” with the words “porteur vendeur”.

12. This Regulation comes into force on December 30, 2005.

Regulation to amend Regulation 51-101 respecting standards of disclosure for oil and gas activities*

Securities Act

(R.S.Q., c. V-1.1, s. 331.1, par. (34))

1. Section 1.1 of Regulation 51-101 respecting Standards of Disclosure for Oil and Gas Activities is amended by replacing the definition of “annual information form” with the following:

““annual information form” has the same meaning as in Regulation 51-102 respecting Continuous Disclosure Obligations approved by Ministerial Order No. 2005-03 dated May 19, 2005;”.

2. This Regulation comes into force on December 30, 2005.

Regulation to amend Regulation 51-102 respecting continuous disclosure obligations**

Securities Act

(R.S.Q., c. V-1.1, s. 331.1, par. (1), (8) and (34))

1. Section 1.1 of Regulation 51-102 respecting Continuous Disclosure Obligations is amended by replacing the definition of “mineral project” with the following:

““mineral project” has the same meaning as in Regulation 43-101 respecting Standards of Disclosure for Mineral Projects approved by Ministerial Order No. 2005-23 dated November 30, 2005;”.

* Regulation 51-101 respecting Standards of Disclosure for Oil and Gas Activities, approved by Ministerial Order No. 2005-15 dated August 2, 2005 (2005, *G.O.* 2, 3558), has not been amended since its approval.

** Regulation 51-102 respecting Continuous Disclosure Obligations, approved by Ministerial Order No. 2005-03 dated May 19, 2005 (2005, *G.O.* 2, 1507) has not been amended since its approval.

2. Form 51-102F1 of the Regulation is amended by replacing “National Instrument 43-101 Standards of Disclosure for Mineral Projects adopted by the Commission des valeurs mobilières du Québec pursuant to decision No. 2001-C-0199 dated May 22, 2001” in the first paragraph of clause (k) of Part 1 with “Regulation 43-101 respecting Standards of Disclosure for Mineral Projects”.

3. Part 2 of Form 51-102F2 of the Regulation is amended:

(1) by replacing “National Instrument 43-101 Standards of Disclosure for Mineral Projects” in instruction (i) of Item 5.4 with “Regulation 43-101 respecting Standards of Disclosure for Mineral Projects”;

(2) in Item 16.2:

(a) in subparagraph 1:

i. by adding “and, if the expert is not an individual, by the designated professionals of that expert,” in subparagraph (a) immediately after “named in section 16.1”;

ii. by adding “and, if the expert is not an individual, by the designated professionals of that expert,” in subparagraph (b) immediately after “named in section 16.1”; and

iii. by adding “and, if the expert is not an individual, by the designated professionals of that expert,” in subparagraph (c) immediately after “named in section 16.1”;

(b) by adding the following after subparagraph 1:

“(1.1) For the purposes of subsection (1), a “designated professional” means, in relation to an expert named in section 16.1,

(a) each partner, employee or consultant of the expert who participated in and who was in a position to directly influence the preparation of the statement, report or valuation referred to in paragraph 16.1(a); and

(b) each partner, employee or consultant of the expert who was, at any time during the preparation of the statement, report or valuation referred to in paragraph 16.1(a), in a position to directly influence the outcome of the preparation of the statement, report or valuation, including, without limitation

i. any person who recommends the compensation of, or who provides direct supervisory, management or other oversight of, the partner, employee or consultant in the performance of the preparation of the statement, report

or valuation referred to in paragraph 16.1(a), including those at all successively senior levels through to the expert's chief executive officer;

ii. any person who provides consultation regarding technical or industry-specific issues, transactions or events for the preparation of the statement, report or valuation referred to in paragraph 16.1(a); and

iii. any person who provides quality control for the preparation of the statement, report or valuation referred to in paragraph 16.1(a).”;

(c) by adding the following after subparagraph 2:

“(2.1) Despite subsection (1), an auditor who is independent in accordance with the auditor's rules of professional conduct in a jurisdiction of Canada or who has performed an audit in accordance with US GAAS is not required to provide the disclosure in subsection (1) if there is disclosure that the auditor is independent in accordance with the auditor's rules of professional conduct in a jurisdiction of Canada or that the auditor has complied with the SEC's rules on auditor independence.”;

(d) by replacing “National Instrument 43-101 Standards of Disclosure for Mineral Projects” in instruction (i) with “Regulation 43-101 respecting Standards of Disclosure for Mineral Projects”.

4. This Regulation comes into force on December 30, 2005.

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M.O., 2005-26

Order number V-1.1-2005-26 of the Minister of Finance dated 30 November 2005

Securities Act
(R.S.Q., c. V-1.1)

CONCERNING the Regulation 55-101 respecting insider reporting exemption

WHEREAS subparagraphs 1, 3, 11 and 34 of section 331.1 of the Securities Act (R.S.Q., c. V-1.1) stipulate that the Autorité des marchés financiers may make regulations concerning the matters referred to in those paragraphs;

WHEREAS the third and fourth paragraphs of section 331.2 of the said Act stipulate that a draft regulation shall be published in the Bulletin of the Authority, accompanied

with the notice required under section 10 of the Regulations Act (R.S.Q., c. R-18.1) and may not be submitted for approval or be made before 30 days have elapsed since its publication;

WHEREAS the first and fifth paragraphs of the said section stipulate that every regulation made under section 331.1 must be approved, with or without amendment, by the Minister of Finance and comes into force on the date of its publication in the *Gazette officielle du Québec* or any later date specified in the regulation;

WHEREAS the draft Regulation 55-101 respecting insider reporting exemption was published in the Supplement to the Bulletin concerning securities of the Agence nationale d'encadrement du secteur financier, volume 1, No. 15 of May 14, 2004;

WHEREAS on November 15, 2005, by the decision No. 2005-PDG-0362, the Authority made the Regulation 55-101 respecting insider reporting exemption;

WHEREAS there is cause to approve this regulation without amendment;

CONSEQUENTLY, the Minister of Finance approves without amendment the Regulation 55-101 respecting insider reporting exemption appended hereto.

November 30, 2005

MICHEL AUDET,
Minister of Finance

Regulation 55-101 respecting insider reporting exemptions

Securities Act
(R.S.Q., c. V-1.1, s. 331.1, par. (1), (3), (11) and (34))

PART 1 **DEFINITIONS**

1.1. Definitions

In this Regulation

“acceptable summary form”, in relation to the alternative form of insider report described in section 5.3, means an insider report that discloses as a single transaction, using December 31 of the relevant year as the date of the transaction, and providing an average unit price,